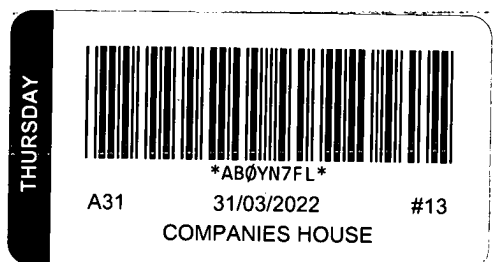


REGISTERED NUMBER: 08868101 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
BROWN ARGUS TRADING LIMITED**



**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Statement of Income and Retained Earnings	8
Balance Sheet	9
Notes to the Financial Statements	10

BROWN ARGUS TRADING LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021**

DIRECTORS:

External Officer Limited
T W Moore
D L Strothers
M A Swanston
Thames Street Services Limited

REGISTERED OFFICE:

6th Floor, St Magnus House,
3 Lower Thames Street
London
EC3R 6HD

REGISTERED NUMBER:

08868101 (England and Wales)

**SENIOR STATUTORY
AUDITOR:**

Matthew Green

AUDITORS:

Lubbock Fine LLP
Chartered Accountant & Statutory Auditor
Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2021**

The directors present their report with the financial statements of the company for the year ended 31 March 2021.

PRINCIPAL ACTIVITY

The principal activity of the company is the provision of short term loan facilities.

REVIEW OF BUSINESS

During the year under review the company made a profit of £351,277 (2020 - Loss of £1,228,289).

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2020 to the date of this report.

External Officer Limited
T W Moore
D L Strothers
M A Swanston
Thames Street Services Limited

GOING CONCERN

The directors have adopted the going concern basis in preparing the financial statements. In assessing whether the going concern assumption is appropriate, the directors have taken into account all relevant information about the future.

The directors have prepared forecasts based on models covering 27 years and reviewed capital requirements and debt covenants for twelve months from the date of approving these financial statements. The directors are comfortable that the group can continue to trade for at least twelve months from the date of approval of these accounts. The directors have assessed that the group is not likely to breach any debt covenants based on the forecasting performed.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations:

Company law requires the directors to prepare the financial statements in accordance with United Kingdom. Generally accepted accounting practice (United Kingdom Accounting Standards and applicable law), including FRS 102 'The financial reporting standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit and loss of the company for that period. In preparing these financial statements, the directors are required to:

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2021**

DIRECTORS' RESPONSIBILITIES STATEMENT - continued

- 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 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.

POST BALANCE SHEET EVENTS

There have been no significant events affecting the company since the year end. The Directors are satisfied there are no adjustments required to the balance sheet as a result of Covid 19, as no provisions are required against outstanding debtors and creditors.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors confirm that:

- So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.
- The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

The auditors, Lubbock Fine LLP, will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

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

ON BEHALF OF THE BOARD:

.....*Matthew Swanston*.....
M A Swanston - Director

Date: 30 March 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BROWN ARGUS TRADING LIMITED

Opinion

We have audited the financial statements of Brown Argus Trading Limited (the 'company') for the year ended 31 March 2021 which comprise the Statement of Income and Retained Earnings, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BROWN ARGUS TRADING LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on pages two and three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BROWN ARGUS TRADING LIMITED

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

- The nature of the sector and the impact of Covid 19 on financial and operating performance and policies;
- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance of laws and regulations; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit partners and staff who have extensive experience of working with entities in similar sectors and this experience was relevant to the discussion about where fraud risks might arise.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included health and safety regulations, employment law, environmental regulations etc.

As a result of these procedures, we considered the particular areas that were susceptible to misstatement due to fraud were in respect of revenue recognition and management override. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;
- reviewing revenue recognition on a sample basis;

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BROWN ARGUS TRADING LIMITED

- in addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the company's operations.
- review of covenants in place with external lenders to ensure no breaches during the period and checking calculations of covenants reported to lenders to ensure correct these are correct.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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.

Matthew Green

Matthew Green (Senior Statutory Auditor)
for and on behalf of Lubbock Fine LLP
Chartered Accountant & Statutory Auditor
Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

Date: 30 March 2022

BROWN ARGUS TRADING LIMITED (REGISTERED NUMBER: 08868101)

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2021**

	31/3/21	31/3/20 as restated
Notes	£	£
TURNOVER	871,621	2,560,899
Administrative expenses	(1,093)	(54,962)
	<u>870,528</u>	<u>2,505,937</u>
Exceptional expenses	(519,251)	(3,734,226)
OPERATING PROFIT/(LOSS) and PROFIT/(LOSS) BEFORE TAXATION	351,277	(1,228,289)
Tax on profit/(loss)	-	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	351,277	(1,228,289)
Retained earnings at beginning of year	(17,673,788)	(16,445,499)
RETAINED EARNINGS AT END OF YEAR	<u>(17,322,511)</u>	<u>(17,673,788)</u>

