

Company registration number 02017864 (England and Wales)

NEWABLE RGF LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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NEWABLE RGF LIMITED

COMPANY INFORMATION

Directors

J Baker
C Manson
P Reynolds
M Walsh

Company number

02017864

Registered office

140 Aldersgate Street
London
EC1A 4HY

NEWABLE RGF LIMITED

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NEWABLE RGF LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements and Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Principal activities

The principal activity of Newable RGF Limited, the "company", was lending to small businesses in London. The company lent funds, wholly sourced from its key stakeholders being Regional Growth Fund, through Responsible Finance, and both Unity Trust Bank and Co-operative Bank.

The fund ceased lending in June 2016 and the company had been focussed on recovery of loans since this date. During the prior year, any remaining loans which were not fully settled or written off were sold.

The directors pay careful attention to the identification and control of risks associated with the company's activities. The company is exposed to a number of risks which can be summarised as follows:

Liquidity risk: Newable RGF is part of the Newable Group, which is exposed to liquidity risk as sufficient funds are required to support trading, investing and financing activities. The Group regularly monitors the liquidity position to ensure that sufficient funds are available to meet both current and future requirements. Liquidity management includes managing the Group's working capital and borrowings. The Group's borrowings are the subject of a number of financial covenants which the directors regularly monitor to ensure both current and future compliance.

Results and dividends

The results for the year are set out on page 3.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J Baker
C Manson
P Reynolds
M Walsh

Future developments

Following the sale of its loan book in the prior year, the directors are considering options for future activities.

Audit exemption

For the year ended 31 March 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

NEWABLE RGF LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



M Walsh

Director

24 November 2022

NEWABLE RGF LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Revenue	2	28,504	2,224
Administrative expenses		(987)	(57,236)
Operating profit/(loss)	3	27,517	(55,012)
Investment income	4	-	1
Gain on disposal of loans and receivables	6	14,162	74,493
Profit before taxation		41,679	19,482
Tax on profit	7	-	(4,098)
Profit and total comprehensive income for the financial year		41,679	15,384

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 6 - 11 form part of these financial statements.

NEWABLE RGF LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	2021 £
Current assets			
Trade and other receivables	8	393,202	429,661
Cash at bank and in hand		-	12,994
		<u>393,202</u>	<u>442,655</u>
Current liabilities			
Trade and other payables	9	-	85,770
Taxation and social security		-	5,362
		<u>-</u>	<u>91,132</u>
Net current assets		<u>393,202</u>	<u>351,523</u>
Total assets less current liabilities		<u>393,202</u>	<u>351,523</u>
Net assets		<u><u>393,202</u></u>	<u><u>351,523</u></u>
Equity			
Retained earnings		<u><u>393,202</u></u>	<u><u>351,523</u></u>

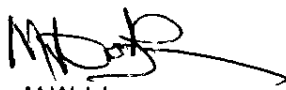
For the financial year ended 31 March 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with special provisions relating to small companies.

The financial statements were approved by the board of directors and authorised for issue on 24 November 2022 and are signed on its behalf by:



M Walsh
Director

Company Registration No. 02017864

The notes on pages 6 - 11 form part of these financial statements.

NEWABLE RGF LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

	Retained earnings £
Balance at 1 April 2020	336,139
Year ended 31 March 2021:	
Profit and total comprehensive income for the year	15,384
Balance at 31 March 2021	351,523
Year ended 31 March 2022:	
Profit and total comprehensive income for the year	41,679
Balance at 31 March 2022	393,202

The notes on pages 6 - 11 form part of these financial statements.

NEWABLE RGF LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

1.1 Accounting convention

Newable RGF Limited is a private company limited by guarantee incorporated and domiciled in the United Kingdom. The address of the registered office is given in note 11. The nature of the company's operations and its principal activities are set out in the Directors' report on pages 1 - 2.

The financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements and Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied throughout the year and preceding year.

The financial statements have been presented in sterling, which is also the functional currency of the company and amounts are rounded to the nearest £.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below. All amounts are rounded to the nearest pound unless otherwise stated.

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by EU endorsed IFRS;
- certain disclosures regarding the company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the group headed by Newable UK Holdings Limited.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Newable Limited. These financial statements do not include certain disclosures in respect of:

- Business combinations;
- Financial instruments (other than certain disclosures required as a result of recording financial instruments at fair value);
- Fair value measurement (other than certain disclosures required as a result of recording financial instruments at fair value); and
- Impairment of assets.

The consolidated financial statements of Newable Limited are available to the public and can be obtained as described in note 11.

1.2 Going concern

These financial statements are prepared on a going concern basis. The Company is a wholly owned subsidiary of Newable Limited. A detailed assessment of the Group's consideration of going concern is provided in note 2 of the Newable Limited financial statements which are publicly available.

1.3 Revenue

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

NEWABLE RGF LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.4 Financial assets

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Amortised cost

These assets arise principally from the provision of goods and services to customers (eg trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the consolidated statement of financial position.

1.5 Financial liabilities

The Company only has financial liabilities that are recognised at amortised cost, these include:

- Trade payables and other monetary liabilities, which are recognised at amortised cost using the effective interest rate method, and
- Bank borrowings, including floating rate bank loans, which initially are recognised at the amount advanced net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the Balance Sheet. 'Interest expense' in this context includes initial transaction costs and premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

NEWABLE RGF LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.7 Employee benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Revenue

An analysis of the company's revenue is as follows:

	2022	2021
	£	£
Loan Interest	-	2,224
Loan Receipts	28,504	-

All revenue is earned in the United Kingdom.

NEWABLE RGF LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

3 Profit for the year	2022	2021
	£	£
Profit for the year is stated after charging:	-	-
Fees payable to the company's auditors for the audit of the company's financial statements	-	2,800
Other fees payable to the company's auditors for tax services	-	3,050
	<u> </u>	<u> </u>

4 Investment income	2022	2021
	£	£
Interest income		
Interest on bank deposits	-	1
	<u> </u>	<u> </u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was: nil (2021: 1).

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	-	9,187
Social security costs	-	924
Pension costs	-	735
	<u> </u>	<u> </u>
	-	10,846
	<u> </u>	<u> </u>

6 Other gains and losses

	2022	2021
	£	£
Gain on disposal of loans and receivables	14,162	74,493
	<u> </u>	<u> </u>

The gain in the current year related to a provision reversal in relation to the sale of loans in the prior year.

NEWABLE RGF LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Income tax expense

	2022 £	2021 £
Current tax		
Current year taxation	-	4,098

The (credit)/charge for the year can be reconciled to the profit per the income statement as follows:

	2022 £	2021 £
Profit before taxation	41,679	19,482
Expected tax charge based on a corporation tax rate of 19.00%	7,919	3,702
Adjustment in respect of prior years	-	396
Group relief	(7,919)	-
Tax charge for the year	-	4,098

8 Trade and other receivables

	2022 £	2021 £
Amounts owed by fellow group undertakings	393,202	429,661

Amounts due from fellow group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

9 Trade and other payables

	2022 £	2021 £
Accruals	-	5,850
Other payables	-	79,920
	-	85,770

Amounts due to fellow group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

NEWABLE RGF LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

10 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	-	735
	<u> </u>	<u> </u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

11 Controlling party

The immediate parent undertaking is Newable Lending Limited and the ultimate parent undertaking, and the smallest and largest group to consolidate these financial statements, is Newable Limited, a company incorporated in Great Britain and registered in England and Wales. Copies of the parent's consolidated financial statements can be obtained from 140 Aldersgate Street, London, EC1A 4HY.