

**SAF1 LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**SAF1 LIMITED**  
**REGISTERED NUMBER:10920900**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	5	95,488,956	66,152,196
Debtors: amounts falling due within one year	5	74,140,973	23,667,601
Cash at bank and in hand	6	1,529,450	1,106,397
		<u>171,159,379</u>	<u>90,926,194</u>
Creditors: amounts falling due within one year	7	(84,784,157)	(51,273,446)
<b>Net current assets</b>		<b>86,375,222</b>	<b>39,652,748</b>
<b>Total assets less current liabilities</b>		<b>86,375,222</b>	<b>39,652,748</b>
Creditors: amounts falling due after more than one year	8	(77,972,650)	(44,110,020)
<b>Net assets/(liabilities)</b>		<b><u>8,402,572</u></b>	<b><u>(4,457,272)</u></b>
<b>Capital and reserves</b>			
Called up share capital		16,005,000	5,000
Profit and loss account		(7,602,428)	(4,462,272)
		<u>8,402,572</u>	<u>(4,457,272)</u>

**SAF1 LIMITED**  
**REGISTERED NUMBER:10920900**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2019**

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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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

**J S Wolvaardt**  
Director

Date: 26 May 2020

SAF1 LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Profit and loss account £	Total equity £
<b>Comprehensive income for the period</b>			
Loss for the period	-	(4,462,272)	(4,462,272)
Shares issued during the period	5,000	-	5,000
<b>At 1 January 2019</b>	<b>5,000</b>	<b>(4,462,272)</b>	<b>(4,457,272)</b>
<b>Comprehensive income for the year</b>			
Loss for the year	-	(3,140,156)	(3,140,156)
Shares issued during the year	16,000,000	-	16,000,000
<b>At 31 December 2019</b>	<b>16,005,000</b>	<b>(7,602,428)</b>	<b>8,402,572</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1. General information**

SAF1 Limited is a private limited company incorporated in England and Wales. Its registered office is The Embassy Tea House, 195-205 Union Street, London, SE1 0LN.

The principal activity of the company continued to be that of an asset finance leasing company.

**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 following principal accounting policies have been applied:

**2.2 Going concern**

Since the end of 2019 financial year the world has been impacted by a global pandemic resulting from the Covid-19 virus. Throughout this pandemic the company has continued in its ordinary course of business. Forecasting and stress testing analysis has been completed for a number of scenarios with a number of assumptions used in these scenarios, which are predominantly based on the percentage of deals that are completed and payment holidays granted. The results of these have satisfied the directors that there is sufficient resources for the next 12 months to continue as a going concern, but due to the unprecedented situation with Covid-19, the directors also acknowledge that there is no guarantee around some of the assumptions used in the forecasting models. Should the situation be worse than the directors anticipate, additional funds may need to be raised from the majority investor who has confirmed their continued support. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not include any adjustments should the going concern basis be inappropriate.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)****2.3 Foreign currency translation****Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

**2.4 Revenue**

Turnover from finance leases is recognised in accordance with the company's policies on finance leases. A finance lease is a lease or hire purchase contract that transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee. Finance leases are recognised as loans at an amount equal to the gross investment in the lease discounted at its implicit rate. Finance charges on finance leases are taken to profit and loss account in proportion to the net funds invested.

**2.5 Borrowing costs**

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

**2.6 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 balance sheet date in the countries where the Company operates and generates income.

**2.7 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.8 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.

**2.9 Creditors**

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

**2.10 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 Statement of Comprehensive Income.

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.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

Administrative expenses include management charges payable to Simply Asset Finance Operations Limited, a fellow group company, being the overheads incurred in Simply Asset Finance Operations Limited recharged proportionally on the basis of net group income.

Finance receivables are stated net of provisions against doubtful debts which are made on the basis of regular review by management. The provision raised is an estimate of the amount needed to reduce the carrying value of the asset to its expected net realisable value and takes into account management's assessment of a combination of factors including past and expected credit losses and business and economic conditions.

SAF1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

4. Employees

The average monthly number of employees, including directors, during the year was 8 (2018 -7).

5. Debtors

	2019 £	2018 £
<b>Due after more than one year</b>		
Loan and lease receivable	<u>95,488,956</u>	<u>66,152,196</u>
<b>Due within one year</b>		
Other debtors	636,451	270,221
Loan and lease receivable	<u>73,504,522</u>	<u>23,397,380</u>
	<u><u>74,140,973</u></u>	<u><u>23,667,601</u></u>

6. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>1,529,450</u>	<u>1,106,397</u>

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other loans	53,954,907	25,947,887
Amounts owed to group undertakings	30,713,014	24,962,509
Other creditors	116,236	363,050
	<u><u>84,784,157</u></u>	<u><u>51,273,446</u></u>



SAF1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

8. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Other loans	77,972,650	44,110,020
	<u>77,972,650</u>	<u>44,110,020</u>

At the Balance Sheet date, other loans comprised the block discounting agreements between the company and facility providers. Fixed and floating charges were created in favour of Simply Funding Limited, Aldermore Bank plc, Hitachi Capital (UK) plc and Hampshire Trust Bank plc over all property and undertakings of the company.

9. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
<b>Amounts falling due within one year</b>		
Other loans	53,954,907	25,947,887
<b>Amounts falling due 1-2 years</b>		
Other loans	40,255,025	20,529,642
<b>Amounts falling due 2-5 years</b>		
Other loans	37,300,778	23,335,212
<b>Amounts falling due after more than 5 years</b>		
Other loans	416,847	245,165
	<u>131,927,557</u>	<u>70,057,906</u>

10. Related party transactions

The company has taken advantage of the exemption under FRS 102 from the requirement to disclose transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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**11. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2019 was unqualified.

In their report, the auditors emphasised the following matter without qualifying their report:

We draw attention to note 2.2 to the financial statements, which indicates that, should the impacts of Covid-19 be worse than the directors anticipate, additional funds may need to be raised from the majority investor. As stated in note 2.2, these events or conditions 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.

The audit report was signed on 26 May 2020 by Kelly Sheppard (Senior statutory auditor) on behalf of BDO LLP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.