Registered number: 10785264

BRIMSTONE (ABERCLAY) FINANCE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

BRIMSTONE (ABERCLAY) FINANCE LIMITED

COMPANY INFORMATION

Directors	G S Krempels (resigned 31 January 2020) External Officer Limited D Strothers (appointed 31 January 2020) M Swanston (appointed 31 January 2020) T Moore (appointed 31 January 2020) Thames Street Service London (appointed 31 January 2020)
Company secretary	External Officer Limited
Registered number	10785264
Registered office	6th Floor St Magnus House 3 Lower Thames Street London EC3R 6HD
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 3140 Rowan Place John Smith Drive Oxford Business Park South Oxford Oxfordshire OX4 2WB
Bankers	HSBC Bank Plc 65 Cornmarket Street Oxford OX1 3HY
Solicitors	Osborne Clarke 2 Temple Back East Temple Quay Bristol BS1 6EG

BRIMSTONE (ABERCLAY) FINANCE LIMITED

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

Principal activity

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

Results and dividends

The profit for the year, after taxation, amounted to £465,500 *(2018: £67,823)*.

Refer to note 3 for details of judgements made on novation of loans, and the interest and fees thereon.

Directors

The directors who served during the year were:

G S Krempels (resigned 31 January 2020)
External Officer Limited

Going concern

The accounts have been prepared on a going concern basis. The directors have prepared forecasts and reviewed capital requirements for twelve months from the date of approving these financial statements. The ongoing support of the parent company has been confirmed, and the directors are comfortable that the company can continue to trade for at least twelve months from the date of signature of these accounts.

Directors' responsibilities statement

The directors are responsible for preparing the 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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and 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 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 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.

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.

Post balance sheet events

On 31 January 2020 the management and administration of the company transferred from Oxford Capital Partners LLP to Downing LLP.

Disclosure of information to auditor

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.

Auditor

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

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 5|2|20 and signed on its behalf.

T Moore
Director

Grant Thornton

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRIMSTONE (ABERCLAY) FINANCE LIMITED

Opinion

We have audited the financial statements of Brimstone (Aberclay) Finance Limited (the 'Company') for the year ended 31 March 2019 which comprise the Statement of comprehensive income, the Statement of financial position 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 2019 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

GrantThornton

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRIMSTONE (ABERCLAY) FINANCE LIMITED (CONTINUED)

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.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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

Matter on which we are required to report under the Companies Act 2006

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 Directors' report.

Matters on which we are required to report by exception

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; 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' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

Grant Thornton

Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement on page 1, 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.

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.

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 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.

Grant Thornton UK LLP

Amanda James
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Oxford
Date: 5 February 2020

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	*2018* *£*
Turnover		**1,114,223**	*145,712*
Gross profit		**1,114,223**	*145,712*
Administrative expenses		**(62,285)**	*(60,279)*
Other operating income		**42,164**	*-*
Operating profit	4	**1,094,102**	*85,433*
Interest payable and expenses		**(519,255)**	*(1,701)*
Profit before tax		**574,847**	*83,732*
Tax on profit	6	**(109,347)**	*(15,909)*
Profit for the financial year		**465,500**	*67,823*

Turnover and operating profit derive wholly from continuing operations.

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

The notes on pages 8 to 13 form part of these financial statements.

BRIMSTONE (ABERCLAY) FINANCE LIMITED
REGISTERED NUMBER:10785264

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Note		2019 £		2018 £
Current assets					
Debtors: amounts falling due within one year	7	**11,518,423**		*2,823,722*	
Cash at bank and in hand	8	**168,246**		*10,121*	
		11,686,669		*2,833,843*	
Creditors: amounts falling due within one year	9	**(11,153,344)**		*(2,766,019)*	
Net current assets			**533,325**		*67,824*
Total assets less current liabilities			**533,325**		*67,824*
Net assets			**533,325**		*67,824*
Capital and reserves					
Called up share capital	10		**1**		*1*
Profit and loss account			**533,324**		*67,823*
			533,325		*67,824*

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 05/02/20.

T Moore
Director

The accounting policies and notes on pages 8 to 13 form part of these financial statements.

