

LONDON BUSINESS LOANS (WHOLESALE) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

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LONDON BUSINESS LOANS (WHOLESALE) LIMITED

COMPANY INFORMATION

DIRECTORS	Sir Michael Snyder Martin Large Peter Thackwray Simon Menneer (resigned 24/6/2008) Christopher Mackman (resigned 17/4/2008) Jonathan Kalemera (appointed 20/5/2008 & resigned 31/12/2008)
COMPANY SECRETARY	James Gervasio
COMPANY NUMBER	05841608
REGISTERED OFFICE	Saint Martins House 210-212 Chapeltown Road Leeds West Yorkshire LS7 4HZ
AUDITORS	FW Stephens Chartered Accountants and Registered Auditors Third Floor 24 Chiswell Street London EC1Y 4YX
BANKERS	Co-operative Bank 80 Cornhill London EC3V 3NJ
SOLICITORS	Linklaters LLP 1 Silk Street London EC2Y 8HQ

LONDON BUSINESS LOANS (WHOLESALE) LIMITED

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LONDON BUSINESS LOANS (WHOLESALE) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2009

The directors present their report and the financial statements for the year ended 31 March 2009.

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). The financial statements are required by law to 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 judgments and 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 proper accounting records that 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 1985. 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.

PRINCIPAL ACTIVITIES

The company was incorporated on 8 June 2006 and commenced trading on 1st October 2007. Its principal activity is to enable retail Community Development Finance Institutions (CDFI) to provide more finance to small and medium enterprises in the London area.

DIRECTORS

The directors who served during the year were:

Sir Michael Snyder
Martin Large
Peter Thackwray
Simon Menneer (resigned 24/6/2008)
Christopher Mackman (resigned 17/4/2008)
Jonathan Kalemera (appointed 20/5/2008 & resigned 31/12/2008)

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

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

LONDON BUSINESS LOANS (WHOLESALE) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2009**

AUDITORS

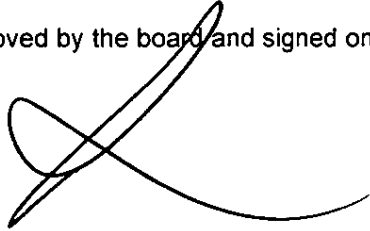
The auditors, FW Stephens, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

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

Peter Thackwray
Director

Date:



1 / 12 / 09

LONDON BUSINESS LOANS (WHOLESALE) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LONDON BUSINESS LOANS (WHOLESALE) LIMITED

We have audited the financial statements of London Business Loans (Wholesale) Limited for the year ended 31 March 2009, set out on pages 5 to 9. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2009 and of its loss for the year then ended;

LONDON BUSINESS LOANS (WHOLESALE) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LONDON BUSINESS LOANS
(WHOLESALE) LIMITED**

- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

FW Stephens

FW STEPHENS

Chartered Accountants and Registered Auditors

Third Floor

24 Chiswell Street

London

EC1Y 4YX

Date: *8 January 2013*

LONDON BUSINESS LOANS (WHOLESALE) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2009**

	Note	2009 £	2008 £
TURNOVER	1	55,182	3,402
Administrative expenses		<u>(269,826)</u>	<u>(167,885)</u>
OPERATING LOSS	2	(214,644)	(164,483)
Interest receivable	3	127,132	146,886
Interest payable		<u>(30,507)</u>	<u>(22,193)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(118,019)	(39,790)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR	9	(118,019)	(39,790)

The notes on pages 7 to 9 form part of these financial statements.

LONDON BUSINESS LOANS (WHOLESALE) LIMITED
REGISTERED NUMBER: 05841608

BALANCE SHEET
AS AT 31 MARCH 2009

	Note	£	2009 £	£	2008 £
CURRENT ASSETS					
Debtors	5	1,413,404		292,949	
Cash at bank		3,219,336		3,403,065	
		<u>4,632,740</u>		<u>3,696,014</u>	
CREDITORS: amounts falling due within one year	6	<u>(719,349)</u>		<u>(125,804)</u>	
NET CURRENT ASSETS			<u>3,913,391</u>		<u>3,570,210</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,913,391</u>		<u>3,570,210</u>
CREDITORS: amounts falling due after more than one year	7		<u>(3,561,200)</u>		<u>(3,100,000)</u>
NET ASSETS			<u><u>352,191</u></u>		<u><u>470,210</u></u>
CAPITAL AND RESERVES					
Called up share capital	8		510,000		510,000
Profit and loss account	9		(157,809)		(39,790)
SHAREHOLDERS' FUNDS			<u><u>352,191</u></u>		<u><u>470,210</u></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

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


Peter Thackwray
Director

Date:

1/12/09

The notes on pages 7 to 9 form part of these financial statements.

