

# Annual Report and Financial Statements

## LDF OPS Limited

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For the Year Ended 31 December 2021

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COMPANIES HOUSE

Registered number: SC198910

## Company Information

Directors	A Davies D Banks K Berry T Otte
Company Secretary	R Rutherford
Registered Number	SC198910
Registered Office	Sixth Floor 58 Waterloo Street Glasgow G2 7DA
Bankers	Bank of Scotland 30-34 King Street Kilmarnock KA1 1NP  HSBC Bank plc London Commercial Banking Centre Level 6, 71 Queen Victoria Street London EC4V 4AY

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## Directors' Report

For the Year Ended 31 December 2021

The Directors present their report and the financial statements for the year ended 31 December 2021.

### Principal Activity

The principal activity of LDF OPS Limited (the "Company") continues to be that of a finance broker to commercial counterparties throughout the UK. The Company is the sole originator of new business for White Oak Global Advisors financing affiliates in the UK.

### 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 of the company and of 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume 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.

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.

### Future Developments

The Company is committed in its support to UK SME's and will continue to evolve and develop its product offering to its customer base and introducer channels. The Company continues to provide origination services to the Group lending companies.

### Results

The results for the year are shown in the Statement of Comprehensive Income on Page 6. The profit for the year, after taxation, amounted to £270,676 (2020: £3,388,005).

### Directors

The Directors who served during the year and up to the date of this report were:

A Davies

K Berry (appointed 11 March 2022)

T Otte (appointed 11 March 2022)

D Banks (appointed 26 April 2022)

J Felton (resigned 25 April 2022)

A Gadsby (resigned 18 November 2021)

## Directors' Report (continued)

For the Year Ended 31 December 2021

### Directors' Indemnity and Directors' and Officers' Liability Insurance

The Company maintains a Directors' and Officers' Liability Insurance policy which is a qualifying third party indemnity. In accordance with the Company's Articles of Association, the Board may also indemnify a Director from the assets of the Company against any costs or liability incurred as a result of their office, to the extent permitted by law. Neither the insurance policy nor any indemnities that may be provided by the Company provide cover for fraudulent or dishonest actions by the Directors. However, costs may be advanced to Directors for their defence in investigations or legal actions.

### Dividends

No dividends were distributed or proposed for the period ending 31 December 2021 (2020: £nil).

### Employees

The Company's policy is to recruit and promote on the basis of aptitude and ability without discrimination of any kind. Applications for employment by disabled people are always considered bearing in mind the qualifications and abilities of the applicants. In the event of employees becoming disabled every effort is made to ensure their continued employment. The Company's policy is to adopt an open management style, thereby encouraging informal consultation at all levels about aspects of the Company's operations.

### Environment

The Company is committed to pursuing sound environmental policies in all aspects of its business, and seeks to encourage and promote good environmental practice amongst its employees and within the communities in which it operates.

### Charitable Donations

During the year the Company made charitable donations of £10,677 (2020: £9,442).

This report was approved by the board on 26 May 2022 and signed on its behalf.



A Davies  
Director

# Statement of Comprehensive Income

For the Year Ended 31 December 2021

		2021	2020
	Note	£	£
Turnover	3	17,244,754	18,859,526
Cost of sales		(6,180,629)	(4,205,773)
<b>Gross profit</b>		<b>11,064,125</b>	<b>14,653,753</b>
Administrative expenses		(10,824,743)	(11,544,896)
Other operating income	4	16,427	274,291
<b>Operating profit</b>	5	<b>255,809</b>	<b>3,383,148</b>
<b>Profit before tax</b>		<b>255,809</b>	<b>3,383,148</b>
Tax on profit on ordinary activities	8	14,867	4,857
<b>Profit for the financial year</b>		<b>270,676</b>	<b>3,388,005</b>

There are no items of other comprehensive income, therefore a statement of other comprehensive income has not been prepared. All of the above amounts relate to continuing operations and are attributable to equity holders.

The notes on pages 9 to 19 form part of these financial statements.