The notes form part of these financial statements

BROWN ARGUS TRADING LIMITED (REGISTERED NUMBER: 08868101)**BALANCE SHEET
31 MARCH 2021**

		31/3/21	31/3/20 as restated
	Notes	£	£
FIXED ASSETS			
Investments	6	1	1
CURRENT ASSETS			
Debtors	7	-	3,150,519
Cash at bank		120,944	255,069
		<u>120,944</u>	<u>3,405,588</u>
CREDITORS			
Amounts falling due within one year	8	(17,443,454)	(21,079,376)
NET CURRENT LIABILITIES		<u>(17,322,510)</u>	<u>(17,673,788)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(17,322,509)</u>	<u>(17,673,787)</u>
CAPITAL AND RESERVES			
Called up share capital	9	1	1
Retained earnings		(17,322,510)	(17,673,788)
SHAREHOLDERS' FUNDS		<u>(17,322,509)</u>	<u>(17,673,787)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 30 March 2022 and were signed on its behalf by:

Matthew Swanston
M A Swanston - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. STATUTORY INFORMATION

Brown Argus Trading 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.

The presentation currency of the financial statements is the Pound Sterling (£).

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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The directors have adopted the going concern basis in preparing the financial statements. In assessing whether the going concern assumption is appropriate, the directors have taken into account all relevant information about the future.

The directors have prepared forecasts based on models covering 27 years and reviewed capital requirements and debt covenants for twelve months from the date of approving these financial statements. The directors are comfortable that the group can continue to trade for at least twelve months. The directors have assessed that the group is not likely to breach any debt covenants based on the forecasting performed.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

Investments in subsidiaries

Investment in subsidiary undertakings are measured at cost less accumulated impairment.

Turnover

Turnover represents the amounts receivable for interest and similar amounts generated in the year net of any applicable value added tax. Any uninvoiced income is accrued in the period in which it has been generated.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES - continued

Deferred tax

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

2. ACCOUNTING POLICIES - continued

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

Cash and cash equivalents

Cash is represented by deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of the acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

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

Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 Income Statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

2. ACCOUNTING POLICIES - continued

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. The actual amount or values may vary in certain instances from the assumptions and estimates made. Changes will be recorded, with corresponding effect in profit or loss, when, and if, better information is obtained.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was NIL (2020 - 2).

4. EXCEPTIONAL ITEMS

	31/03/2021	31/03/2020 as restated
	£	£
Bad Debt write-off	519,251	3,734,226

5. PRIOR YEAR ADJUSTMENT

	Net assets as at 31 March 2020	Net assets as at 31 March 2019
As previously stated	(17,673,787)	(16,445,498)
Increase in fixed asset Investments (1)	1	-
Increase in other creditors (1)	(1)	-
As restated	(17,673,787)	(16,445,498)

1) The investment in the subsidiary Flexible Power Limited has now been restated to be included as it was acquired on 31 January 2020.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2020	
and 31 March 2021	1
NET BOOK VALUE	
At 31 March 2021	1
At 31 March 2020	1

Name	Registered office	Principal activity	Class of Shares	Holding
Flexible Power Limited	England	Provision of short term loan facilities	Ordinary	100%

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/21	31/3/20 as restated
	£	£
Loans Receivable	-	2,820,711
VAT debtor	-	34
Tax	-	240,533
Accrued income	-	89,241
	-	3,150,519

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/21	31/3/20 as restated
	£	£
Trade creditors	14	205
Amounts owed to group undertakings	17,436,335	21,072,106
Other creditors	1	1
Accruals and deferred income	7,104	7,064
	17,443,454	21,079,376

The amounts owed to group undertakings is secured by a fixed and floating charge on the assets of the company. The security is held in favour of Bridging trading LLP in the role of security agent and Downing LLP in the role of security trustee.

The company has no tax liability and there are estimated tax losses of approximately £13,003,922 (2020: £14,648,561) to carry forward.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	31/3/21	31/3/20 as restated
Number:	Class:			
100	Ordinary	0.01	£ 1	£ 1

10. CAPITAL COMMITMENTS

At 31 March 2021 and 31 March 2020 the company had no capital commitments.

11. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

12. POST BALANCE SHEET EVENTS

There have been no significant events affecting the company since the year end. The Directors are satisfied there are no adjustments required to the balance sheet as a result of Covid 19, as no provisions are required against outstanding debtors and creditors.

13. ULTIMATE CONTROLLING PARTY

The ultimate parent company is Chalkhill Life Holdings Limited, a company incorporated in England and Wales. The consolidated financial statements of Chalkhill Life Holdings Limited can be obtained from the companies registered office: 6th Floor, St Magnus House 3 Lower Thames Street London EC3R 6HD.