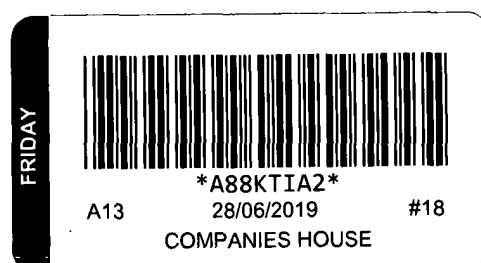


STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018
FOR
AZULE LIMITED



CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Income Statement	5
Other Comprehensive Income	6
Balance Sheet	7
Statement of Changes in Equity	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Financial Statements	11

AZULE LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2018

DIRECTORS:

S D Maybury (appointed 31 October 2018)
D R Bull (appointed 31 October 2018)
R J Murray (appointed 31 October 2018)
G M Grimes (appointed 31 October 2018)
D G Scott
R A Price
P J Savage (resigned 31 October 2018)
J A Werts (resigned 31 October 2018)

REGISTERED OFFICE:

Pinnars Hall
105 – 108 Old Broad Street
London
EC2N 1ER

REGISTERED NUMBER:

03151043 (England and Wales)

STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2018

The directors present their strategic report for the year ended 30 June 2018.

REVIEW OF BUSINESS

Azule continues to be the predominant provider of finance for the Broadcast and Media Industries across Europe, arranging again in excess of £55 million in the year.

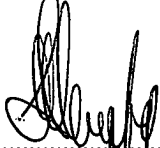
The company has continued to lend on average a million a month on own book, however in January of this year the directors decided to freeze any further investment in the Fairground book as they believed that the company's exposure was sufficient at 30% of their portfolio. The book continues to perform with minimal or no bad debt or write off and the volumes have continued to be strong due to an increase in media lending.

On the 30th of October 2018 the company's shares were 100% acquired by PCF Bank Ltd which will materially enhance the company's ability to lend money in the UK market.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk and uncertainties last year centred around the effect of UK passporting of financial services across Europe and the possibility of a hard Brexit. We believe we are in strong position to mitigate any fallout as we operate with individual Irish and Germany entities. Therefore, the main risk remains around the performance of the UK economy and its ability to maintain control of inflation with interest policies without causing an economic downturn.

ON BEHALF OF THE BOARD:



.....
S D Maybury - Director

Date:

26/6/19

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2018

The directors present their report with the financial statements of the company for the year ended 30 June 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of hire purchase and leasing arrangements.

DIVIDENDS

An interim dividend of 20 per share was paid on 30 June 2018. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30 June 2018 will be £200,000.

FUTURE DEVELOPMENTS

The company believes that the impact on the acquisition by PCF Bank will significantly improve its capacity to lend in the UK. Volumes have significantly improved on last year's performance both in total volume and also own book lending.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2017 to the date of this report.

D G Scott

R Price

Other changes in directors holding office are as follows:

P J Savage – resigned 31 October 2018

J A Werts - appointed 1 July 2017, resigned 31 October 2018

D R Bull – appointed 31 October 2018

S D Maybury – appointed 31 October 2018

R J Murray – appointed 31 October 2018

G M Grimes – appointed 31 October 2018

FINANCIAL INSTRUMENTS

The company has a normal level of exposure to price, credit, liquidity and cash flow risks arising from trading activities which are conducted predominantly in sterling. The company does not enter into any formal hedging arrangements.

POLITICAL DONATIONS AND EXPENDITURE

No political donations were made by the company.

DISCLOSURE IN THE STRATEGIC REPORT

A review of business including the principal risks and uncertainties facing the company is described in the Strategic Report.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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.

ON BEHALF OF THE BOARD:

.....
S D Maybury - Director

Date:

AZULE LIMITED (REGISTERED NUMBER: 03151043)

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	2017 £
TURNOVER		3,145,079	20,536,194
Cost of sales		<u>294,403</u>	<u>17,854,866</u>
GROSS PROFIT		2,850,676	2,681,328
Administrative expenses		<u>1,440,931</u>	<u>1,350,292</u>
		1,409,745	1,331,036
Other operating income	3	<u>17,674</u>	<u>41,429</u>
OPERATING PROFIT	6	1,427,419	1,372,465
Interest receivable and similar income	8	<u>160</u>	<u>282</u>
		1,427,579	1,372,747
Interest payable and similar expenses	9	<u>650,477</u>	<u>534,578</u>
PROFIT BEFORE TAXATION		777,102	838,169
Tax on profit	10	<u>169,461</u>	<u>172,338</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>607,641</u></u>	<u><u>665,831</u></u>