## Statement of Financial Position

As at 31 December 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	9	-	115,910
Tangible assets	10	21,533	41,420
		<b>21,533</b>	<b>157,330</b>
<b>Current assets</b>			
Debtors: Amounts falling due within one year	11	483,938	7,691,126
Cash at bank and in hand	12	12,582	61,481
		<b>496,520</b>	<b>7,752,607</b>
Creditors: Amounts falling due within one year	13	(3,115,815)	(10,763,509)
<b>Net current liabilities</b>		<b>(2,619,295)</b>	<b>(3,010,902)</b>
Debtors: Amounts falling due after more than one year	11	24,218	9,352
<b>Total assets less current liabilities</b>		<b>(2,573,544)</b>	<b>(2,844,220)</b>
<b>Net liabilities</b>		<b>(2,573,544)</b>	<b>(2,844,220)</b>
<b>Capital and reserves</b>			
Called up share capital	16	50,000	50,000
Profit and loss account		(2,623,544)	(2,894,220)
		<b>(2,573,544)</b>	<b>(2,844,220)</b>

For the financial year in question the company was entitled to exemption under section 479a of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the 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 on 26 May 2022.



**A Davies**  
Director

The notes on pages 9 to 19 form part of these financial statements.

## Statement of Changes in Equity

For the Year Ended 31 December 2021

	Called up share capital	Profit and loss account	Total Equity
	£	£	£
At 1 January 2021	50,000	(2,894,220)	(2,844,220)
<b>Comprehensive profit for the year</b>			
Profit for the year	-	270,676	270,676
At 31 December 2021	<b>50,000</b>	<b>(2,623,544)</b>	<b>(2,573,544)</b>

For the Year Ended 31 December 2020

	Called up Share capital	Profit and loss account	Total Equity
	£	£	£
At 1 January 2020	50,000	(6,282,224)	(6,232,224)
<b>Comprehensive profit for the year</b>			
Profit for the year	-	3,388,005	3,388,005
At 31 December 2020	<b>50,000</b>	<b>(2,894,220)</b>	<b>(2,844,220)</b>

The notes on pages 9 to 19 form part of these financial statements.



# Notes to the Financial Statements

For the Year Ended 31 December 2021

## 1. Accounting policies

### 1.1 General information and Basis of preparation of financial statements

LDF OPS Limited (the "Company") is a private company limited by shares incorporated in the United Kingdom under the Companies Act and registered in Scotland. The address of the registered office is given on the Company Information page. The nature of the Company's operations are set out in the Directors Report on page 4.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The financial statements are prepared in accordance with applicable law and United Kingdom accounting standards. The principle accounting policies are summarised below. All accounting policies have been consistently applied throughout the year and the preceding year.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

### 1.2 Financial Reporting Standard 102 - reduced disclosure exemptions

#### Related party transactions

The Company has taken advantage of the exemptions available under paragraph 33.1A of FRS 102 Related Party Disclosures, not to disclose transactions that have taken place between members of the Group where the party to the transaction is a wholly owned member.

#### Cash flow statement

The Company meets the definition of a 'qualifying entity' under FRS 102 and as such has elected to take the exemption under FRS 102, para 1.12 (b) not to present the Company statement of cash flows.

### 1.3 Going concern

The financial statements have been prepared on a going concern basis. The Company continues to be an employer of a number of people within the Group and a key originator of new business. Despite the Company having net liabilities the Directors have a reasonable expectation that the Company, with the continued support and investment of the Group, has adequate resources to continue in operational existence for the foreseeable future and accordingly the going concern basis is adopted in the preparation of the financial statements.

In making this decision the Directors have considered a wide range of information relating to present and future conditions, including the current state of the balance sheet, future projections on profitability, cash flows and capital resources.

Specifically in relation to Covid-19, the Directors have reviewed and considered the Company's liquidity structure and resilience and are satisfied that the Company is well positioned to manage any ongoing impacts on new business volumes and potential for increased credit losses. The Company has successfully demonstrated operational capability, with all staff working remotely during the periods of lock-down during the financial year, and is well positioned to continue to support customers and the safety of staff in event of any further periods of remote working.

As a result of this assessment, the Directors are satisfied the Company has adequate resources to continue in business for at least 12 months following the year end date and therefore consider it appropriate to adopt the going concern basis of accounting in preparing the Company Financial Statements.

### 1.4 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.

#### Broker Fees

The Company earns commission from its broking activities, commission income is recognised when the Company successfully arranges a financial transaction for its client.

## Notes to the Financial Statements (continued)

For the Year Ended 31 December 2021

### 1. Accounting policies (continued)

#### 1.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so that it will be available for use or sale.
- The intention to complete the software and use or sell it.
- The ability to use the software or to sell it.
- How the software will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the software.
- The ability to measure reliably the expenditure attributable to the software during its development.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

Software development costs	3-5 years
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#### 1.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Statement of Comprehensive Income during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 25%
Fixtures and fittings	- 15%
Computer equipment	- 20% - 33.33%

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other operating income' in the Statement of Comprehensive Income.

