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**BFINANCE UK LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2015**

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**BFINANCE UK LIMITED**

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**COMPANY INFORMATION**

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<b>DIRECTOR</b>	D Vafai
<b>COMPANY SECRETARY</b>	Promenade Secretaries Limited
<b>REGISTERED NUMBER</b>	3950214
<b>REGISTERED OFFICE</b>	1st Floor Clareville House 26-27 Oxendon Street London United Kingdom SW1Y 4EL
<b>INDEPENDENT AUDITORS</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors The Atrium 1 Harefield Road Uxbridge UB8 1EX

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**BFINANCE UK LIMITED**

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## **BFINANCE UK LIMITED**

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### **STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2015**

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#### **PRINCIPAL ACTIVITIES**

The principal activity of the company is fund manager selection for institutional investors along with associated advertising and event organisation.

On July 21 2008, bfinance UK Limited was granted Part IV Permission under the Financial Services and Markets Act 2000 with the following Prudential Category and Sub Category: Exempt CAD, Adviser/Arranger Intermediary.

#### **BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The results of the company show a profit on ordinary activities before taxation of £1,838,315 (2014: £1,879,111) for the year and a turnover of £6,163,804 (2014: £4,152,088). The company has net assets of £4,278,536 (2014: £2,661,517). The director does not recommend payment of a dividend (2014: £nil). On 1st July 2014 the company acquired the trade of the Investment Advisory business of the fellow subsidiary Bfinance France SARL.

The company continues to develop and evolve its technology base and develop new markets. The level of trading activity and the year-end financial positions reflect the consolidation of the market position of the company within the UK. The director expects that the level of activity will increase in the future.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The success of the business is linked to the level of investment activity in the wider economy and so downturn in economic conditions is a risk area.

#### **FINANCIAL RISK MANAGEMENT**

The company's operations expose it to a variety of financial risks that include the effects of changes in credit costs and as such no hedge accounting is applied.

The company does not use derivative financial instruments to manage interest rate risk, liquidity risk, and currency risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

Given the size of the company, the director has not delegated the responsibility of monitoring financial risk management to a sub committee of the board. The policies set by the board of directors are implemented by the company's finance department.

##### **Credit risk**

The company has implemented policies that require appropriate credit checks on customers before trading takes place with new customers. Consideration is also given to financial institutions which hold cash deposits on behalf of the company.

##### **Liquidity risk**

Liquidity risk is managed at group level and the group currently has a mixture of long and short term debt finance in addition to an overdraft facility, designed to ensure the group has sufficient available funds for operations and planned expansions. At the balance sheet date the director is confident that the cash position of the group is sufficient to cover all medium term obligations of the group and company although he acknowledges that the company is not immune to the risks of a severe financial downturn.

##### **Currency risk**

The company is exposed to foreign exchange risks, primarily with respect to sterling, euro and US Dollar, through its trading transactions. The company has, in prior years entered into derivative contracts to manage these risks as necessary as deemed necessary. At the year end no such derivative contracts were outstanding.

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## **BFINANCE UK LIMITED**

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### **STRATEGIC REPORT (continued) FOR THE YEAR ENDED 30 JUNE 2015**

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#### **KEY PERFORMANCE INDICATORS**

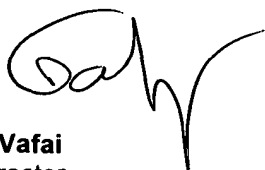
Net turnover, which is the transaction turnover less provision for deal adjustments, is a key performance indicator for the business.

Concerning the operating expenses, staff costs are the major part of it; people are one of the key assets of this business; hiring the right people, having the right remuneration and incentive policies is key to the business.

Net turnover during the year was £6,163,804 (2014: £4,152,088). The increase in turnover is a result of the improving economic conditions in which the company operates, in addition to the incorporation of the trade of the Investment Advisory business of Bfinance France SARL.

Staff costs are closely monitored and make up a significant part of total costs at 54% (2014 – 60%). Average staff numbers during the year were 31 (2014 – 28), which is consistent with the director's expectations.

This report was approved by the board on 15/10/2015 and signed on its behalf.



**D Vafai**  
Director

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## **BFINANCE UK LIMITED**

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### **DIRECTOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2015**

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The director presents his report and the financial statements for the year ended 30 June 2015.