LONDON BUSINESS LOANS (WHOLESALE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

1.2 TURNOVER

Turnover represents returns on interest receivable from loans made to unlisted companies and sundry investment income.

Interest receivable from loans is recognised on an accruals basis when receivable.

1.3 INTEREST RECEIVABLE

Interest receivable from loans made to unlisted companies is accounted for in accordance with 1.2 above.

1.4 LOANS

Loans are accounted for when cash is advanced to borrowers at fair value inclusive of transaction costs and are amortised over the period of the loan in accordance with the contractual terms. Loans are derecognised when the right to receive cash flows has expired.

1.5 RISK TRANSFER BANK ACCOUNT AND BAD DEBTS

Retail Community Development Finance Institutions (CDFI) are required to provide a cash risk deposit calculated on their gross credit line. These monies are held in a separate risk transfer bank account. In the event of a loan default the bad debt losses are shared between the company and the CDFI (the companies share being no greater than 50%) with the CDFI's share taken from, but limited by, the value of their deposit.

2. OPERATING LOSS

The operating loss is stated after charging:

	2009 £	2008 £
Auditors' remuneration	6,483	7,050

During the year, no director received any emoluments (2008 - £NIL).

3. INVESTMENT INCOME

	2009 £	2008 £
Bank interest receivable	127,132	146,886

LONDON BUSINESS LOANS (WHOLESALE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009**

4. TAXATION

	2009 £	2008 £
UK corporation tax charge on loss for the year	-	-

5. DEBTORS

	2009 £	2008 £
Trade debtors	1,370,465	246,158
Other debtors	42,939	46,791
	<u>1,413,404</u>	<u>292,949</u>

Included in trade debtors above are debtors of £1,114,600 (2008: £234,991) which are falling due after more than one year.

**6. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2009 £	2008 £
Bank loans and overdrafts	93,069	9,860
Trade creditors	141,769	-
Other creditors	484,511	115,944
	<u>719,349</u>	<u>125,804</u>

**7. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2009 £	2008 £
Bank loans	3,000,000	3,000,000
Other loans	100,000	100,000
Other creditors	461,200	-
	<u>3,561,200</u>	<u>3,100,000</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2009 £	2008 £
Repayable other than by instalments	-	3,100,000

LONDON BUSINESS LOANS (WHOLESALE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009**

**7. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)**

The bank loan, unless demand for early repayment is made, is due for repayment at the expiry of the facility which should be five years from the date of drawdown. Interest is fixed for the duration of the facility at 1% per annum and is charged quarterly. The loan is secured by a fixed and floating charge over the assets of the company.

The other loan included within bank loans, unless demand for early repayment is made, is due for repayment five years after its first drawing. Interest is fixed for the duration of the facility at 1% per annum and is charged quarterly. The loan is secured by a fixed and floating charge over the assets of the company.

Included in other creditors is £461,200 received from two retail Community Development Finance Institutions (CDFI) in respect of a cash risk deposits representing not less than 25% of their gross credit line.

8. SHARE CAPITAL

	2009 £	2008 £
AUTHORISED, ALLOTTED, CALLED UP AND FULLY PAID		
510,000 Ordinary Shares shares of £1 each	<u>510,000</u>	<u>510,000</u>

9. RESERVES

	Profit and loss account £
At 1 April 2008	(39,790)
Loss for the year	(118,019)
At 31 March 2009	<u>(157,809)</u>

10. RELATED PARTY TRANSACTIONS

During the year the company was charged £192,202 (2008: £141,243) by Greater London Enterprise, a shareholder, in respect of management fees. At the year end £141,572 (2008: £nil) remained outstanding and is included within Trade Creditors in note 6.

The company continued to owe Kingston Smith, a shareholder, £100,000 (2008: £100,000) in the form of a debenture which was provided in the previous financial year.

11. CONTROLLING PARTY

The company is not under the control of one party.