#### 1.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loan receivables 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.

#### 1.8 Provision for bad and doubtful debts

Specific provision is made against trade debtors when, in the opinion of the Directors, full repayment is considered to be unlikely. The level of impairment identified is based on the Directors' calculated estimate of the future recoverable amount, taking into account the level of arrears, security held, past recoveries and other relevant factors.

## Notes to the Financial Statements (continued)

For the Year Ended 31 December 2021

### 1. Accounting policies (continued)

#### 1.9 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.

#### 1.10 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 accounts receivable and payable, 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 payables or receivables, 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 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.

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

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets are impaired. A financial asset, or a group of financial assets, 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 asset (a loss event) and that loss event (or events) has an impact on estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that a financial asset, or group of assets, is impaired includes observable data that comes to the attention of the Company about the following loss events:

- delinquency in contractual payments of principal or interest;
- cash flow difficulties;
- breach of loan covenants or conditions; and
- initiation of bankruptcy proceedings.

#### 1.11 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.

#### 1.12 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

## Notes to the Financial Statements (continued)

For the Year Ended 31 December 2021

### 1. Accounting policies (continued)

#### 1.13 Pensions

##### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

#### 1.14 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

#### 1.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

#### 1.16 Current and deferred taxation

##### Taxation

Tax expense represents the sum of the tax currently payable and deferred tax.

##### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### Deferred tax

Current tax is provided for at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax is recognised on all timing differences where the transactions or events that give the Company an obligation to pay more tax in the future or a right to pay less tax in the future, have occurred by the reporting date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the reporting date.

#### 1.17 Government grants

Government grants include grants receivable under the Coronavirus Job Retention Scheme. Grants are recognised using the accruals model whereby grants relating to revenue expenditure are recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate.

## Notes to the Financial Statements (continued)

For the Year Ended 31 December 2021

### 2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Critical judgements in applying the Group's accounting policies

There are no critical judgements involved in applying the Group's accounting policies, apart from those involving estimations (which are dealt with separately below), which affect the amounts recognised in the financial statements.

#### Key sources of estimation uncertainty

The accounting estimates and assumptions which affect the reported amounts of assets and liabilities within the financial statements are set out below:

#### *Impairment of receivables*

The main area in the financial statements where a judgement is made is in the impairment of its trading and other debtors. Balances are written off when there is judged to be no realistic prospect of recovery. Specific provisions are made to reduce all impaired balances to their estimated realisable values.

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets are impaired. A financial asset, or a group of financial assets, 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 asset (a loss event) and that loss event (or events) has an impact on estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that a financial asset, or group of assets, is impaired includes observable data that comes to the attention of the Company about the following loss events:

- delinquency in contractual payments of principal or interest;
- cash flow difficulties;
- breach of loan covenants or conditions; and
- initiation of bankruptcy proceedings.

### 3. Analysis of turnover

The total turnover of the Company for the year has been derived from its principal activities wholly undertaken in the United Kingdom and relates to it being finance broker to commercial counterparties.

An analysis of turnover by class of business is as follows:

	2021	2020
	£	£
Finance brokerage income	<u>17,244,754</u>	<u>18,859,526</u>

### 4. Other operating income

	2021	2020
	£	£
Profit on disposal of fixed assets	16,427	-
Government grant income	-	274,291
	<u>16,427</u>	<u>274,291</u>

All other operating income to 31 December 2020 relates to income from the Coronavirus Job Retention Scheme. 33 employees were placed on furlough at some point during 2020. There were no employees on furlough during 2021.

There are no unfulfilled conditions or other contingencies attaching to the grants recognised in income, and the Company has not directly benefited from any other forms of government assistance in this or the prior period.

## Notes to the Financial Statements (continued)

For the Year Ended 31 December 2021

### 5. Operating profit

The operating profit is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	17,114	27,498
Defined contribution pension cost	289,699	336,594

Auditor's fees were borne by LDF Operations Ltd and for the year ended 31 December 2021, the amount relating to the Company was £21,000 (2020: £21,450). These costs were recharged in 2021 (2020: £21,450).

