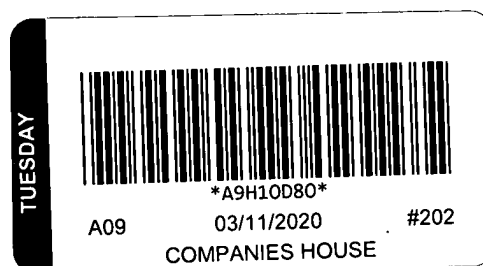


BridgeCo Limited

Unaudited

**Directors' report and financial statements
for the year ended 31 December 2019**



BridgeCo Limited

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BridgeCo Limited

Company Information

Directors	E W Fellows P S Latham
Company secretary	Octopus Company Secretarial Services Limited
Registered number	06629989
Registered office	6th Floor 33 Holborn London EC1N 2HT

BridgeCo Limited

Directors' report for the year ended 31 December 2019

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2019.

Principal activities

The principal activity of the company is as a provider of bridging finance.

Brexit

The UK left the EU on 31 January 2020 and is now in a transition period until the end of 2020 while the UK and EU negotiate additional arrangements. The directors are continuing to consider and assess the impact on the company and are awaiting further clarity regarding exit terms and the wider regulatory and legal implications.

Post balance sheet events

On 11 March 2020, the World Health Organisation declared the Coronavirus (COVID-19) outbreak to be a pandemic in recognition of its rapid spread across the globe, with over 150 countries now affected. Many governments are taking increasingly stringent steps to help contain or delay the spread of the virus. Currently, there is a significant increase in economic uncertainty which is, for example, evidenced by more volatile asset prices and currency exchange rates.

For the company's 31 December 2019 financial statements, the Coronavirus outbreak and the related impacts are considered non-adjusting events. Consequently, there is no impact on the recognition and measurement of assets and liabilities. Due to the uncertainty of the outcome of the current events, the company cannot reasonably estimate the impact these events will have on the company's financial position, results of operations or cash flows in the future. The directors will continue to monitor the impact of the Coronavirus on the activities of the company.

Going concern

The directors have at the date of approving these financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Directors

The directors who served during the year and up to the date of signing the financial statements, unless otherwise indicated, are given below:

OCS Services Limited (resigned 30 July 2020)
E W Fellows (appointed 30 July 2020)
P S Latham

BridgeCo Limited

Directors' report (continued) for the year ended 31 December 2019

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, 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;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

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.

Small company exemption

In preparing this report, the directors have taken advantage of the small company exemptions provided by section 415A of the Companies Act 2006.

The directors have also taken advantage of the small company exemptions provided by section 414B of the Companies Act 2006 and have not prepared a strategic report.

This report was approved by the board on 31 October 2020 and signed on its behalf.



P S Latham
Director

BridgeCo Limited

Statement of income and retained earnings for the year ended 31 December 2019

	2019 £	2018 £
Turnover	4,585,705	6,388,938
Cost of sales	(1,566,640)	(1,492,978)
Gross profit	3,019,065	4,895,960
Administrative expenses	(94,869)	(2,410,900)
Operating profit	2,924,196	2,485,060
Interest payable and similar charges	(3,307)	(3,354)
Profit on ordinary activities before taxation	2,920,889	2,481,706
Tax on profit on ordinary activities	(380,871)	-
Profit for the financial year	2,540,018	2,481,706
Retained earnings at the beginning of the year	29,911,189	27,429,483
Profit for the year	2,540,018	2,481,706
Dividends paid	(30,800,000)	-
Retained earnings at the end of the year	1,651,207	29,911,189

All amounts above relate to continuing operations.

The company has no items of other comprehensive income for the current or preceding financial year. Therefore no separate statement of other comprehensive income has been presented.

The notes on pages 6 to 10 form part of these financial statements.

