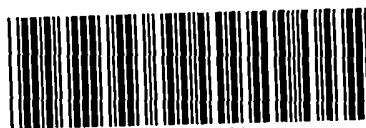


WELLESLEY BRIDGING CO LIMITED

Unaudited Filleted Financial Statements
for 14 months ended 28 February 2023

Company Number 09592003

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WELLESLEY BRIDGING CO LIMITED

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WELLESLEY BRIDGING CO LIMITED

Company Information
for 14 months ended 28 February 2023

Director

Andrew Turnbull

Registered Office

483 Green Lanes, London, England, N13 4BS

Company Registration Number

09592003

Legal Advisers

Shoosmiths, 2 Colmore Square, 38 Colmore Circus Queensway, Birmingham, B4 6SH

WELLESLEY BRIDGING CO LIMITED

Statement of Financial Position as at 28 February 2023

	Notes	As at 28 February 2023 £'000	As at 31 December 2021 £'000
NON-CURRENT ASSETS			
Investments	5	3,346	2,535
CURRENT ASSETS			
Debtors	6	656	543
TOTAL ASSETS		4,002	3,078
CURRENT LIABILITIES			
Creditors	7	3,506	2,747
TOTAL LIABILITIES		3,506	2,747
NET ASSETS		496	331
CAPITAL AND RESERVES			
Share capital	8	-	-
Reserves	9	496	331
SHAREHOLDERS' FUNDS		496	331

The issued share capital at the end of the current and preceding period totals £1, but as the financial statements are presented in £'000s it is rounded down to zero.

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 28 February 2023.

The members have not required the company to obtain an audit of its financial statements for the period ended 28 February 2023 in accordance with Section 476 of the Companies Act 2006.

The Director acknowledges his responsibilities for:

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

WELLESLEY BRIDGING CO LIMITED

Statement of Financial Position as at 28 February 2023

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

These financial statements were approved by the Board of directors on 26 September 2023 and were signed on its behalf by:



Andrew Turnbull
Director
Company number 09592003

The notes on pages 4 to 8 are an integral part of these financial statements.

WELLESLEY BRIDGING CO LIMITED

Notes forming part of the financial statements for 14 months ended 28 February 2023

1 STATUTORY INFORMATION

Wellesley Bridging Co Limited is a private limited company incorporated in the United Kingdom with a registered office at 483 Green Lanes, London, England, N13 4BS. It was established to provide bridging finance to the property development market.

2 BASIS OF PREPARATION

Accounting basis

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.

The comparative is for the year ended 31 December 2021.

The presentational currency of the financial statements is Pound Sterling and all amounts are rounded to the nearest £1,000.

The Company has taken the exemption from preparing a statement of Cash Flows and Statement of Changes in Equity in accordance with section 1A paragraph 1A.7. Wellesley Group Investors Limited, registration number 08478238 registered office at 483 Green Lanes, London, N13 4BS, is the immediate and ultimate parent company, which prepares consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"). The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiaries are included by full consolidation in the consolidated accounts of the ultimate parent.

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Information about areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in note 4.

The particular accounting policies adopted by the Director are described below and have been applied consistently year on year.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Interest income

Interest income is recognised in the statement of profit and loss on an effective interest rate ("EIR"). The EIR is the rate that, at the inception of the financial asset or liability, exactly discounts expected future cash payments and receipts over the expected life of the instrument back to the initial carrying amount. When calculating the EIR, the Company estimates cash flows considering all contractual terms of the instrument but does not consider the assets' future credit losses.

At each reporting date, management makes an assessment of the expected remaining life of its financial assets and where there is a change in those assessments the remaining amount of any unamortised discount or premiums is adjusted so that the interest continues to be recognised prospectively on the amortised cost of the financial asset at the original EIR. The adjustment arising is recognised within interest income in the statement of profit and loss of the current period.

The calculation of the EIR includes all transaction costs and fees paid or received that are an integral part of the interest rate, together with the discounts or premium arising on the acquisition of loan portfolios.

Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

Interest income and expense presented in the income statement include interest on financial assets and financial liabilities measured at amortised cost calculated on an EIR basis.

WELLESLEY BRIDGING CO LIMITED

Notes forming part of the financial statements for 14 months ended 28 February 2023

3.2 Financial instruments

The Company initially recognises loans and advances issued on the date they are originated, at present value of the future cash flows less transaction costs. De-recognition of financial assets is the point at which an asset is removed from the statement of financial position.

Financial assets are derecognised when:

- the rights to receive cash flows from the assets have ceased; and
- the Company has transferred substantially all the risk and rewards of ownership of the assets.

A financial liability is derecognised when the obligation is discharged, cancelled or expires. Any difference between the carrying amount of a financial liability derecognised and the consideration paid is recognised through the income statement.

Financial Assets

The Company classifies its financial assets as loans and receivables.

