

COMPANY REGISTRATION NUMBER: 09444444

**Liberis BCA Ltd**  
**Financial Statements**  
**Year ended 31 December 2020**



**Liberis BCA Ltd**  
**Financial Statements**  
**Year ended 31 December 2020**

<b>Contents</b>	<b>Page</b>
Officers and professional advisers	<b>1</b>
Strategic report	<b>2</b>
Directors' report	<b>5</b>
Independent auditor's report to the members	<b>7</b>
Statement of income and retained earnings	<b>11</b>
Statement of financial position	<b>12</b>
Statement of cash flows	<b>13</b>
Notes to the financial statements	<b>14</b>

# **Liberis BCA Ltd**

## **Officers and Professional Advisers**

### **The board of directors**

Mr M K Badale  
Mr T P Bason  
Mr R A Straathof

### **Registered office**

Scale Space  
58 Wood Lane  
London  
United Kingdom  
W12 7RZ

### **Auditor**

BDO LLP  
Chartered accountants & statutory auditor  
55 Baker St  
Marylebone  
London  
United Kingdom  
W1U 7EU

# **Liberis BCA Ltd**

## **Strategic Report**

**Year ended 31 December 2020**

### **Principal activities and business review**

The principal activity during the year was the provision of alternative funding for merchants for growth capital not available through traditional sources.

The revenue of the company decreased from £29,888k to £20,837k due to the reduction in advances in the year partly as a result of the global pandemic, with a profit before taxation of £7k compared to a loss in the prior year of £923k.

Lower UK advances have resulted in a smaller advances book before provisions, reducing from £73,696k to £45,174k.

### **Key financial indicators**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Revenue	<b>20,837</b>	29,888
Gross Profit	<b>16,645</b>	12,540
Profit/ (loss) before taxation	<b>7</b>	(923)
EBITDA	<b>3,788</b>	2,804
Operating Profit	<b>3,788</b>	2,804
Net assets/(liabilities)	<b>(1,666)</b>	(1,673)

### **Key performance indicators**

	<b>2020 No.</b>	<b>2020</b>	<b>2019 No.</b>	<b>2019</b>
		<b>£</b>		<b>£</b>
UK advances	<b>3,534</b>	<b>58,922</b>	8,662	126,140

UK advances includes both Business Cash Advances and advances made under the Coronavirus Business Interruption Loan Scheme (CIBLS).

### **Future developments**

We expect to return to growth of the debtors book throughout 2021 subject to the impact of COVID-19 restrictions and believe that the company will manage its costs and remain at a break even position.

### **Going concern**

The financial statements are prepared on a going concern basis, noting that the Company has reported an operating profit of £3,788k for the year to 31 December 2019 (2019: £2,804k).

The far reaching spread of the COVID-19 pandemic has caused economic and business disruption around the globe, including forcing many companies, including Liberis BCA Limited, to utilise business continuity plans, including limiting travel and employ remote working, to allow continued operations with minimal disruptions.

In this context, the directors have evaluated the going concern status of the Group and Company and concluded that the Group and Company should be able to continue operations as a going concern in particular given the completion of our refinancing in December 2019, securing a £70m financing facility and the securing an additional £7.5m facility in April 2021 to support further expansion of the European advances book. However the directors acknowledge that the overall breadth of the COVID-19 pandemic has raised enough indeterminable variables that could potentially impact the continuity of the business given the impact of government mandated lock down restrictions on the ability of the business to cash advance and collect on the advances book.

The directors have prepared cash flow forecasts for the period to April 2022 which indicate that, taking account of reasonable possible downside scenarios, the Group and Company will have sufficient

# **Liberis BCA Ltd**

## **Strategic Report *(continued)***

### **Year ended 31 December 2020**

funds through repayments expected from the existing cash advances given to clients, its existing funding from its investors and the Group's senior facility, to meet its liabilities as they fall due for that period. The Company is party to the senior facility with its assets provided as security. The directors have applied reasonable possible downsides to their base case cash flow forecasts to assess the possible impact of reduced forecast income streams due to lower transaction volumes particularly given the COVID 19 pandemic. The forecasts took into account the directors' plans to mitigate the effect of the events and conditions, for example through reducing its cost based to reflect the lower transaction volumes.