BridgeCo Limited

Registered number: 06629989

Balance sheet as at 31 December 2019

	Note	2019 £	2019 £	2018 £	2018 £
Current assets					
Debtors: amounts falling due after more than one year	4	218,551		6,827,945	
Debtors: amounts falling due within one year	4	21,951,103		38,031,606	
Cash at bank and in hand		3,983,450		1,126,538	
		<u>26,153,104</u>		<u>45,986,089</u>	
Creditors: amounts falling due within one year	5	(24,501,897)		(16,074,900)	
Net current assets			<u>1,651,207</u>		<u>29,911,189</u>
Net assets			<u>1,651,207</u>		<u>29,911,189</u>
Capital and reserves					
Called up share capital	6		-		-
Retained earnings			1,651,207		29,911,189
Total shareholders' fund			<u>1,651,207</u>		<u>29,911,189</u>

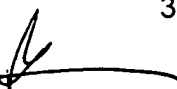
For the year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts 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.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 October 2020.



P S Latham
Director

The notes on pages 6 to 10 form part of these financial statements.

BridgeCo Limited

Notes to the financial statements for the year ended 31 December 2019

1. General information

BridgeCo Limited is a private company, limited by shares, incorporated in and domiciled in England, the United Kingdom. The registered office is 6th Floor, 33 Holborn, London, EC1N 2HT.

The principal activity of the company is as a provider of bridging finance.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. No critical judgements have been applied to these financial statements.

The following principal accounting policies have been applied:

2.2 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, required under Section 7 of FRS 102 and para 3.17(d), on the basis that it is a small company;
- from disclosing the company's key management personnel compensation as required by FRS 102 para 33.7; and
- from disclosing related party transactions that are wholly owned within the same group.

2.3 Going concern

The directors have at the date of approving these financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of value added tax and trade discounts.

BridgeCo Limited

Notes to the financial statements for the year ended 31 December 2019

2. Accounting policies (continued)

2.5 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the statement of income and retained earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

BridgeCo Limited

Notes to the financial statements for the year ended 31 December 2019

2. Accounting policies (continued)

2.6 Financial instruments

(i) Financial assets

Basic financial assets, including trade debtors, other debtors and cash at bank and in hand, are initially recognised at transaction price. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of income and retained earnings.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the statement of income and retained earnings.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including amounts owed to group undertakings and other creditors, are initially recognised at transaction price. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

BridgeCo Limited

Notes to the financial statements for the year ended 31 December 2019

3. Employees and directors' remuneration

The company has no employees other than the directors, who did not receive or waive any remuneration (2018: £nil).

4. Debtors

	2019 £	2018 £
Amounts falling due after one year		
Trade debtors	209,500	6,705,470
Prepayments and accrued income	9,051	122,475
	<u>218,551</u>	<u>6,827,945</u>
	2019 £	2018 £
Amounts falling due within one year		
Trade debtors	19,312,949	33,210,239
Other debtors	456	424
Prepayments and accrued income	2,576,459	4,673,908
Corporation tax	61,239	147,035
	<u>21,951,103</u>	<u>38,031,606</u>

A provision of £536,415 (2018: £1,091,000) has been made against trade debtors. A provision of £249,749 (2018: £306,000) has been made against prepayments and accrued income.

5. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	390,463	-
Amounts owed to group undertakings	23,962,660	15,376,444
Other creditors	-	425,018
Accruals and deferred income	148,774	273,438
	<u>24,501,897</u>	<u>16,074,900</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

BridgeCo Limited

Notes to the financial statements for the year ended 31 December 2019

6. Called up share capital

	2019 £	2018 £
Allotted, called up and fully paid		
2 (2018: 2) Ordinary shares of £0.10	<u>-</u>	<u>-</u>

7. Related party transactions

The company has taken advantage of the exemption under paragraph 33.1A from the provisions of FRS 102, on the grounds that at 31 December 2019 it was a wholly owned subsidiary.

8. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Bracken Holdings Limited, a company registered in England.

The ultimate parent undertaking is Bracken Trading Plc, a company incorporated in England. Bracken Trading Plc, is the smallest and largest group of undertakings to consolidate these financial statements. Copies of Bracken Trading Plc consolidated financial statements can be obtained from the Company Secretary, 6th Floor, 33 Holborn, London, EC1N 2HT.

There is no ultimate controlling party.

9. Post balance sheet events

On 11 March 2020, the World Health Organisation declared the Coronavirus (COVID-19) outbreak to be a pandemic in recognition of its rapid spread across the globe, with over 150 countries now affected. Many governments are taking increasingly stringent steps to help contain or delay the spread of the virus. Currently, there is a significant increase in economic uncertainty which is, for example, evidenced by more volatile asset prices and currency exchange rates.

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