#### **DIRECTOR'S RESPONSIBILITIES STATEMENT**

The director is responsible for preparing the Strategic report, Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

#### **RESULTS AND DIVIDENDS**

The profit for the financial year, amounted to £1,549,574 (2014 - £1,913,268). The director does not recommend the payment of a dividend (2014: £nil).

#### **DIRECTOR**

The director who served during the year and up to the date of signing these financial statements was:

D Vafai

#### **BRANCHES**

Bfinance UK Limited also operates through branches based in Italy and France.

#### **THIRD PARTY INDEMNITY PROVISIONS**

The company has made qualifying third party indemnity provisions for the benefit of its directors (which extend to the performance of any duties as a director of any associated company) and these remain in force as at the date of this report.

#### **OTHER MATTERS**

Business review and future developments, principal activities and financial risk management policies are dealt with in the strategic report.

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## **BFINANCE UK LIMITED**

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### **DIRECTOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2015**

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#### **DISCLOSURE OF INFORMATION TO AUDITORS**

The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **INDEPENDENT AUDITORS**

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

#### **SMALL COMPANIES PROVISION**

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

This report was approved by the board on 18/10/2015 and signed on its behalf.



**D Vafai**  
Director

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## **BFINANCE UK LIMITED**

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BFINANCE UK LIMITED**

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#### **Report on the financial statements**

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##### **Our opinion**

In our opinion Bfinance UK Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 June 2015 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.
- 

##### **What we have audited**

Bfinance UK Limited's financial statements, comprise:

- the balance sheet as at 30 June 2015;
- the profit and loss account and statement of total recognised gains and losses for the year ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation comprises applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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#### **Opinions on matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report and the Strategic Report for the financial year which the financial statements are prepared is consistent with the financial statements.

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#### **Other matters on which we are required to report by exception**

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##### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

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##### **Directors' remuneration**

Under the Companies Act 2006 we are required to report if, in our opinion, certain disclosures of directors' remuneration specified by law have not been made. We have no exceptions to report arising from this responsibility.

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## **BFINANCE UK LIMITED**

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BFINANCE UK LIMITED**

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#### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption in preparing the Directors Report. We have no exceptions to report arising from this responsibility.

#### **Responsibilities for the financial statements and the audit**

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##### **Our responsibilities and those of the 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK & Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

##### **What an audit of financial statements involves**

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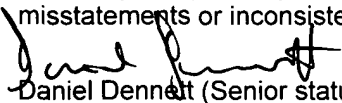
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Directors' Report and financial statements (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

  
Daniel Dennett (Senior statutory auditor)  
for and on behalf of Pricewaterhousecoopers LLP  
Chartered Accountants and Statutory Auditors  
Uxbridge

Date: 19 OCTOBER 2015

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**BFINANCE UK LIMITED**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2015**

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	Note	2015 £	2014 £
<b>TURNOVER</b>	1,2	<b>6,163,804</b>	<b>4,152,088</b>
Cost of sales		<b>(1,312,709)</b>	<b>(1,015,103)</b>
<b>GROSS PROFIT</b>		<b>4,851,095</b>	<b>3,136,985</b>
Administrative expenses		<b>(5,292,661)</b>	<b>(4,576,562)</b>
Other operating income	3	<b>2,347,359</b>	<b>3,326,634</b>
<b>OPERATING PROFIT</b>	4	<b>1,905,793</b>	<b>1,887,057</b>
Interest payable and similar charges	7	<b>(67,478)</b>	<b>(7,946)</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>1,838,315</b>	<b>1,879,111</b>
Tax on profit on ordinary activities	8	<b>(288,741)</b>	<b>34,157</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	15	<b>1,549,574</b>	<b>1,913,268</b>

All amounts relate to continuing operations.

There are no material differences between the profit on ordinary activities before taxation and the retained profit for the financial year stated above and their historical cost equivalents.

The notes on pages 10 to 20 form part of these financial statements.

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**BFINANCE UK LIMITED**

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**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 30 JUNE 2015**

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	<b>Note</b>	<b>2015 £</b>	<b>2014 £</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>1,549,574</b>	<b>1,913,268</b>
Foreign exchange translation gain		<b>67,445</b>	<b>70,342</b>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>		<b>1,617,019</b>	<b>1,983,610</b>

The notes on pages 10 to 20 form part of these financial statements.