The notes on pages 11 to 21 form part of these financial statements

AZULE LIMITED (REGISTERED NUMBER: 03151043)

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	2017 £
PROFIT FOR THE YEAR		607,641	665,831
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>607,641</u>	<u>665,831</u>

The notes on pages 11 to 21 form part of these financial statements

AZULE LIMITED (REGISTERED NUMBER: 03151043)

BALANCE SHEET

30 JUNE 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	12	139,566	188,042
Investments	13	<u>43,687</u>	<u>21,228</u>
		183,253	209,270
CURRENT ASSETS			
Debtors	14	16,760,445	16,742,217
Cash at bank and in hand		<u>384,511</u>	<u>640,265</u>
		17,144,956	17,382,482
CREDITORS			
Amounts falling due within one year	15	<u>7,620,662</u>	<u>8,581,464</u>
NET CURRENT ASSETS		<u>9,524,294</u>	<u>8,801,018</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9,707,547	9,010,288
CREDITORS			
Amounts falling due after more than one year	16	<u>6,825,677</u>	<u>6,536,059</u>
NET ASSETS		<u>2,881,870</u>	<u>2,474,229</u>
CAPITAL AND RESERVES			
Called up share capital	21	10,000	10,000
Retained earnings	22	<u>2,871,870</u>	<u>2,464,229</u>
SHAREHOLDERS' FUNDS		<u>2,881,870</u>	<u>2,474,229</u>

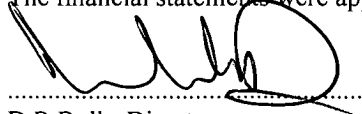
The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board of Directors on 13 June 2019 and were signed on its behalf by:



D R Bull - Director

The notes on pages 11 to 21 form part of these financial statements

AZULE LIMITED (REGISTERED NUMBER: 03151043)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2016	10,000	1,998,398	2,008,398
Changes in equity			
Dividends	-	(200,000)	(200,000)
Total comprehensive income	<u>-</u>	<u>665,831</u>	<u>665,831</u>
Balance at 30 June 2017	<u>10,000</u>	<u>2,464,229</u>	<u>2,474,229</u>
Changes in equity			
Dividends	-	(200,000)	(200,000)
Total comprehensive income	<u>-</u>	<u>607,641</u>	<u>607,641</u>
Balance at 30 June 2018	<u>10,000</u>	<u>2,871,870</u>	<u>2,881,870</u>

The notes on pages 11 to 21 form part of these financial statements

AZULE LIMITED (REGISTERED NUMBER: 03151043)**CASH FLOW STATEMENT**
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	(130,179)	(4,063,870)
Interest paid		(645,638)	(532,903)
Interest element of hire purchase payments paid		(4,839)	(1,675)
Tax paid		<u>(203,031)</u>	<u>(146,352)</u>
Net cash from operating activities		<u>(983,687)</u>	<u>(4,744,800)</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(7,777)	(160,690)
Purchase of fixed asset investments		(22,459)	(21,228)
Sale of tangible fixed assets		-	250
Interest received		<u>160</u>	<u>282</u>
Net cash from investing activities		<u>(30,076)</u>	<u>(181,386)</u>
 Cash flows from financing activities			
Increase in block funding		1,004,237	4,922,893
Hire purchase agreements		(18,284)	125,645
Amount introduced by directors		79,330	13,792
Amount withdrawn by directors		(107,274)	(181,269)
Equity dividends paid		<u>(200,000)</u>	<u>(200,000)</u>
Net cash from financing activities		<u>758,009</u>	<u>4,681,061</u>
 Decrease in cash and cash equivalents		<u>(255,754)</u>	<u>(245,125)</u>
Cash and cash equivalents at beginning of year	2	640,265	885,390
 Cash and cash equivalents at end of year	2	<u><u>384,511</u></u>	<u><u>640,265</u></u>