### 6. Employee costs

Staff costs were as follows:

	2021	2020
	£	£
Wages and salaries	6,312,422	9,029,986
Social security costs	546,330	681,350
Cost of defined contribution pension scheme	289,699	336,594
	<b>7,148,451</b>	<b>10,047,930</b>

The monthly average number of employees, including Directors during the year was as follows:

	2021	2020
	No.	No.
Front Office	93	98
Back Office	-	36
	<b>93</b>	<b>134</b>

### 7. Directors' remuneration

	2021	2020
	£	£
Directors' emoluments	391,843	507,552
Company contributions to defined contribution pension schemes	25,840	28,545
	<b>417,683</b>	<b>536,097</b>

During the year retirement benefits were accruing to 1 Director (2020: 2) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £391,843 (2020: £269,519) including pension contributions of £25,840 (2020: £17,680).

## Notes to the Financial Statements (continued)

For the Year Ended 31 December 2021

### 8. Taxation

	2021 £	2020 £
<b>Current tax:</b>		
Adjustment in respect of previous periods	-	-
Total current tax	-	-
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(714)	(4,455)
Adjustment in respect of previous periods	(13,128)	-
Effect of changes in tax rates	(1,025)	(402)
Total deferred tax:	(14,867)	(4,857)
<b>Total tax per Statement of Comprehensive Income</b>	<b>(14,867)</b>	<b>(4,857)</b>

#### Factors affecting tax charges for the year

The charge for the year can be reconciled to the profit per the Statement of Comprehensive Income as follows:

	2021 £	2020 £
Profit for the year	255,809	3,383,148
Tax on profit at standard UK tax rate of 19% (2020: 19%)	48,604	642,798
<b>Effects of:</b>		
Group relief/other reliefs	(50,034)	(648,063)
Expenses not deductible	716	810
Adjustment from previous periods	(13,128)	-
Tax rate changes	(1,025)	(402)
<b>Total tax credit for the year</b>	<b>(14,867)</b>	<b>(4,857)</b>

# Notes to the Financial Statements (continued)

For the Year Ended 31 December 2021

## 9. Intangible assets

	Software costs
	£
<b>Cost</b>	
At 1 January 2021	129,100
Additions	-
Disposals	(129,100)
At 31 December 2021	-
<b>Amortisation</b>	
At 1 January 2021	13,190
Charge for the year	-
Disposals	(13,190)
At 31 December 2021	-
<b>Net book value</b>	
At 31 December 2021	-
At 31 December 2020	115,910

Intangible assets relate to capitalised software costs. Amortisation is shown within Administrative Expenses in the Statement of Comprehensive Income.

## 10. Tangible fixed assets

	Computer equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 January 2021	66,744	46,225	39,958	152,927
Additions	-	-	-	-
Disposals	-	-	(39,958)	(39,958)
At 31 December 2021	<b>66,744</b>	<b>46,225</b>	<b>-</b>	<b>112,969</b>
<b>Depreciation</b>				
At 1 January 2021	56,493	19,062	35,952	111,507
Charge for the period	9,525	6,357	1,233	17,114
Disposals	-	-	(37,185)	(37,185)
At 31 December 2021	<b>66,018</b>	<b>25,419</b>	<b>-</b>	<b>91,436</b>
<b>Net book value</b>				
At 31 December 2021	<b>725</b>	<b>20,807</b>	<b>-</b>	<b>21,533</b>
At 31 December 2020	10,251	27,163	4,006	41,420



# Notes to the Financial Statements (continued)

For the Year Ended 31 December 2021

## 11. Debtors

	2021	2020
	£	£
<b>Due after one year</b>		
Deferred tax	24,218	9,352
<b>Due within one year</b>		
Trade debtors	330,706	7,637,487
Prepayments	16,281	45,549
Other debtors	136,951	8,090
	<b>483,938</b>	<b>7,691,126</b>
	<b>508,156</b>	<b>7,700,478</b>

During the year the Company provided services on commercial terms in the ordinary course of business for White Oak UK (CBILS) Ltd and White Oak Commercial Finance Europe (Non-Levered) Ltd, who are related parties, at a cost of £154,488 (2020:£7,379,989). Amounts owed by related parties at the reporting date were £66,802 (2020:£7,379,989). These amounts all relate to trading balances.