The Company's accounting policy is as follows:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Company does not intend to sell immediately or in the near term. These are initially measured at present value of the future cash flows less transaction costs that are directly attributable to the financial asset. Subsequently, they are measured at amortised cost using the EIR. The amortised cost is the amount advanced less principal repayments, plus or minus the cumulative amortisation using the EIR method of any difference between the amount advanced and the maturity amount less impairment provisions for incurred losses. Loans and receivables mainly comprise loans and advances to customers.

Impairment

Impairment is recognised on the basis of objective evidence. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

On an on-going basis the Company assesses whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the assets (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Company uses to determine that there is objective evidence of impairment loss include, but not limited to, the following:

- delinquency in contractual payments of principal or interest;
- cash flow or other trading difficulties experienced by the borrower;
- initiation of bankruptcy proceedings; and
- change in market value of assets.

The Company's portion of the carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the Income Statement.

When a financial asset is uncollectible, it is written off against the related provision for impairment. Such financial assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the provision for impairment in the income statement. Allowances for impairment losses are released at the point when it is deemed that, following a subsequent event, the risk has reduced such that an allowance is no longer required.

WELLESLEY BRIDGING CO LIMITED

Notes forming part of the financial statements for 14 months ended 28 February 2023

3.3 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. It is recognised in the statement of comprehensive income except to the extent that it relates to a business combination, or items recognised directly in equity or in equity through other comprehensive income.

Current tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the period end date.

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.

4 USE OF ESTIMATES AND JUDGEMENTS

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

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The judgement and assumptions that are considered to be the most important to the portrayal of the Company's financial condition are those relating to loan impairment provisions.

5 INVESTMENTS

	As at 28 February 2023 £'000	As at 31 December 2021 £'000
Gross loan	3,346	2,535
Amounts falling due:		
In the second to fifth year inclusive	3,346	2,535

At the reporting date, the Company was owed £3,346k (2021: £2,535k) by a Director of the ultimate parent company, Wellesley Group Investors Limited. During the reporting period, advances under the loan of £651k (2021: £458k) were made. The loan accrues at an interest rate of 4.95% per annum and is repayable on 30 October 2025. The loan is the only asset held at amortised cost. Further details are provided in Note 10.

6 DEBTORS

	As at 28 February 2023 £'000	As at 31 December 2021 £'000
Other assets	656	543

Other assets consist of refundable tax paid on Director's loan.

WELLESLEY BRIDGING CO LIMITED

Notes forming part of the financial statements
for 14 months ended 28 February 2023

7 CREDITORS

	As at 28 February 2023	As at 31 December 2021
	£'000	£'000
Amounts owed to group undertakings	3,503	2,736
Accruals	3	11
	3,506	2,747

The Company does not currently hold any liabilities at fair value or at amortised cost. Amounts owed to group undertakings are payable on demand, unsecured and do not accrue interest.

8 SHARE CAPITAL

	As at 28 February 2023	As at 31 December 2021
	£	£
1 issued ordinary share at £1 (2021: £1)	1	1

9 RESERVES

	Retained earnings £'000
Balance at 1 January 2022	331
Profit for the period	165
Balance at 28 February 2023	496

10 RELATED PARTY TRANSACTIONS

Related parties of the Company include key management personnel, close family members of key management personnel and entities which are controlled, jointly controlled or significantly influenced, or for which significant voting power is held, by key management personnel or their close family members. Key management personnel are defined as the Director.

Balances with fellow subsidiaries of Wellesley Group investors Limited:

	As at 28 February 2023	As at 31 December 2021
	£'000	£'000
Amounts owed to fellow subsidiaries	3,500	2,545
Amounts owed to parent	3	191
Amounts owed to group undertakings (note 7)	3,503	2,736

Amounts owed to group undertakings are payable on demand, unsecured and do not accrue interest.

Balances due from key management personnel include accrued interest of £636k (December 2021: £476k). No interest payments were received during the period (2021: none).

At the reporting date, the Company was owed £3,346k (2021: £2,535k) by a Director of the ultimate parent company, Wellesley Group Investors Limited. During the reporting period, advances under the loan of £651k (2021: £458k) were made. The loan accrues at an interest rate of 4.95% per annum and is repayable on 30 October 2025. The loan is the only asset held at amortised cost. Further details are provided in Note 5.

WELLESLEY BRIDGING CO LIMITED

Notes forming part of the financial statements for 14 months ended 28 February 2023

11 ULTIMATE CONTROLLING PARTY

Wellesley Group Limited, a company incorporated in England, is the immediate parent of the Company. Wellesley Group Investors Limited, the parent of Wellesley Group Limited, prepares consolidated financial statements which includes the results of the Company for 12 months to 31 December 2022. All these Companies are registered at 483 Green Lanes, London, England, N13 4BS.

Garett Graham the Earl of Cowley is the ultimate controlling party by virtue of his shareholding in Wellesley Group Investors Limited.

12 CHANGE OF ACCOUNTING PERIOD

The financial year end of the Company was changed from 31 December 2022 to 28 February 2023 in accordance with section 168(1)(b) of Companies Act 1965. Accordingly, the current financial statements are prepared for 14 months from 1 January 2022 to 28 February 2023 and as a result, the comparative figures stated in the financial statements and the related notes are not directly comparable.