1. General information

Brimstone (Abberclay) Finance Limited is a private company limited by shares and incorporated in England and Wales. Registered number: 10785264. Its registered head office is located at 6th Floor St Magnus House, 3 Lower Thames Street, London, EC3R 6HD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The functional and presentation currency of the company is Sterling (£).

The following principal accounting policies have been applied:

2.2 Going concern

The accounts have been prepared on a going concern basis. The directors have prepared forecasts and reviewed capital requirements for twelve months from the date of approving these financial statements. The ongoing support of the parent company has been confirmed, and the directors are comfortable that the company can continue to trade for at least twelve months from the date of signature of these accounts.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover represents amounts receivable for dividends, 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.

2.4 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2. Accounting policies (continued)

2.5 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 method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and 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 acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 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 method.

2.8 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 non-puttable 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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 Statement of comprehensive income.

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.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial

2. Accounting policies (continued)

2.8 Financial instruments (continued)

position 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.

3. Judgements in applying accounting policies 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.

There have been two loan balances novated from Chalkhill (Aberclay) Finance Limited to Brimstone (Aberclay) Finance Limited to the value of £3,021,330 including £152,710 accrued interest and £42,164 relating to a proportion of the arrangement fees recognised on inception of the loan which have been transferred from Chalkhill (Aberclay) Finance Limited to Brimstone (Aberclay) Finance Limited on novation. Management deem the split of arrangement fees to be appropriate between the transferring and receiving entity as on transfer the risks and rewards associated with receipt of the loan have been transferred between parties, therefore the receiving entity is entitled to part of the arrangement fee recognised. The amount to be received is a best estimate by management and represents the amount to which they believe has been earned in each entity at the time of novation of the loan.

4. Operating profit

No director received any remuneration during the year *(2018: £Nil)*.

No director participated in any pension scheme during the year *(2018: Nil)*.

5. Employees

The average monthly number of employees, including directors, during the year was 1 *(2018: 1)*.

6. Taxation

	2019 £	*2018 £*
Corporation tax		
Current tax on profits for the year	**109,347**	*15,909*
Total current tax	**109,347**	*15,909*

7. Debtors

	2019 £	*2018 £*
Loans	**10,452,352**	*2,773,081*
Prepayments and accrued income	**1,066,071**	*50,641*
	11,518,423	*2,823,722*

Refer to note 3 for details of judgements made on novation of loans.

8. Cash and cash equivalents

	2019 £	*2018 £*
Cash at bank and in hand	**168,246**	*10,121*

9. Creditors: Amounts falling due within one year

	2019 £	*2018 £*
Trade creditors	**840**	*15*
Amounts owed to parent undertakings	**4,147,655**	*2,422,953*
Amounts owed to related parties	**5,630,140**	*325,440*
Corporation tax	**109,347**	*15,909*
Loan notes issued	**759,000**	*-*
Accruals and deferred income	**506,362**	*1,702*
	11,153,344	*2,766,019*

10. Share capital

	2019 £	*2018 £*
Allotted, called up and fully paid		
100 *(2018: 100)* Ordinary shares of £0.01 each	**1**	*1*

11. Capital commitments

The company had no capital commitments at 31 March 2019 *(2018: £Nil)*.

12. Related party transactions

During the prior and current year the company received a loan from its parent company, Brimstone Life Holdings Limited. At 31 March 2019 £4,147,655 *(2018: £2,422,953)* remained outstanding. The loan is interest free, repayable on demand and has a 5 year final maturity.

During the year, fees amounting to £31,605 *(2018: £9,818)* were charged by Oxford Capital Partners LLP, a related party due to its significant influence over the company. At 31 March 2019 £Nil *(2018: £Nil)* was owed to Oxford Capital Partners LLP.

13. Post balance sheet events

On 31 January 2020 the management and administration of the company transferred from Oxford Capital Partners LLP to Downing LLP.

14. Ultimate parent undertaking and controlling party

The companies immediate and ultimate parent undertaking is Brimstone Life Holdings Limited, a company registered in England and Wales.

The parent company's registered address is 6th Floor St Magnus House, 3 Lower Thames Street, London, EC3R 6HD.