

Registered number: 11114431

Hollyblue (Finance 2) Limited

Directors' report and financial statements

For the year ended 31 December 2022



Hollyblue (Finance 2) Limited

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Hollyblue (Finance 2) Limited

Company information

Directors	P A Smith J C Diaz-Sanchez
Registered number	11114431
Registered office	2 Merchants Drive Park House Carlisle Cumbria England CA3 0JW
Accountants	BDO LLP 2 Atlantic Square 31 York Street Glasgow G2 8NJ

Hollyblue (Finance 2) Limited

Directors' report For the year ended 31 December 2022

The directors present their report and the financial statements of Hollyblue (Finance 2) Limited ("the company") for the year ended 31 December 2022.

Principal activity

The company's principal activity throughout the period was provision of finance.

Results

The loss for the year after taxation amounted to £112,771 (2021: profit for the year of £1,375,426).

Going concern

The company has no recoverable debtors or assets at the balance sheet date and the entity has cease trading. Subject to negotiation with creditors the directors intend to liquidate the company and therefore do not consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern and all assets/liabilities have been stated at their recoverable/payable amounts.

Directors

The directors who served the company during the period and up to the date of approval of this report were:


J C Diaz-Sanchez
P A Smith

Since the year end M C Glowasky has left the board.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by sections 414B and 415B of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:


.....
P A Smith
Director
Date: 13 September 2023

Hollyblue (Finance 2) Limited

Chartered Accountant's report to the Board of Directors on the preparation of the unaudited financial statements for Hollyblue (Finance 2) Limited for the year ended 31 December 2022

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Hollyblue (Finance 2) Limited for the year ended 31 December 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/regulation>.

It is your duty to ensure that Hollyblue (Finance 2) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Hollyblue (Finance 2) Limited. You consider that Hollyblue (Finance 2) Limited is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or a review of the financial statements of Hollyblue (Finance 2) Limited. For this reason we have not verified the accuracy or completeness of the accounting records or information and explanations you have given us and we do not, therefore express any opinion on the statutory financial statements.

Use of our report

This report is made solely to the board of directors of Hollyblue (Finance 2) Limited, as a body in accordance with the terms of engagement letter dated 21 May 2021. Our work has been undertaken solely to prepare for your approval the financial statements of Hollyblue (Finance 2) Limited and state those matters that we have agreed to state to the board of directors of Hollyblue (Finance 2) Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hollyblue (Finance 2) Limited and its board of directors as a body for our work or for this report.

DocuSigned by:

BDO LLP

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BDO LLP

Chartered Accountants

Glasgow

United Kingdom 19 September 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Hollyblue (Finance 2) Limited

Statement of comprehensive income
For the year ended 31 December 2022

	<i>Note</i>	2022 £	2021 £
Interest receivable and similar income	4	-	516,546
Interest payable and similar charges	7	-	(498,695)
Net interest income		-	17,851
Administrative expenses		(6,642)	(12,851)
(Provision for)/reversal of provision for debtors	5	(105,982)	1,370,517
Operating (loss)/profit and (loss)/profit before taxation		(112,624)	1,375,517
Tax on (loss)/ profit	8	(147)	(91)
Profit for the year		(112,771)	1,375,426
Other comprehensive income		-	-
Total comprehensive (loss)/ income for the year		(112,771)	1,375,426

The notes on pages 7 to 12 form part of these financial statements.

Hollyblue (Finance 2) Limited

Statement of financial position
As at 31 December 2022
Registered number: 11114431

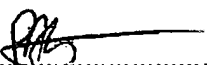
		2022	2021
	Note	£	£
Current assets			
Debtors	9	-	105,984
		-	105,984
Creditors: amounts falling due within one year	10	(13,326)	(88,922)
Net current (liabilities)/assets		(13,326)	17,062
Total assets less current liabilities		(13,326)	17,062
Net (liabilities)/assets		(13,326)	17,062
Capital and reserves			
Called up share capital	11	2	2
Retained earnings		(13,328)	17,060
Total equity		(13,326)	17,062

The directors consider 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 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 company's 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 FRS102 section 1A – small companies.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



P A Smith
Director

Date: 13 September 2023

The notes on pages 7 to 12 form part of these financial statements.

Hollyblue (Finance 2) Limited

Statement of changes in equity
For the year ended 31 December 2022

	Called up share capital	Retained earnings	Total equity
	£	£	£
At 1 January 2021	2	(1,358,366)	(1,358,364)
Profit for the year	-	1,375,426	1,375,426
At 31 December 2021	2	17,060	17,062
Capital contribution - group debt forgiveness	-	82,383	82,283
Loss for the year	-	(112,771)	(112,771)
At 31 December 2022	2	(13,328)	(13,326)

The notes on pages 7 to 12 form part of these financial statements.