## 12. Cash and cash equivalents

	2021	2020
	£	£
Cash at bank and in hand	12,582	61,481

## 13. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	51,311	175,772
Accruals and deferred income	2,206,973	1,715,650
Amounts due to group undertakings	701,694	8,684,112
Other creditors	155,837	187,975
	<b>3,115,815</b>	<b>10,763,509</b>

## 14. Financial instruments

	2021	2020
	£	£
<b>Financial assets</b>		
Financial assets that are basic debt instruments, including trade debtors and finance lease receivables that are measured at amortised cost or net investment, less any impairment provision	330,705	7,637,487
Other financial assets including other debtors, amounts owed by group undertakings and cash and cash equivalents, that are measured at amortised cost	12,582	61,481
	<b>343,287</b>	<b>7,698,968</b>
<b>Financial liabilities</b>		
Financial liabilities that are external and internal financial debt liabilities including overdrafts, loans and borrowings, measured on an amortised cost basis	-	-
Other financial liabilities including trade and other payables, and amounts owed to group undertakings, that are measured on an amortised cost basis	753,005	8,859,884
	<b>753,005</b>	<b>8,859,884</b>

## Notes to the Financial Statements (continued)

For the Year Ended 31 December 2021

### 15. Deferred taxation

	2021	2020
	£	£
(Asset)/provision at start of year	(9,352)	(4,495)
Adjustment in respect of prior years	(13,128)	-
Deferred tax charge to Statement of Comprehensive Income for the year	(1,739)	(4,857)
<b>(Asset)/provision at end of year</b>	<b>(24,219)</b>	<b>(9,352)</b>

The asset for deferred taxation is made up as follows:

	2021	2020
	£	£
Fixed asset timing differences	(4,269)	(5,682)
Other timing differences	(19,950)	(3,670)
<b>Deferred tax asset</b>	<b>(24,219)</b>	<b>(9,352)</b>

### 16. Share capital

	2021	2020
	£	£
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
50,000 Ordinary shares of £1 each	50,000	50,000

### 17. Commitments under operating leases

During the year ended 31 December 2021 £nil (2020: £190,652) operating lease expense was recognised. There is no ongoing commitment under operating leases as at 31 December 2021.

### 18. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension costs charge represents contributions payable by the Company to the fund. Contributions to the scheme by the Company amounted to £289,699 (2020: £336,594). All amounts were paid by 31 March 2022.

### 19. Ultimate parent undertaking and controlling party

100% of the share capital of LDF OPS Limited is owned by LDF Group Finance Limited. LDF Group Finance Limited is owned by LDF Group Holdco Limited. The ultimate controlling party of LDF Group Holdco Limited is White Oak Europe Acquisition Limited as it holds the majority shareholding in LDF Group Holdco Limited.

The smallest group into which the results of the Company are consolidated is LDF Group Holdco Limited. Copies of these consolidated financial statements can be obtained from its registered office at Second Floor, HQ Offices, 58 Nicholas Street, Chester, England, CH1 2NP. The largest group into which the results of the Company are consolidated is White Oak Europe Limited. Copies of these consolidated financial statements can be obtained from its registered office at Second Floor, HQ Offices, 58 Nicholas Street, Chester, England, CH1 2NP.

## Notes to the Financial Statements (continued)

For the Year Ended 31 December 2021

### 20. Risk management

#### Liquidity risk

The Company mitigates this risk by financing itself to the level required to meet its liquidity needs. Cash flows for the business are monitored by the Directors on a frequent basis.

#### Reputational risk

The Company mitigates this risk by putting TCF (Treating Customers Fairly) at the heart of the business and providing exceptional customer service to its client base. This is evidenced by the amount of repeat business it provides for its clients. The company regularly benchmarks its performance through customer feedback, complaints and internal reviews. All complaints are handled in a fair and transparent manner and are reported to the Board on a monthly basis.

#### Operational risk

The Company mitigates this risk by undertaking regular risk reviews of the operational procedures and undertaking departmental internal audits. There is a commitment by the business to report and review any operational failings and these are reported to the Board on a monthly basis.

#### Regulatory risk

The Company is subject to regulatory control and supervision by the Financial Conduct Authority (FCA). The Company has successfully gained all the permissions required by the FCA to perform its trade. The Company continually assesses the changing regulatory requirements and its adherence to them through regular reviews and updates to the Board.

#### Currency risk

The Company manages its foreign exchange risk against its functional currency. Foreign exchange risk arises when the Company's currency income and the cost of services provided to the Company from external suppliers are denominated in a currency that is not the Company's functional currency. Currency risk to the Company is deemed to be minimal.