

Company registration number 10965313 (England and Wales)

**365 BUSINESS FINANCE SUB LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2023**

## 365 BUSINESS FINANCE SUB LIMITED

### COMPANY INFORMATION

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|                          |   |
|--------------------------|---|
| <b>Directors</b>         | Mr A D Raphaely<br>Mr R Polatinsky  |
| <b>Company number</b>    | 10965313  |
| <b>Registered office</b> | 13-15 Rosemont Road<br>London<br>NW3 6NG                                    |
| <b>Auditor</b>           | Goldwins Limited<br>75 Maygrove Road<br>West Hampstead<br>London<br>NW6 2EG |

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## **365 BUSINESS FINANCE SUB LIMITED**

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## **365 BUSINESS FINANCE SUB LIMITED**

### **STRATEGIC REPORT**

#### ***FOR THE YEAR ENDED 30 APRIL 2023***

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The directors present the strategic report for the year ended 30 April 2023.

#### **Principal activities**

The principal activity of the company is to provide revenue-based finance to SMEs across the United Kingdom.

#### **Review of the business**

The results for the year are set out on page 7 and shows turnover for the year of £18,560,560 (2022: £10,080,897). The company's directors are satisfied with the results and financial position at the year end.

#### **Principal risks and uncertainties**

The sector remains highly competitive. Other than this, the principal risks to the company are customer demand and cost of raising finance.

#### **Key performance indicators**

The company uses a range of performance measures to monitor and manage the business effectively. The most significant of these are key performance indicators.

The main performance indicators for the year ended 30 April 2023 are as below:

- **Turnover (£) 18,560,560** (2022: £10,080,897)
- **Gross profit (£) 2,214,771** (2022: £942,702)

On behalf of the board

Mr A D Raphaely  
**Director**

21 March 2024

## **365 BUSINESS FINANCE SUB LIMITED**

### **DIRECTORS' REPORT**

#### ***FOR THE YEAR ENDED 30 APRIL 2023***

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The directors present their annual report and financial statements for the year ended 30 April 2023.

#### **Results and dividends**

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### **Directors**

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

Mr A D Raphaely

Mr R Polatinsky

#### **Auditor**

In accordance with the company's articles, a resolution proposing that Goldwins Limited be reappointed as auditor of the company will be put at a General Meeting.

#### **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;
- 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.

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

#### **Medium-sized companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

## **365 BUSINESS FINANCE SUB LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 30 APRIL 2023***

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On behalf of the board

Mr A D Raphaely  
**Director**

21 March 2024

## 365 BUSINESS FINANCE SUB LIMITED

### INDEPENDENT AUDITOR'S REPORT

#### TO THE MEMBERS OF 365 BUSINESS FINANCE SUB LIMITED

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##### Opinion

We have audited the financial statements of 365 Business Finance Sub Limited (the 'company') for the year ended 30 April 2023 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

##### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

##### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

##### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## **365 BUSINESS FINANCE SUB LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF 365 BUSINESS FINANCE SUB LIMITED**

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##### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

##### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

##### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



## **365 BUSINESS FINANCE SUB LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF 365 BUSINESS FINANCE SUB LIMITED**

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##### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Anthony I Benosiglio**  
**Senior Statutory Auditor**  
**For and on behalf of Goldwins Limited**

4 April 2024

**Chartered Accountants**  
**Statutory Auditor**

75 Maygrove Road  
West Hampstead  
London  
NW6 2EG

## 365 BUSINESS FINANCE SUB LIMITED

### PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2023

|                                       |       | 2023         | 2022             |
|---------------------------------------|-------|--------------|------------------|
|                                       | Notes | £            | as restated<br>£ |
| Turnover                              | 4     | 18,560,560   | 10,080,897       |
| Cost of sales                         |       | (16,345,789) | (9,138,195)      |
| Gross profit                          |       | 2,214,771    | 942,702          |
| Interest payable and similar expenses | 6     | (2,214,771)  | (942,702)        |
| Profit before taxation                |       | -            | -                |
| Tax on profit                         |       | -            | -                |
| Profit for the financial year         |       | -            | -                |

The profit and loss account has been prepared on the basis that all operations are continuing operations.

## 365 BUSINESS FINANCE SUB LIMITED

### STATEMENT OF COMPREHENSIVE INCOME

*FOR THE YEAR ENDED 30 APRIL 2023*

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|   | 2023        | 2022             |
|---|-------------|------------------|
|   | £           | as restated<br>£ |
| Loss for the year                       | -           | -                |
| Other comprehensive income              | -           | -                |
|   | <hr/>       | <hr/>            |
| Total comprehensive income for the year | -           | -                |
|   | <hr/> <hr/> | <hr/> <hr/>      |