Hollyblue (Finance 2) Limited

Notes to the financial statements (continued)
For the year ended 31 December 2022

1. General information

Hollyblue (Finance 2) Limited is a private company limited by shares incorporated and domiciled in England and Wales. The address of its registered office is 2 Merchants Drive Parkhouse, Carlisle, Cumbria, England, CA3 0JW.

The principal activity of Hollyblue (Finance 2) Limited is that of a provider of finance.

2. Accounting policies

2.1. Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention, and in accordance with Financial Reporting Standard 102 ("FRS 102"), "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and the Companies Act 2006, as applicable to the small companies regime.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (note 3).

The presentational currency is pound sterling and rounding to the nearest pound has been applied.

The following principal accounting policies have been applied:

2.2. Financial reporting standard 102 – reduced disclosure exemptions

The disclosure requirements of section 1A of FRS 102 have been applied.

2.3. Going concern

The company has no recoverable debtors or assets at the balance sheet date and the entity has cease trading. Subject to negotiation with creditors the directors intend to liquidate the company and therefore do not consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern and all assets/liabilities have been stated at their recoverable/payable amounts.

Hollyblue (Finance 2) Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

2. Accounting policies (continued)

2.4. 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 subsequently measured at amortised cost using the effective interest method, less any impairment.

2.5. 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.

2.6. Turnover

Turnover is made up of interest receivable. Turnover is recognised as the interest accrues on an effective interest rate basis.

2.7. Financial instruments

Financial assets

Basic financial instruments, including trade and other debtors are initially recognised at transaction price, less any impairment.

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.

Financial liabilities

Financial liabilities, including trade and other payables, and bank loans are initially recognised at transaction price, less any impairment.

Financial liabilities 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 gain is recognised in the Statement of comprehensive income

Hollyblue (Finance 2) Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

2. Accounting policies (continued)

2.8. Creditors

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

2.9. Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

2.10. Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the period in which they are incurred.

2.11. Taxation

Tax is recognised in the Statement of comprehensive income and 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Hollyblue (Finance 2) Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

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

In applying the company's accounting policies, the directors may be required to make judgements and estimates that could impact the amounts reported for assets and liabilities as at the reporting date and the amounts reported for turnover and expenses during the year.

The directors have not been required to use a significant degree of judgement in determining the timing and value of amounts recognised in the financial statements, with the exception of their assessment of the recoverability of debtors. These are considered for indications of impairment each year and if required an impairment review will be carried out and decision made on possible impairment.

The directors are not aware of any significant sources of estimation uncertainty in the preparation of the financial statements.

4. Interest receivable and similar income

Interest receivable comprises interest receivable from listed loan notes for the period. Interest accrued at rates of between 3.5% and 12% per annum.

During 2021 all loans due to the company were repaid in full.

5. Exceptional (expenditure)/income

Operating profit for the year includes exceptional expense of £105,982, being the provision certain loan debtors (2021: £Nil). In 2021 there was a release of a provision for group debtors of £1,370,517 as a result of the debts being repaid in full.

6. Employees

The company has no employees. The company had three directors (2021: three) during the period, who did not receive any direct remuneration from this company.

7. Interest payable and similar charges

	2022	2021
	£	£
Interest payable on listed loan notes	-	498,695

Hollyblue (Finance 2) Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

8. Tax on (loss)/profit

	2022 £	2021 £
Current tax		
Current tax	1,097	950
Group relief	(950)	(859)
Total current tax on (loss)/profit	147	91

9. Debtors: amounts falling due within one year

	2022 £	2021 £
Amounts due from parent undertaking	-	105,984
	-	105,984

Amounts due from parent undertaking are interest free and repayable on demand.

10. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	4,000	8,040
Amounts due to related parties	9,326	79,932
Corporation tax	-	950
	13,326	88,922

Amounts due to related parties are interest free and repayable on demand.

Hollyblue (Finance 2) Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

11. Called up share capital

	2022	2021
	£	£
Allotted and called up		
2 (2021: 2) Ordinary shares of £1 each	2	2

12. Related party transactions

As a wholly owned subsidiary undertaking, the company has taken advantage of the exemption in paragraph 33.1A of FRS 102 from disclosing transactions with other group companies that are wholly owned within the group.

During the year the company received funding of £11,777 (2021: £26,532) from Hollyblue Healthcare (Finance) Limited, an entity under common control. At the year-end Hollyblue Healthcare (Finance) Limited, an entity under common control, forgave £66,843 (2021: £Nil) of intercompany debts owed by the company. At 31 December 2022 £Nil (2021: £55,066) was owed by the Company.

At the year-end Hollyblue Healthcare (Millbrow) Limited, an entity under common control, forgave £15,540 (2021: £Nil) of intercompany debts owed by the company. At 31 December 2022 £Nil (2021: £15,540) was owed by the Company.

13. Controlling party

The immediate parent undertaking of the company is Cocoon Cayman Holdings II Ltd, a company registered in the Cayman Islands.

The ultimate controlling party of the company is Monarch Capital Master Partners III LP, a limited partnership registered in the Cayman Islands.