**BFINANCE UK LIMITED**  
**REGISTERED NUMBER: 3950214**

**BALANCE SHEET**  
**AS AT 30 JUNE 2015**

	Note	£	2015 £	£	2014 £
<b>FIXED ASSETS</b>					
Intangible assets	9		279,253		-
Tangible assets	10		117,740		132,658
			<u>396,993</u>		<u>132,658</u>
<b>CURRENT ASSETS</b>					
Debtors	11	14,294,232		10,361,800	
Cash at bank and in hand		291,217		549,596	
		<u>14,585,449</u>		<u>10,911,396</u>	
<b>CREDITORS:</b> amounts falling due within one year	12	(10,691,381)		(8,382,537)	
<b>NET CURRENT ASSETS</b>			<u>3,894,068</u>		<u>2,528,859</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>4,291,061</u>		<u>2,661,517</u>
<b>PROVISIONS FOR LIABILITIES</b>	13		<u>(12,525)</u>		<u>-</u>
<b>NET ASSETS</b>			<u><u>4,278,536</u></u>		<u><u>2,661,517</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		4,700,000		4,700,000
Profit and loss account	15		(421,464)		(2,038,483)
<b>TOTAL SHAREHOLDERS' FUNDS</b>	16		<u><u>4,278,536</u></u>		<u><u>2,661,517</u></u>

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

**D Vafai**  
Director



15/10/2015

The notes on pages 10 to 20 form part of these financial statements.

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## **BFINANCE UK LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**

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#### **1. ACCOUNTING POLICIES**

##### **Basis of preparation of financial statements**

The financial statements have been prepared on the going concern basis, under the historical cost convention and accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies have been applied consistently throughout the year.

##### **Cash flow**

The company qualifies as a small company and is therefore exempt from preparing a cash flow statement under Financial Reporting Standard 1 (Revised 1996) 'Cash Flow Statements'.

##### **Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

##### **Transaction**

Transaction revenue is recognised when a client has explicitly selected a financial institution by any means (e.g., on site, e mail sent to bfinance UK Limited, written document or allocation grid) with the clear intention of completing the transaction. A provision is made against revenue and debtors based upon the historic rate of subsequent adjustments and transactions that never complete.

##### **Events**

Event revenue is recognised when the event is held and all the obligations by the company have been fulfilled.

##### **Advertising**

Advertising revenue is recognised over the period of display of the banner on the bfinance UK Limited website.

##### **Intangible fixed assets and amortisation**

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life of 20 years.

##### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold Improvements	-	10% Straight Line
Fixtures, fittings and office equipment	-	25% Straight Line
Computer equipment	-	50% Straight Line

The carrying values of tangible fixed assets are reviewed by the directors for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

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**BFINANCE UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**1. ACCOUNTING POLICIES (continued)****Taxation**

Current tax is provided at amounts expected to be paid or recovered using tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains or losses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is measured at average tax rates that are expected to apply in years in which timing differences are expected to reverse, based on average tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non discounted basis.

Net Deferred tax assets are recognised as recoverable only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

**Operating leases**

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

**Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

The assets and liabilities of overseas branches are translated at the closing exchange rates. Profit and loss accounts of the branches are translated at the average rate of exchange during the year. Gains and losses arising on these translations are taken to reserves.

**Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

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**BFINANCE UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**1. ACCOUNTING POLICIES (continued)****Other Operating Income**

Other operating income consists of charges made to other group companies for the provision of certain services related to the fulfillment of client contracts.

**2. TURNOVER**

Turnover, which excludes value added tax and trade discounts, represents the value of services supplied, which fall within the company's ordinary activities, and is derived from one class of business.

A geographical analysis of turnover is as follows:

	2015 £	2014 £
United Kingdom	3,638,036	2,691,182
Rest of European Union	1,844,228	741,857
Middle East	681,540	719,049
	<u>6,163,804</u>	<u>4,152,088</u>

**3. OTHER OPERATING INCOME**

Other operating income represents amounts due from group companies in respect of the recharge of delivery and servicing costs incurred by the company during the year. Other income is recognised on an accruals basis.

