

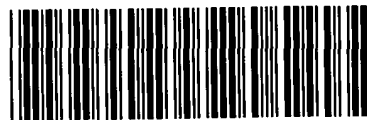
Pulse Cashflow Finance Limited

Directors' Report and Unaudited Financial
Statements

Period Ended 31 December 2020

Company Number 07940254

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Pulse Cashflow Finance Limited

Registered number:07940254

Statement of Financial Position As at 31 December 2020

	Note	31 December 2020 £	30 September 2019 £
Current assets			
Debtors: amounts falling due within one year	5	15,999,380	22,360,158
Cash at bank and in hand		1,411,991	4,521,872
		<u>17,411,371</u>	<u>26,882,030</u>
Creditors: amounts falling due within one year	6	(6,118,553)	(10,861,364)
Net current assets		11,292,818	16,020,666
Total assets less current liabilities		11,292,818	16,020,666
Creditors: amounts falling due after more than one year	7	(10,500,000)	(15,500,000)
Net assets		<u>792,818</u>	<u>520,666</u>

Pulse Cashflow Finance Limited
Registered number: 07940254

Statement of Financial Position (continued)
As at 31 December 2020

		31 December 2020 £	30 September 2019 £
	Note		
Capital and reserves			
Called up share capital	8	3	3
Profit and loss account		792,815	520,663
		<u>792,818</u>	<u>520,666</u>

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

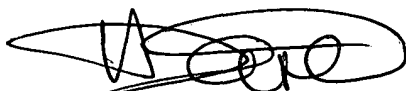
The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with 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 by:



TG Dare
Director

Date: 23/12/21

The notes on pages 3 to 7 form part of these financial statements.

Pulse Cashflow Finance Limited

Notes to the Financial Statements For the Period Ended 31 December 2020

1. General information

Pulse Cashflow Finance Limited is a private company, limited by shares, incorporated in England and Wales, registration number 07940254. The address of its registered office is Level 1, Network House, Basing View, Basingstoke, Hampshire, England, RG21 4HG.

The financial statements have been prepared for the 15 months period ended 31 December 2020, in line with the ultimate shareholders. The comparatives represent the 12 month period ending 30 September 2019.

The financial statements have been prepared in pounds sterling (£) and the figures have been rounded to the nearest pound £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies 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 in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The directors of the Company are continuously assessing the impact of COVID-19. It is not possible at this stage to determine with any certainty the ultimate impact on the Company, its customers, employees and suppliers. The directors are continually reviewing their plans and forecasts and believe that the going concern basis is appropriate in the short term.

Pulse Cashflow Finance Limited

Notes to the Financial Statements For the Period Ended 31 December 2020

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Turnover

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the Company.

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Pulse Cashflow Finance Limited

Notes to the Financial Statements For the Period Ended 31 December 2020

2. Accounting policies (continued)

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the director is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no judgment or material estimation uncertainties affecting the reported financial performance in the current or prior period.

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2019 - £NIL).

5. Debtors

31 December 30 September

Pulse Cashflow Finance Limited

Notes to the Financial Statements For the Period Ended 31 December 2020

5. Debtors (continued)

	2020 £	2019 £
Gross factored debts receivable	15,136,759	21,591,702
Amounts owed by group undertakings	671,269	735,083
Prepayments and accrued income	191,352	33,373
	<u>15,999,380</u>	<u>22,360,158</u>

Gross factored debts receivable are client debts assigned under a factoring agreement.

6. Creditors: Amounts falling due within one year

	31 December 2020 £	30 September 2019 £
Trade creditors	33,975	39,239
Amounts due to clients on collection of factored debts	5,811,286	9,748,837
Amounts owed to group undertakings	-	502,806
Corporation tax	-	164,373
Other taxation and social security	97,876	235,681
Accruals and deferred income	175,416	170,428
	<u>6,118,553</u>	<u>10,861,364</u>

Amounts due to clients on collection of factored debts are credit balances due to clients under a factoring agreement.

7. Creditors: Amounts falling due after more than one year

	31 December 2020 £	30 September 2019 £
Other loans	<u>10,500,000</u>	<u>15,500,000</u>

Secured loans

Pulse Cashflow Finance Limited

Notes to the Financial Statements For the Period Ended 31 December 2020

5. Debtors (continued)

Other loans falling due after more than one year are secured against gross factored debts receivable and a finance company holds a fixed and floating charge over all assets of the Company.

Pulse Cashflow Finance Limited

Notes to the Financial Statements For the Period Ended 31 December 2020

8. Share capital

	31 December 2020 £	30 September 2019 £
Allotted, called up and fully paid		
3 (2019 - 3) Ordinary shares of £1.00 each	<u>3</u>	<u>3</u>

9. Related party transactions

The Company has taken the available exemption under FRS102 Section 1A to not disclose related party transactions with other wholly owned group companies. Details of the debtor and creditor balances held with group companies can be found in notes 7 and 8.

During the period the Company received £175,000 (2019 - £nil) in respect of completion of sale disbursements with Cubitt Trade Holdings LLC, a related party by virtue of connections with the ultimate shareholders. At the period end £175,000 (2019 - £nil) was included within accrued income.

10. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Pulse Factoring Solutions Limited, a company incorporated in England and Wales, registration number 08466297, registered office Level 1, Network House, Basing View, Basingstoke, Hampshire, England, RG21 4HG.

The ultimate parent undertaking is Blue Compass Management Partners LP, a company incorporated in the Cayman Islands, registration number WK-51863, registered office Ugland House, Grand Cayman KY1-1104, Cayman Islands.

The Company is part of a small group. The Company has taken advantage of the exemption provided by Section 398 of the Companies Act 2006 and has not prepared group accounts.