The notes on pages 11 to 21 form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2018	2017
	£	£
Profit before taxation	777,102	838,169
Depreciation charges	56,253	30,272
Profit on disposal of fixed assets	-	(250)
Finance costs	650,477	534,578
Finance income	<u>(160)</u>	<u>(282)</u>
	1,483,672	1,402,487
Decrease in stocks	-	32,500
Decrease/(increase) in trade and other debtors	35,248	(4,643,651)
Decrease in trade and other creditors	<u>(1,649,099)</u>	<u>(855,206)</u>
Cash generated from operations	<u>(130,179)</u>	<u>(4,063,870)</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 June 2018

	30.6.18	1.7.17
	£	£
Cash and cash equivalents	<u>384,511</u>	<u>640,265</u>

Year ended 30 June 2017

	30.6.17	1.7.16
	£	£
Cash and cash equivalents	<u>640,265</u>	<u>885,390</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

1. STATUTORY INFORMATION

Azule Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

In the application of the company's accounting policies, the management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision 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.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Finance leases and advances to customers

The company reviews its own book debtors to assess impairment on a monthly basis, and makes a provision for bad debt as necessary. In determining whether a provision is required the company makes judgements as to whether there is any indication that any individual lease or loan agreement is likely to default. This involves the review of any arrears or evidence of a deterioration of the customer's financial position. The value of any security held and the value of the assets leased are also taken into account.

Turnover

Turnover represents net invoiced fees and commissions earned, interest receivable from finance leases and loans, excluding value added tax where applicable.

Fees and commissions are earned from services provided to clients. Fees and commissions earned on completion of a transaction is recognised when the event occurs. Fees and commissions that are provided over a period of time are recognised over the period in which the service is provided.

Prior to the current year, turnover also included the value of assets financed with third party lenders from which the company earned commissions and fees. The corresponding cost of these assets were included in cost of sales. The company do not trade on these assets and the directors feel that it is more appropriate not to recognise these invoice chain transactions as part of the trading results of the company. There is no impact on the level of gross profit nor the net results of the company from this change of recognition policy.

Tangible fixed assets

Depreciation is provided by the Company to write off the cost of fixed tangible assets over their estimated useful economic lives on the straight line basis at the following rate:

Motor vehicle	- 25%
Office equipment	- 25%
Leased assets	- length of leases

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Leases and loans receivables

Assets leased to customers under agreements which transfer substantially all the risks and rewards of ownership, other than legal title, are classified as finance leases. Gross earnings receivable under finance leases are allocated to accounting periods using the net investment method to give a constant periodic rate of return on the company's net cash investment and are included in turnover. Finance lease receivable represent the company's net investment in the leases.

All other leases are classified as operating leases. Rentals receivable under operating leases are recognised on a straight line basis and are included in other operating income. Assets held for the purpose of operating leases are capitalised and depreciated over the period of the lease.

Interest receivable from loan agreements is recognised using the effective interest rate method, using the rate as stated in the terms of the agreement, adjusted for any premiums, discounts as well as fees and charges associated with the loan.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

2. ACCOUNTING POLICIES - continued

Trade and other debtors

Trade and other debtors are initially recognised at the transaction price and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when 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 of the investments have been affected. Objective evidence of impairment could include:

- significant financial difficulties of the customer;
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

Assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the company's past experience of collective payments, an increase in the number of delayed payments in the portfolio as well as observable changes in the economic conditions that correlate the default on receivables.

For financial assets carried at amortised cost, the amount of impairment loss recognised is the difference between the asset's carrying value and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. The impairment loss is recognised in the profit or loss. If in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previous recognised impairment loss is reversed through the profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

For financial assets carried at cost, the amount of impairment is measured as the difference between the asset's carrying value and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment would not be reversed in subsequent periods.

Trade and other creditors

Trade and other creditors are initially recognised at the transaction price and thereafter stated at amortised cost using the effective interest method except where the effect of discounting would be immaterial, in which case, they are state at cost.