Given the uncertainty in relation to future government mandated lockdowns as a response to the pandemic a material uncertainty exists that may cast significant doubt on the Group's and Company's ability to continue as a going concern and therefore their ability to realise their assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments should the going concern basis of preparation be inappropriate.

#### **Financial risk management objectives and policies**

As with any organisation, there are varying degrees of inherent and residual business risks associated with its business activities. At Liberis this is managed by way of a risk management programme and underwriting process. This allows the directors and credit committee to have an informed knowledge of the level of exposure at any given time and the way those risks are managed in order to mitigate the likely impact on the company's financial assets and liabilities. By implementing various levels of internal control within the organisation, the inherent risks can be reduced to an acceptable level.

The management programme involves identifying and assessing risks and then responding to them promptly. This enables the directors to monitor and manage them effectively. Any residual risk will be evaluated and monitored in accordance with the level of the amount of risk that is judged to be tolerable and justifiable within the organisation.

One of the keys to mitigating risk is to ensure internal controls are robust and the directors regularly review company policies, procedures, detailed management accounts, cash flows projection, budget and forecast with the emphasis on reviewing liquidity, ratios analysis on debtors, creditors, price and volume variances.

#### **Credit risk**

The directors and the Credit Committee have taken up reasonable measures via credit risk policy and underwriting procedures to mitigate credit risk to an acceptable level.

#### **Insurable risk**

The company has taken up various worldwide insurance. Furthermore professional indemnity, travel, directors and officers' indemnity have also been secured by the company.

#### **Employment risk**

The directors have taken sufficient steps and advice on employment, health and safety issues.

#### **Information technology & communication**

The company relies heavily on information technology. The priority is to ensure the operation of the business is not unduly interrupted either due to a lack of support or maintenance. The directors ensure that first tier providers are secured on a long term contract in order to ensure we have a continuous service support throughout the operation.

#### **Working capital and banking facility and borrowings**

The company utilises its line of bank credit to support funding growth and to meet the ongoing capital requirements. Regular audits are required to ensure that we adhere to the bank covenants.

# **Liberis BCA Ltd**

## **Strategic Report** *(continued)*

**Year ended 31 December 2020**

This report was approved by the board of directors on 30/04/2021..... and signed on behalf of the board by:



Mr T P Bason  
Director

Registered office:  
Scale Space  
58 Wood Lane  
London  
United Kingdom  
W12 7RZ

# **Liberis BCA Ltd**

## **Directors' Report**

### **Year ended 31 December 2020**

The directors present their report and the financial statements of the company for the year ended 31 December 2020.

#### **Directors**

The directors who served the company during the year were as follows:

Mr M K Badale

Mr T P Bason

Mr R A Straathof

Mr P Mildenstein

(Resigned 4 November 2020)

#### **Dividends**

The directors do not recommend the payment of a dividend.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, directors' 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). 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 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 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.

#### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

# **Liberis BCA Ltd**

## **Directors' Report** *(continued)*

**Year ended 31 December 2020**

This report was approved by the board of directors on .....<sup>30/04/2021</sup>..... and signed on behalf of the board by:



Mr T P Bason  
Director

Registered office:  
Scale Space  
58 Wood Lane  
London  
United Kingdom  
W12 7RZ



# **Liberis BCA Ltd**

## **Independent Auditor's Report to the Members of Liberis BCA Ltd**

**Year ended 31 December 2020**

### **Opinion**

We have audited the financial statements of Liberis BCA Ltd ("the Company") for the year ended 31 December 2020 which comprise the Statement of Income and Retained Earnings, Statement of Financial Position, Statement of Cash Flows 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).

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 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 Auditor's 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 FRC'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.

### **Material uncertainty related to going concern**

We draw attention to Note 3 in the financial statements, which identifies the impact on the Company and its customers of government-imposed restrictions and other uncertainties related to the Covid-19 pandemic across the jurisdictions in which the Company operates.