	2015 £	2014 £
Other operating income	<u>2,347,359</u>	<u>3,326,634</u>

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**BFINANCE UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**4. OPERATING PROFIT**

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

	2015 £	2014 £
Amortisation - intangible fixed assets	14,698	-
Depreciation of tangible fixed assets:		
- owned by the company	21,334	23,971
Operating lease rentals:		
- other operating leases	241,150	254,363
Difference on foreign exchange	(48,215)	(240,811)
	<u>218,967</u>	<u>33,523</u>

The audit fee for the year was invoiced to the bfinance group as a whole, and has been borne by the immediate parent company, bfinance International Limited. Due to the nature of the group invoicing the relevant cost for the company cannot be separately identified.

Included within operating lease rentals is an early termination charge of £nil (2014: £nil).

**5. STAFF COSTS**

Staff costs, including director's remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	3,087,071	2,895,692
Social security costs	256,924	213,706
Other pension costs	251,940	265,918
	<u>3,595,935</u>	<u>3,375,316</u>

The average monthly number of employees, including the director, during the year was as follows:

	2015 No.	2014 No.
Administration	2	2
Selling and Marketing	29	26
	<u>31</u>	<u>28</u>

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**BFINANCE UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**6. DIRECTOR'S REMUNERATION**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Emoluments	-	128,037
Company pension contributions to defined contribution pension schemes	-	31,541

During the year retirement benefits were accruing to no directors (2014 - 1) in respect of defined contribution pension schemes.

The remaining director is remunerated by Bfinance International Limited for his services to the group as a whole and it is not practicable to determine the part relating to this company. In the prior year O Cassin who resigned on 4 April 2014, was remunerated by the company.

**7. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
On loans from group undertakings	67,478	7,946

**BFINANCE UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**8. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2015 £	2014 £
<b>Analysis of tax charge/(credit) in the year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profit for the year	234,337	-
	<u>234,337</u>	<u>-</u>
Foreign tax on income for the year	7,722	-
	<u>7,722</u>	<u>-</u>
<b>Total current tax</b>	<u>242,059</u>	<u>-</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	59,501	(28,716)
Accelerated capital allowances	(12,819)	(5,441)
	<u>46,682</u>	<u>(34,157)</u>
<b>Total deferred tax</b> (see note 13)	<u>46,682</u>	<u>(34,157)</u>
<b>Tax on profit on ordinary activities</b>	<u>288,741</u>	<u>(34,157)</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2014 - *lower than*) the standard rate of corporation tax in the UK of 20.75% (2014 - 22.5%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	1,838,315	1,879,111
	<u>1,838,315</u>	<u>1,879,111</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.75% (2014 - 22.5%)	381,450	422,800
<b>Effects of:</b>		
Capital allowances for year in excess of depreciation	(61,732)	(1,905)
Expenses not deductible for tax purposes	5,447	5,289
Utilisation of tax losses and other deductions	-	(341,981)
Fixed asset differences	63,020	2,190
Tax credits	8	-
Other short term timing differences	13,299	(1,815)
Group relief surrendered/(claimed)	(162,348)	(84,578)
Foreign tax credits	2,915	-
	<u>242,059</u>	<u>-</u>
<b>Current tax charge for the year</b>	<u>242,059</u>	<u>-</u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

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**BFINANCE UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**8. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)**

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not there will be suitable taxable profits from which the reversal of underlying timing differences can be deducted. The unrecognised deferred tax assets comprise:

	2015 £	2014 £
Accelerated capital allowances	54,060	(5,441)
Other timing differences	(41,535)	(28,716)
Losses	-	-
Total	<u>12,525</u>	<u>(34,157)</u>

Details of deferred tax recognised is shown in note 13.

**9. INTANGIBLE ASSETS**

	Goodwill £
<b>Cost</b>	
At 1 July 2014	-
Additions	293,951
At 30 June 2015	<u>293,951</u>
<b>Amortisation</b>	
At 1 July 2014	-
Charge for the year	14,698
At 30 June 2015	<u>14,698</u>
<b>Net book value</b>	
At 30 June 2015	<u>279,253</u>
At 30 June 2014	<u>-</u>

On 1 July 2014 the company acquired the trade of the Investment Advisory business of its fellow subsidiary Bfinance SARL for consideration of £293,951, giving rise to goodwill of £293,951.

In the current year the acquired business generated turnover of £987,539 and operating profit of £7,341.