## 365 BUSINESS FINANCE SUB LIMITED

### BALANCE SHEET

AS AT 30 APRIL 2023

|  |       | 2023                | 2022                |
|--|-------|---------------------|---------------------|
|  | Notes | £                   | as restated<br>£    |
| <b>Current assets</b>  |       |                     |                     |
| Debtors  | 7     | 42,463,470          | 24,034,287          |
| Cash at bank and in hand                                       |       | 991,514             | 1,714,637           |
|  |       | <u>43,454,984</u>   | <u>25,748,924</u>   |
| <b>Creditors: amounts falling due within one year</b>          | 8     | <u>(10,504,983)</u> | <u>(5,748,923)</u>  |
| <b>Net current assets</b>                                      |       | 32,950,001          | 20,000,001          |
| <b>Creditors: amounts falling due after more than one year</b> | 9     | <u>(32,950,000)</u> | <u>(20,000,000)</u> |
| <b>Net assets</b>  |       | <u>1</u>            | <u>1</u>            |
| <b>Capital and reserves</b>                                    |       | -                   | -                   |
| Called up share capital  | 11    | <u>1</u>            | <u>1</u>            |

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 21 March 2024 and are signed on its behalf by:

Mr A D Raphaely  
**Director**

Company registration number 10965313 (England and Wales)

## 365 BUSINESS FINANCE SUB LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2023

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|   | Share capital |
|---|---------------|
|   | £             |
| As restated for the period ended 30 April 2022: |               |
| Balance at 1 May 2021                           | 1             |
| Year ended 30 April 2022:                       |               |
| Profit and total comprehensive income           | -             |
|   | <hr/>         |
| Balance at 30 April 2022                        | 1             |
| Year ended 30 April 2023:                       |               |
| Profit and total comprehensive income           | -             |
|   | <hr/>         |
| Balance at 30 April 2023                        | 1             |
|   | <hr/> <hr/>   |

## 365 BUSINESS FINANCE SUB LIMITED

### STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2023

|   |       | 2023                |   | 2022                |   |
|---|-------|---------------------|---|---------------------|---|
|   | Notes | £                   | £ | as restated         | £ |
| <b>Cash flows from operating activities</b>                 |       |                     |   |                     |   |
| Cash generated from operations                              | 13    | 6,773,611           |   | 1,297,087           |   |
| Interest paid   |       | (2,214,771)         |   | (942,702)           |   |
| Issue of financial receivables                              |       | (18,231,963)        |   | (14,259,487)        |   |
| <b>Net cash outflow from operating activities</b>           |       | <b>(13,673,123)</b> |   | <b>(13,905,102)</b> |   |
| <b>Financing activities</b>                                 |       |                     |   |                     |   |
| Proceeds from borrowings                                    |       | 12,950,000          |   | 15,000,000          |   |
| <b>Net cash generated from financing activities</b>         |       | <b>12,950,000</b>   |   | <b>15,000,000</b>   |   |
| <b>Net (decrease)/increase in cash and cash equivalents</b> |       | <b>(723,123)</b>    |   | <b>1,094,898</b>    |   |
| Cash and cash equivalents at beginning of year              |       | 1,714,637           |   | 619,739             |   |
| <b>Cash and cash equivalents at end of year</b>             |       | <b>991,514</b>      |   | <b>1,714,637</b>    |   |

## 365 BUSINESS FINANCE SUB LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 APRIL 2023**

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#### **1 Accounting policies**

##### **Company information**

365 Business Finance Sub Limited is a private company limited by shares incorporated in England and Wales. The registered office is 13-15 Rosemont Road, London, NW3 6NG.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

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

##### **1.3 Turnover**

Revenues relate to discount recognition on basic financial assets and are recognised using the effective interest rate method over the expected life of the related financial asset.

##### **1.4 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **1.5 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

## 365 BUSINESS FINANCE SUB LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

#### 1 Accounting policies

(Continued)

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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 profit or loss.

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 profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Other financial liabilities**

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 finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.



## 365 BUSINESS FINANCE SUB LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

#### 1 Accounting policies (Continued)

##### 1.8 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

#### 2 Change in accounting policy

In the current year, the following new revenue recognition policy has been adopted by the company and have an effect on the current period and prior period and may have an effect on future periods:

Income is now recognised using the amortised cost basis. In the previous accounting period, income was recognised over the life of the advance. The effect of the change in accounting policy has been shown in the prior-year adjustment note in the financial statements.

#### 3 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### 4 Turnover

|   | 2023<br>£  | 2022<br>£  |
|---|------------|------------|
| <b>Turnover analysed by class of business</b> |            |            |
| Sales   | 18,560,560 | 10,080,897 |

#### 5 Employees

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

|       | 2023<br>Number | 2022<br>Number |
|-------|----------------|----------------|
| Total | -              | -              |

#### 6 Interest payable and similar expenses

|                             | 2023<br>£ | 2022<br>£ |
|-----------------------------|-----------|-----------|
| <b>Other finance costs:</b> |           |           |
| Other interest              | 2,214,771 | 942,702   |

## 365 BUSINESS FINANCE SUB LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

#### 7 Debtors

|   | 2023<br>£         | 2022<br>£         |
|---|-------------------|-------------------|
| <b>Amounts falling due within one year:</b> |                   |                   |
| Financial receivables                       | 42,108,341        | 23,876,378        |
| Other debtors                               | 355,129           | 157,909           |
|   | <u>42,463,470</u> | <u>24,034,287</u> |