As of the date of the auditor's report, there remains uncertainty as to the impact and period over which restrictions will remain for certain sectors and when those borrowers of the Company that are most impacted will be able to fully resume activities. The ongoing uncertainty in respect of the impact of Covid-19 and the likelihood of a severe contraction in the UK economy leads to a heightened risk in respect of going concern.

As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

# **Liberis BCA Ltd**

## **Independent Auditor's Report to the Members of Liberis BCA Ltd** *(continued)*

**Year ended 31 December 2020**

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report 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. 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 course of 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.

### **Other Companies Act 2006 reporting**

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

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

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 Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

### **Responsibilities of Directors**

As explained more fully in the Statement of Directors' Responsibilities, 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 is 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.

# **Liberis BCA Ltd**

## **Independent Auditor's Report to the Members of Liberis BCA Ltd *(continued)***

**Year ended 31 December 2020**

### **Auditor's 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 an auditor's report 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates, and considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with Companies Act 2006 and United Kingdom Accounting Standards.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management and directors; and
- review of minutes of board meetings throughout the period.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

# **Liberis BCA Ltd**


## **Independent Auditor's Report to the Members of Liberis BCA Ltd** *(continued)*

**Year ended 31 December 2020**

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 an auditor's 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.



Matthew Hopkins (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
55 Baker Street

London

W1U 7EU

30 April 2021

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

# Liberis BCA Ltd

## Statement of Income and Retained Earnings

Year ended 31 December 2020

	Note	2020 £000	2019 £000
<b>Turnover</b>	<b>4</b>	<b>20,837</b>	<b>29,888</b>
Cost of sales		<u>(4,192)</u>	<u>(17,349)</u>
<b>Gross profit</b>		<b>16,645</b>	<b>12,539</b>
Administrative expenses		<u>(12,857)</u>	<u>(9,735)</u>
<b>Operating profit</b>	<b>5</b>	<b>3,788</b>	<b>2,804</b>
Interest payable and similar expenses	<b>8</b>	<u>(3,781)</u>	<u>(3,728)</u>
<b>Profit/(loss) before taxation</b>		<b>7</b>	<b>(924)</b>
Tax on profit/(loss)	<b>9</b>	<u>—</u>	<u>—</u>
<b>Profit/(loss) for the financial year and total comprehensive income/(loss)</b>		<b><u>7</u></b>	<b><u>(924)</u></b>
<b>Retained losses at the start of the year</b>		<b><u>(1,673)</u></b>	<b><u>(749)</u></b>
<b>Retained losses at the end of the year</b>		<b><u>(1,666)</u></b>	<b><u>(1,673)</u></b>

All the activities of the company are from continuing operations.

The notes on pages 14 to 18 form part of these financial statements.

**Liberis BCA Ltd**  
**Statement of Financial Position**  
**31 December 2020**

	Note	2020 £000	2019 £000
<b>Current assets</b>			
Debtors	10	36,381	68,208
Cash at bank and in hand		<u>6,831</u>	<u>1,711</u>
		43,212	69,919
<b>Creditors: amounts falling due within one year</b>	11	<u>(18,218)</u>	<u>(49,912)</u>
<b>Net current assets</b>		<b>24,994</b>	<b>20,007</b>
<b>Total assets less current liabilities</b>		<b>24,994</b>	<b>20,007</b>
<b>Creditors: amounts falling due after more than one year</b>	12	<u>(26,660)</u>	<u>(21,680)</u>
<b>Net liabilities</b>		<u><b>(1,666)</b></u>	<u><b>(1,673)</b></u>
<b>Capital and reserves</b>			
Called up share capital	13	-	-
Profit and loss account	14	<u>(1,666)</u>	<u>(1,673)</u>
<b>Shareholders deficit</b>		<u><b>(1,666)</b></u>	<u><b>(1,673)</b></u>

These financial statements were approved by the board of directors and authorised for issue on ..30/04/2021....., and are signed on behalf of the board by:

  
Mr T P Bason  
Director

Company registration number: 09444444

**Liberis BCA Ltd**  
**Statement of Cash Flows**  
**Year ended 31 December 2020**

	2020 £000	2019 £000
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial year	7	(924)
<i>Adjustments for:</i>		
Interest payable and similar expenses	3,781	3,728
Accrued (income)/expenses	(706)	1,479
<i>Changes in:</i>		
Trade and other debtors	31,827	(19,498)
Trade and other creditors	(33)	27
Cash generated from operations	<u>34,876</u>	<u>(15,188)</u>
Interest paid	(3,781)	(3,728)
Net cash from/(used in) operating activities	<u>31,095</u>	<u>(18,916)</u>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	(39,760)	18,107
Proceeds from loans from group undertakings	13,785	1,939
Net cash (used in)/from financing activities	<u>(25,975)</u>	<u>20,046</u>
<b>Net increase in cash and cash equivalents</b>	<b>5,120</b>	<b>1,130</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>1,711</b>	<b>581</b>
<b>Cash and cash equivalents at end of year</b>	<b><u>6,831</u></b>	<b><u>1,711</u></b>

The notes on pages 14 to 18 form part of these financial statements.

# **Liberis BCA Ltd**

## **Notes to the Financial Statements**

**Year ended 31 December 2020**

### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Scale Space, 58 Wood Lane, London, W12 7RZ, United Kingdom.

The principal activity information is disclosed within the strategic report.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Going concern**

The financial statements are prepared on a going concern basis, noting that the Company has reported an operating profit of £3,788k for the year to 31 December 2019 (2019: £2,804k).

The far reaching spread of the COVID-19 pandemic has caused economic and business disruption around the globe, including forcing many companies, including Liberis BCA Limited, to utilise business continuity plans, including limiting travel and employ remote working, to allow continued operations with minimal disruptions.

In this context, the directors have evaluated the going concern status of the Group and Company and concluded that the Group and Company should be able to continue operations as a going concern in particular given the completion of our refinancing in December 2019, securing a £70m financing facility and the securing an additional £7.5m facility in April 2021 to support further expansion of the European advances book. However the directors acknowledge that the overall breadth of the COVID-19 pandemic has raised enough indeterminable variables that could potentially impact the continuity of the business given the impact of government mandated lock down restrictions on the ability of the business to cash advance and collect on the advances book.

The directors have prepared cash flow forecasts for the period to April 2022 which indicate that, taking account of reasonable possible downside scenarios, the Group and Company will have sufficient funds through repayments expected from the existing cash advances given to clients, its existing funding from its investors and the Group's senior facility, to meet its liabilities as they fall due for that period. The Company is party to the senior facility with its assets provided as security. The directors have applied reasonable possible downsides to their base case cash flow forecasts to assess the possible impact of reduced forecast income streams due to lower transaction volumes particularly given the COVID 19 pandemic. The forecasts took into account the directors' plans to mitigate the effect of the events and conditions, for example through reducing its cost based to reflect the lower transaction volumes.



# **Liberis BCA Ltd**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 December 2020**

### **3. Accounting policies *(continued)***

#### **Going concern *(continued)***

Given the uncertainty in relation to future government mandated lockdowns as a response to the pandemic a material uncertainty exists that may cast significant doubt on the Group's and Company's ability to continue as a going concern and therefore their ability to realise their assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments should the going concern basis of preparation be inappropriate.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following are considered significant judgements made by the directors:

- Significant judgements are made by the directors in relation to expected collection periods which impacts revenue recognition on an effective interest rate.
- The company regularly monitors debtors for indication of impairment, or non-compliance with the contractual terms of the purchase of revenue streams. The company records a specific provision for the full outstanding amounts, less expected recoveries, which the company categorises as impaired and the directors believe will not be recoverable. The provisions are recorded against the amortised cost balance of debtors.

#### **Revenue recognition**

The company's revenue is derived from purchasing a future income stream from merchants at a discount. As the related debtors are collectable over extended periods of time, the company recognises the income earned from financial assets held at amortised cost on an effective interest rate method basis using the discount factor as the interest rate with a period consistent with the expected amortisation of the debtor balances.