**BFINANCE UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**10. TANGIBLE FIXED ASSETS**

	Leasehold Improvement £	Computer equipment £	Fixtures Fittings and Office equipment £	Total £
<b>Cost</b>				
At 1 July 2014	97,340	164,317	189,887	451,544
Additions	-	841	5,575	6,416
At 30 June 2015	97,340	165,158	195,462	457,960
<b>Accumulated Depreciation</b>				
At 1 July 2014	22,356	152,060	144,470	318,886
Charge for the year	9,760	4,282	7,292	21,334
At 30 June 2015	32,116	156,342	151,762	340,220
<b>Net book value</b>				
At 30 June 2015	65,224	8,816	43,700	117,740
At 30 June 2014	74,984	12,257	45,417	132,658

**11. DEBTORS**

	2015 £	2014 £
<b>Due after more than one year</b>		
Prepayments and accrued income	-	130,401
<b>Due within one year</b>		
Trade debtors	1,018,712	582,751
Amounts owed by group undertakings	7,261,972	7,620,632
Other debtors	220,275	12,629
Prepayments and accrued income	5,793,273	1,981,230
Deferred tax asset (see note 13)	-	34,157
	<b>14,294,232</b>	<b>10,361,800</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**12. CREDITORS:****Amounts falling due within one year**

	2015 £	2014 £
Trade creditors	278,577	222,260
Amounts owed to group undertakings	8,097,115	6,704,752
Taxation and social security	232,731	173,552
Other creditors	243,711	83,120
Accruals and deferred income	1,839,247	1,198,853
	<u>10,691,381</u>	<u>8,382,537</u>

Amounts owed to group undertakings are unsecured and repayable on demand. Interest is charged at 4% (2014: 4%)

**13. DEFERRED TAXATION**

	2015 £	2014 £
At beginning of year	34,157	-
Credit to the profit and loss account	(46,682)	34,157
	<u>(12,525)</u>	<u>34,157</u>
At end of year		

The deferred taxation balance is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	(54,060)	5,441
Short term timing differences	41,535	28,716
	<u>(12,525)</u>	<u>34,157</u>

**14. CALLED UP SHARE CAPITAL**

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
4,700,000 (2014: 4,700,000) Ordinary shares of £1 each	<u>4,700,000</u>	<u>4,700,000</u>

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**BFINANCE UK LIMITED**

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**15. PROFIT AND LOSS ACCOUNT**

	<b>Profit and loss account £</b>
At 1 July 2014	<b>(2,038,483)</b>
Profit for the financial year	<b>1,549,574</b>
Foreign exchange translation	<b>67,445</b>
	<hr/>
At 30 June 2015	<b>(421,464)</b>
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**16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	<b>2015 £</b>	<b>2014 £</b>
Opening shareholders' funds	<b>2,661,517</b>	<b>677,907</b>
Profit for the financial year	<b>1,549,574</b>	<b>1,913,268</b>
Foreign exchange translation	<b>67,445</b>	<b>70,342</b>
	<hr/>	<hr/>
Closing shareholders' funds	<b>4,278,536</b>	<b>2,661,517</b>
	<hr/>	<hr/>

**17. PENSION COMMITMENTS**

The company contributes to a defined contribution pension scheme. The value of contributions was £251,940 (2014: £265,918). The value of unpaid contributions at 30 June 2014 was £19,813 (2014: £18,870).

**18. OPERATING LEASE COMMITMENTS**

At 30 June 2015 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings 2015 £</b>	<b>2014 £</b>
<b>Expiry date:</b>		
Between 2 and 5 years	<b>200,162</b>	<b>200,162</b>
	<hr/>	<hr/>

**19. RELATED PARTY TRANSACTIONS**

The company, being a wholly owned subsidiary undertaking of a parent company that prepares consolidated financial statements that are publicly available, has taken advantage of the exemption provided by Financial Reporting Standard 8 "Related Party disclosures", from disclosing transactions with group undertakings.

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**BFINANCE UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**20. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The company's immediate parent company is bfinance International Limited, a company incorporated in the United Kingdom. Bfinance Holdings Limited is the ultimate parent company and the only company in the group to consolidate these financial statements. The annual report and financial statements of this company are available at 1st Floor Clareville House, 26-27 Oxendon Street, London SW1Y 4EL. The ultimate controlling party is Lutea Trustees Ltd.