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**HUDDLE FINANCE 1 LIMITED**

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**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 MARCH 2022**

**HUDDLE FINANCE 1 LIMITED**  
**REGISTERED NUMBER: 10145633**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Current assets</b>			
Debtors	5	2,366,124	3,667,537
Cash at bank and in hand	6	91,496	139,054
		<u>2,457,620</u>	<u>3,806,591</u>
Creditors: amounts falling due within one year	7	(970,500)	(1,011,766)
<b>Net current assets</b>		<u>1,487,120</u>	<u>2,794,825</u>
<b>Total assets less current liabilities</b>		<u>1,487,120</u>	<u>2,794,825</u>
Creditors: amounts falling due after more than one year	8	(1,516,438)	(2,978,944)
<b>Net liabilities</b>		<u>(29,318)</u>	<u>(184,119)</u>
<b>Capital and reserves</b>			
Called up share capital	10	1	1
Profit and loss account		(29,319)	(184,120)
		<u>(29,318)</u>	<u>(184,119)</u>

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**HUDDLE FINANCE 1 LIMITED**  
**REGISTERED NUMBER: 10145633**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 MARCH 2022**

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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 the Companies Act 2006.

The director acknowledges his 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 comprehensive income 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:

**N J Berger**  
Director

Date: 24 March 2023

The notes on pages 3 to 8 form part of these financial statements.

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

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**1. General information**

Huddle Finance 1 Limited is a private company limited by shares, incorporated in England & Wales (registered number 10145633). The registered office is 64 New Cavendish Street, London, United Kingdom, W1G 8TB

The financial statements are presented in Sterling, which is the functional currency of the Company.

**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 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.3 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.

**2.4 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**2.5 Deferred consideration**

Deferred consideration is payable from or to the seller of the loans dependent on the extent to which the surplus income, in excess of the agreed margin, generated by the loans and receivables in which the company has purchased an interest, exceeds the administration costs of the loans and receivables. The deferred consideration is recognised at fair value.

**2.6 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.

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FOR THE YEAR ENDED 31 MARCH 2022

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**2. Accounting policies (continued)**

**2.7 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.

**2.8 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.

**2.9 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial

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

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**2. Accounting policies (continued)**

**2.9 Financial instruments (continued)**

Position 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

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

The preparation of financial statements in conformity with generally accepted accounting practise requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

The following judgements and estimates were made in preparing these financial statements:

*Financial instruments classification and assesment of effective interest rate*

The classification of financial instruments as "basic" or "other" requires judgement as to whether all the applicable conditions for classification as basic are met. This includes consideration of the form of the instrument and its return. Based on these criteria, the Directors consider that the loan included in the Company's liabilities at period end represents a basic financial instrument.

*Assesment of impairment of loan balances receivable*

Management assess on a regular basis whether the loan balances receivables are recoverable and if any potential provision is required. Receivables are analysed on a specific basis to assess the need for a provision. The quantum of the impairment provision is assessed taking into account the aging buckets and collection status of the non-performing loans.

**4. Employees**

The average monthly number of employees, including directors, during the year was 3 (2021 - 3).

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**HUDDLE FINANCE 1 LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2022**

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**5. Debtors**

	<b>2022</b>	<i>2021</i>
	<b>£</b>	<b>£</b>
<b>Due after more than one year</b>		
Loan debtor	1,188,826	2,211,901
	<u>1,188,826</u>	<u>2,211,901</u>
<b>Due within one year</b>		
Loan debtor	947,786	1,226,124
Prepayments and accrued income	229,512	229,512
	<u>2,366,124</u>	<u>3,667,537</u>

**6. Cash and cash equivalents**

	<b>2022</b>	<i>2021</i>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	91,496	139,054
	<u>91,496</u>	<u>139,054</u>

**7. Creditors: Amounts falling due within one year**

	<b>2022</b>	<i>2021</i>
	<b>£</b>	<b>£</b>
Other creditors	176,474	202,309
Accruals and deferred income	794,026	809,457
	<u>970,500</u>	<u>1,011,766</u>

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HUDDLE FINANCE 1 LIMITED

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

	2022 £	2021 £
Other loans	1,516,438	2,978,944
	<u>1,516,438</u>	<u>2,978,944</u>

On 14 July 2016, the Company entered into a Note Purchase Agreement with a third party. The net proceeds from the funding of the Notes shall be used by the company to fund purchases of Loan Assets under certain conditions.

The loans and the interest payable on the notes are paid out to the noteholder in accordance with the priority of payments per the Note Purchase Agreement.

9. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
<b>Amounts falling due after more than 1 year</b>		
Other loans	1,516,438	2,978,944
	<u>1,516,438</u>	<u>2,978,944</u>



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HUDDLE FINANCE 1 LIMITED

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

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**10. Share capital**

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
1 (2021 - 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

**11. Controlling party**

The ultimate parent company and ultimate controlling party is Rebyen Nominees Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.