#### 8 Creditors: amounts falling due within one year

|                                    | 2023<br>£         | 2022<br>£        |
|------------------------------------|-------------------|------------------|
| Trade creditors                    | 196,865           | 87,710           |
| Amounts owed to group undertakings | 10,308,118        | 5,661,213        |
|                                    | <u>10,504,983</u> | <u>5,748,923</u> |

#### 9 Creditors: amounts falling due after more than one year

|                  | Notes | 2023<br>£         | 2022<br>£         |
|------------------|-------|-------------------|-------------------|
| Other borrowings | 10    | <u>32,950,000</u> | <u>20,000,000</u> |

#### 10 Loans and overdrafts

|                        | 2023<br>£         | 2022<br>£         |
|------------------------|-------------------|-------------------|
| Other loans            | <u>32,950,000</u> | <u>20,000,000</u> |
| Payable after one year | <u>32,950,000</u> | <u>20,000,000</u> |

#### 11 Share capital

|   | 2023<br>Number | 2022<br>Number | 2023<br>£ | 2022<br>£ |
|---|----------------|----------------|-----------|-----------|
| <b>Ordinary share capital<br/>Issued and fully paid</b> |                |                |           |           |
| Ordinary share of £1 each                               | <u>1</u>       | <u>1</u>       | <u>1</u>  | <u>1</u>  |

#### 12 Ultimate controlling party

The parent company of 365 Business Finance Sub Limited is 365 Business Finance Limited and its registered office is 13-15 Rosemont Road, London, United Kingdom, NW3 6NG.

## 365 BUSINESS FINANCE SUB LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

#### 13 Cash generated from operations

|                                       | 2023<br>£        | 2022<br>£        |
|---------------------------------------|------------------|------------------|
| Profit for the year after tax         | -                | -                |
| <b>Adjustments for:</b>               |                  |                  |
| Finance costs                         | 2,214,771        | 942,702          |
| <b>Movements in working capital:</b>  |                  |                  |
| Increase in debtors                   | (197,220)        | (2,243,317)      |
| Increase in creditors                 | 4,756,060        | 2,597,702        |
| <b>Cash generated from operations</b> | <b>6,773,611</b> | <b>1,297,087</b> |

#### 14 Analysis of changes in net debt

|                                 | 1 May 2022<br>£ | Cash flows<br>£ | 30 April 2023<br>£ |
|---------------------------------|-----------------|-----------------|--------------------|
| Cash at bank and in hand        | 1,714,637       | (723,123)       | 991,514            |
| Borrowings excluding overdrafts | (20,000,000)    | (12,950,000)    | (32,950,000)       |
|                                 | (18,285,363)    | (13,673,123)    | (31,958,486)       |

#### 15 Prior period adjustment

##### Changes to the balance sheet

|                                      | As previously reported<br>£ | Adjustment at 1 May 2021<br>£ | Adjustment at 30 Apr 2022<br>£ | As restated at 30 Apr 2022<br>£ |
|--------------------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|
| <b>Current assets</b>                |                             |                               |                                |                                 |
| Debtors due within one year          | 28,121,582                  | (2,085,407)                   | (2,001,888)                    | 24,034,287                      |
| <b>Creditors due within one year</b> |                             |                               |                                |                                 |
| Other creditors                      | (3,656,883)                 | (280,619)                     | (1,811,421)                    | (5,748,923)                     |
| Deferred income                      | (6,179,335)                 | 2,366,026                     | 3,813,309                      | -                               |
| Net assets                           | 1                           | -                             | -                              | 1                               |
| <b>Capital and reserves</b>          |                             |                               |                                |                                 |
| Total equity                         | 1                           | -                             | -                              | 1                               |

## 365 BUSINESS FINANCE SUB LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

#### 15 Prior period adjustment (Continued)

##### Changes to the profit and loss account

|                                       | As previously<br>reported | Adjustment | As restated |
|---------------------------------------|---------------------------|------------|-------------|
| Period ended 30 April 2022            | £                         | £          | £           |
| Turnover                              | 8,269,476                 | 1,811,421  | 10,080,897  |
| Cost of sales                         | (8,269,476)               | (868,719)  | (9,138,195) |
| Interest payable and similar expenses | -                         | (942,702)  | (942,702)   |
| Profit for the financial period       | -                         | -          | -           |

##### Reconciliation of changes in equity

The prior period adjustments do not give rise to any effect upon equity.

##### Reconciliation of changes in profit for the previous financial period

|                               | 2022<br>£ |
|-------------------------------|-----------|
| Total adjustments             | -         |
| Profit as previously reported | -         |
| Profit as adjusted            | -         |

##### Notes to reconciliation

During the year there was a change in revenue recognition policy. Income is now recognised using the amortised cost basis. In the previous accounting period, income was recognised over the life of the advance.

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