#### **Financial instruments**

Basic financial instruments including financial assets and liabilities are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Subsequent measure is at amortised cost.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

# Liberis BCA Ltd

## Notes to the Financial Statements *(continued)*

**Year ended 31 December 2020**

### 4. Turnover

Turnover arises from:

	2020 £000	2019 £000
Margin on purchased income streams	<u>20,837</u>	<u>29,888</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

### 5. Operating profit

Operating profit or loss is stated after charging/crediting:

	2020 £000	2019 £000
Impairment of trade debtors	9,947	7,737
Foreign exchange differences	<u>—</u>	<u>(3)</u>

### 6. Auditor's remuneration

The audit fee has been borne by Liberis Limited, a group company, and therefore there is no cost recognised in these financial statements.

The non audit fees payable to the company's auditor are £nil (2019: £nil)

### 7. Staff costs and directors' remuneration

The average number of persons employed by the company during the year including directors amounted to 4 management staff (2019: 4 management staff). There were no payroll costs incurred during the year.

No director received remuneration during the year.

### 8. Interest payable and similar expenses

	2020 £000	2019 £000
Interest on banks loans and overdrafts	1,818	2,108
Other interest payable and similar charges	<u>1,963</u>	<u>1,620</u>
	<u>3,781</u>	<u>3,728</u>

# Liberis BCA Ltd

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

### 9. Tax on profit/(loss)

#### Reconciliation of tax income

The tax assessed on the profit/(loss) on ordinary activities for the year is the same as (2019: higher than) the standard rate of corporation tax in the UK of 19% (2019: 19%).

	2020 £000	2019 £000
Profit/(loss) on ordinary activities before taxation	7	(924)
Profit/(loss) on ordinary activities by rate of tax	1	(175)
Effect of expenses not deductible for tax purposes	16	—
Utilisation of tax losses	(11)	(131)
Corporate interest restriction	212	306
Group loss relief	(218)	—
Tax on profit/(loss)	—	—

Deferred tax in respect of unused losses will only be recognised when the entity is certain of utilisation, demonstrated by way of group profitability. As at the year end the deferred tax asset not recognised is £nil. Deferred tax has been measured at 19%, the substantially enacted rate as at the year end date.

### 10. Debtors

	2020 £000	2019 £000
Trade debtors	35,603	67,269
Amounts owed by group undertakings	—	322
Prepayments and accrued income	778	517
Other debtors	—	100
	<u>36,381</u>	<u>68,208</u>

The trade debtor balance includes all sums due to the company in accordance with the agreements in place.

### 11. Creditors: amounts falling due within one year

	2020 £000	2019 £000
Bank loans and overdrafts	—	44,740
Trade creditors	10	43
Amounts owed to group undertakings	17,109	3,324
Accruals and deferred income	1,099	1,805
	<u>18,218</u>	<u>49,912</u>

# Liberis BCA Ltd

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

### 12. Creditors: amounts falling due after more than one year

	2020	2019
	£000	£000
Bank loans and overdrafts	<u>26,660</u>	<u>21,680</u>

£26,660k (2019: £66,420k including £44,740k disclosed as current liabilities) of creditors in Liberis BCA Limited are secured against the assets of Liberis BCA Limited and are guaranteed, by way of a fixed and floating charge against assets, by other group companies including Liberis Holdings Limited.

### 13. Called up share capital

Issued, called up and fully paid

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

### 14. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

### 15. Analysis of changes in net debt

	At 1 Jan 2020	Cash flows	At 31 Dec 2020
	£000	£000	£000
Cash at bank and in hand	1,711	5,120	6,831
Debt due within one year	(48,064)	30,955	(17,109)
Debt due after one year	(21,680)	(4,980)	(26,660)
	<u>(68,033)</u>	<u>31,095</u>	<u>(36,938)</u>

### 16. Related party transactions

At the year end the company was owed £nil (2019: £322k) from group companies.

At the year end the company owed £17,109k (2019: £3,324k) to group companies.

### 17. Controlling party

At the balance sheet date the company's immediate parent company was Liberis Asset Holdings Limited, a company registered in the United Kingdom. The address of the registered office is Scale Space, 58 Wood Lane, London, United Kingdom, W12 7RZ.

At the balance sheet date the company's ultimate parent company was Liberis Holdings Limited, a company registered in Jersey. The address of the registered office is No 2 The Forum, Grenville Street, St Helier, JE1 4HH, Jersey.