Interest bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the initially recognised and redemption value being recognised in the statement of comprehensive income over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

3. OTHER OPERATING INCOME

	2018	2017
	£	£
Exchange gains	<u>17,674</u>	<u>41,429</u>

AZULE LIMITED (REGISTERED NUMBER: 03151043)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

4. EMPLOYEES AND DIRECTORS

	2018	2017
	£	£
Wages and salaries	827,462	782,818
Social security costs	96,358	89,354
Other pension costs	<u>48,383</u>	<u>41,522</u>
	<u>972,203</u>	<u>913,694</u>

The average number of employees during the year was as follows:

	2018	2017
Management	4	3
Sales & support	10	13
Administration & finance	<u>5</u>	<u>5</u>
	<u>19</u>	<u>21</u>

5. DIRECTORS' EMOLUMENTS

	2018	2017
	£	£
Directors' remuneration	290,305	245,611
Directors' pension contributions to money purchase schemes	<u>22,992</u>	<u>28,716</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>4</u>	<u>3</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2018	2017
	£	£
Emoluments etc	133,053	143,554
Pension contributions to money purchase schemes	<u>1,682</u>	<u>1,422</u>

6. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation - owned assets	56,253	30,272
Profit on disposal of fixed assets	-	(250)
Auditors' remuneration	-	12,876
Taxation compliance services	-	3,000
Foreign exchange differences	(17,674)	(41,429)
Income from HP, finance leases & loans	<u>(1,547,482)</u>	<u>(1,344,220)</u>

7. EXCEPTIONAL ITEMS

	2018	2017
	£	£
Exceptional items	<u>(71,608)</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018****8. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2018	2017
	£	£
Deposit account interest	<u>160</u>	<u>282</u>

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018	2017
	£	£
Loan	645,638	532,903
Hire purchase	<u>4,839</u>	<u>1,675</u>
	<u>650,477</u>	<u>534,578</u>

10. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2018	2017
	£	£
Current tax:		
UK corporation tax	181,907	152,612
Deferred tax	<u>(12,446)</u>	<u>19,726</u>
Tax on profit	<u>169,461</u>	<u>172,338</u>

UK corporation tax has been charged at 19%.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2018	2017
	£	£
Profit before tax	<u>777,102</u>	<u>838,169</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.75%)	147,649	165,547
Effects of:		
Expenses not deductible for tax purposes	21,438	6,938
Capital allowances in excess of depreciation	-	(26,519)
Depreciation in excess of capital allowances	8,651	-
Movements in general bad debt provisions	3,795	7,900
Movements in pension accruals	374	(1,254)
Deferred tax	<u>(12,446)</u>	<u>19,726</u>
Total tax charge	<u>169,461</u>	<u>172,338</u>

11. DIVIDENDS

	2018	2017
	£	£
Ordinary shares of £1 each		
Interim	<u>200,000</u>	<u>200,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

12. TANGIBLE FIXED ASSETS

	Fixtures & fittings & equipment £	Motor vehicles £	Totals £
COST			
At 1 July 2017	162,944	170,417	333,361
Additions	<u>7,777</u>	<u>-</u>	<u>7,777</u>
At 30 June 2018	<u>170,721</u>	<u>170,417</u>	<u>341,138</u>
DEPRECIATION			
At 1 July 2017	128,470	16,849	145,319
Charge for year	<u>17,568</u>	<u>38,685</u>	<u>56,253</u>
At 30 June 2018	<u>146,038</u>	<u>55,534</u>	<u>201,572</u>
NET BOOK VALUE			
At 30 June 2018	<u>24,683</u>	<u>114,883</u>	<u>139,566</u>
At 30 June 2017	<u>34,474</u>	<u>153,568</u>	<u>188,042</u>

Included in fixed assets are motor vehicles purchased under hire purchase agreements with a net book value of £114,883 (2017: £135,506).

13. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 July 2017	21,228
Additions	<u>22,459</u>
At 30 June 2018	<u>43,687</u>
NET BOOK VALUE	
At 30 June 2018	<u>43,687</u>
At 30 June 2017	<u>21,228</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

13. FIXED ASSET INVESTMENTS - continued

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Azule Finance GmbH

Registered office: 47877 Willich, Weiderichstabe 13, Geschaafanschrift

Nature of business: Leasing

Class of shares:	%
Ordinary	holding 100.00

In December 2016, 50% of the ordinary shareholding in Azule Finance GmbH was acquired for £21,228. This was settled by way of a set off against the loan outstanding from Azule Finance GmbH. On 5 March 2018 the Company purchased the other 50% shareholding for £22,459.

14. DEBTORS

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	155,576	1,528,174
Amounts receivable in respect of finance leases	6,104,846	5,645,683
Other debtors	274,172	213,332
Directors' loan accounts	218,445	190,793
Tax	75,381	62,007
VAT	18,630	-
Deferred tax asset	29,057	16,611
Prepayments and accrued income	<u>70,682</u>	<u>191,819</u>
	<u>6,946,789</u>	<u>7,848,419</u>
Amounts falling due after more than one year:		
Amounts receivable in respect of finance leases	<u>9,813,656</u>	<u>8,893,798</u>
Aggregate amounts	<u>16,760,445</u>	<u>16,742,217</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Other loans (see note 17)	6,569,900	5,874,324
Hire purchase contracts (see note 18)	18,977	18,214
Trade creditors	516,763	1,728,715
Tax	190,137	197,887
Social security and other taxes	18,412	21,483
VAT	-	433,412
Other creditors	95,578	33,527
Directors' current accounts	-	292
Accruals and deferred income	210,895	273,610
	<u>7,620,662</u>	<u>8,581,464</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018	2017
	£	£
Other loans (see note 17)	6,737,293	6,428,628
Hire purchase contracts (see note 18)	88,384	107,431
	<u>6,825,677</u>	<u>6,536,059</u>

17. LOANS

An analysis of the maturity of loans is given below:

	2018	2017
	£	£
Amounts falling due within one year or on demand:		
Other loans	<u>6,569,900</u>	<u>5,874,324</u>
Amounts falling due between one and two years:		
Other loans - 1-2 years	<u>4,588,603</u>	<u>3,882,564</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>2,148,690</u>	<u>2,546,064</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2018	2017
	£	£
Gross obligations repayable:		
Within one year	23,052	23,052
Between one and five years	<u>91,013</u>	<u>114,065</u>
	<u>114,065</u>	<u>137,117</u>
Finance charges repayable:		
Within one year	4,075	4,838
Between one and five years	<u>2,629</u>	<u>6,634</u>
	<u>6,704</u>	<u>11,472</u>
Net obligations repayable:		
Within one year	18,977	18,214
Between one and five years	<u>88,384</u>	<u>107,431</u>
	<u>107,361</u>	<u>125,645</u>
	Non-cancellable operating leases	
	2018	2017
	£	£
Within one year	27,000	27,000
Between one and five years	<u>47,250</u>	<u>74,250</u>
	<u>74,250</u>	<u>101,250</u>

The company negotiated a new 5 year lease for its Datchet office premises in August 2016 at an annual rent commitment of £27,000.

19. SECURED DEBTS

The following secured debts are included within creditors:

	2018	2017
	£	£
Other loans	<u>13,307,193</u>	<u>12,302,952</u>

Other loans represent block discounting loans secured on finance lease receivables.

20. DEFERRED TAX

	£
Balance at 1 July 2017	(16,611)
Credit to Income Statement during year	<u>(12,446)</u>
Balance at 30 June 2018	<u>(29,057)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value: £1	2018	2017
Number:	Class:		£	£
10,000	Ordinary		<u>10,000</u>	<u>10,000</u>

22. RESERVES

	Retained earnings £
At 1 July 2017	2,464,229
Profit for the year	607,641
Dividends	<u>(200,000)</u>
At 30 June 2018	<u>2,871,870</u>

23. PENSION COMMITMENTS

Pension contribution outstanding at the end of the year amounted to £4,562 (2017: £2,594).

24. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 30 June 2018 and 30 June 2017:

	2018 £	2017 £
P J Savage		
Balance outstanding at start of year	190,793	23,023
Amounts advanced	69,941	231,644
Amounts repaid	(79,038)	(63,874)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>181,696</u>	<u>190,793</u>
 D G Scott		
Balance outstanding at start of year	-	-
Amounts advanced	36,749	-
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>36,749</u>	<u>-</u>

The loans to the directors have been provided free of interest but they are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

25. RELATED PARTY DISCLOSURES

Entities over which the entity has control, joint control or significant influence

	2018	2017
	£	£
Management fees	100,133	69,096
Recharge of expenses	241	-
Interest on loan	-	9,357
Amount due from related party	183,573	197,712
Amount due to related party	<u>103,458</u>	<u>-</u>

Key management personnel of the entity or its parent (in the aggregate)

	2018	2017
	£	£
Dividends	200,000	200,000
Amount due from related party	218,445	190,793
Amount due to related party	<u>-</u>	<u>292</u>

26. ULTIMATE CONTROLLING PARTY

Ultimate controlling party as at 30 June 2018 was Peter Savage who was the majority shareholder and director of the company.