

Company Registration No. 08948556 (England and Wales)

STATUTORY

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

PAGES FOR FILING WITH REGISTRAR



BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

COMPANY INFORMATION

Directors

Mr S Parfitt
Mrs C Parfitt
Mr W Wade
Mr M Baker
Mr J Rose
Mr I Shaw

Secretary

Mrs C Parfitt

Company number

08948556

Registered office

Crown House
1 Crown Square
Woking
Surrey
GU21 6HR

Accountants

UHY Hacker Young
Quadrant House
4 Thomas More Square
London
E1W 1YW

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 13

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED**BALANCE SHEET****AS AT 30 APRIL 2016**

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	3	240,027		277,124	
Investments	4	3		3	
		<u>240,030</u>		<u>277,127</u>	
Current assets					
Debtors	5	361,961		153,577	
Cash at bank and in hand		399,781		179,577	
		<u>761,742</u>		<u>333,154</u>	
Creditors: amounts falling due within one year	6	(2,563,495)		(823,262)	
Net current liabilities		<u>(1,801,753)</u>		<u>(490,108)</u>	
Total assets less current liabilities		<u>(1,561,723)</u>		<u>(212,981)</u>	
Creditors: amounts falling due after more than one year	7	-		(426,252)	
Provisions for liabilities		<u>(40,528)</u>		<u>(53,172)</u>	
Net liabilities		<u><u>(1,602,251)</u></u>		<u><u>(692,405)</u></u>	
Capital and reserves					
Called up share capital	9	1,000		1,000	
Profit and loss reserves		<u>(1,603,251)</u>		<u>(693,405)</u>	
Total equity		<u><u>(1,602,251)</u></u>		<u><u>(692,405)</u></u>	

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2016

For the financial year ended 30 April 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

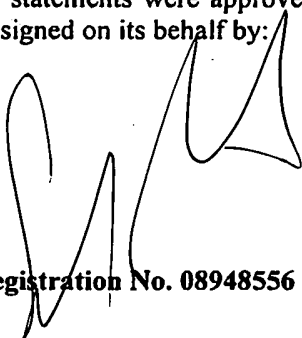
Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 11 August 2016 and are signed on its behalf by:

Mr S Parfitt
Director



Mr W Wade
Director



Company Registration No. 08948556

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies

Company information

Business Lending Development Funding Limited is a private company limited by shares incorporated in England and Wales. The registered office is Crown House, 1 Crown Square, Woking, Surrey, GU21 6HR.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 April 2016 are the first financial statements of Business Lending Development Funding Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 19 March 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies

(Continued)

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	5 Years Straight line
Plant and machinery	25% Reducing balance
Fixtures, fittings & equipment	25% Reducing balance
Computer equipment	3 Years Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The 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 profit and loss account 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.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2016****2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

	2016 Number	2015 Number
Directors	6	6
Employees	18	12
	<u>24</u>	<u>18</u>

3 Tangible fixed assets

	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 May 2015	40,355	29,326	32,252	185,374	287,307
Additions	-	6,062	3,608	33,202	42,872
At 30 April 2016	<u>40,355</u>	<u>35,388</u>	<u>35,860</u>	<u>218,576</u>	<u>330,179</u>
Depreciation and impairment					
At 1 May 2015	3,363	4,097	2,723	-	10,183
Depreciation charged in the year	8,071	7,823	7,552	56,523	79,969
At 30 April 2016	<u>11,434</u>	<u>11,920</u>	<u>10,275</u>	<u>56,523</u>	<u>90,152</u>
Carrying amount					
At 30 April 2016	<u>28,921</u>	<u>23,468</u>	<u>25,585</u>	<u>162,053</u>	<u>240,027</u>
At 30 April 2015	<u>36,992</u>	<u>25,229</u>	<u>29,529</u>	<u>185,374</u>	<u>277,124</u>

4 Fixed asset investments

	2016 £	2015 £
Investments	<u>3</u>	<u>3</u>

As this is not a listed investment, the directors believe that the amortised cost equals the fair value as at the balance sheet date.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2016

4 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 May 2015 & 30 April 2016	3
Carrying amount	
At 30 April 2016	3
At 30 April 2015	3

5 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	279,679	141,103
Other debtors	2,406	167
Prepayments and accrued income	79,876	12,307
	<u>361,961</u>	<u>153,577</u>

6 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	147,395	128,359
Amounts due to group undertakings	2,146,034	457,588
Other taxation and social security	92,954	55,226
Other creditors	-	2,250
Accruals and deferred income	177,112	179,839
	<u>2,563,495</u>	<u>823,262</u>

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

7 Creditors: amounts falling due after more than one year

	Notes	2016 £	2015 £
Other borrowings		-	426,252

8 Provisions for liabilities

	2016 £	2015 £
Deferred tax liabilities	40,528	53,172
	<u>40,528</u>	<u>53,172</u>

9 Called up share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary of £1 each	1,000	1,000

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	28,023	7,749

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

11 Related party transactions

As at 30th April 2016 Business lending Development Funding Limited owed Business Lending Residential Funding Limited £1,811,635 (2015:£224,947), Business Lending Residential Funding (2) Limited £334,399 (2015: £7,588) and Business Lending Fund Management Limited £29,021 (2015: £225,052). Mr S Parfitt and Mr P Wade are both directors of these companies.

As at 30th April 2016 Business Lending Residential Funding (3) Limited owed £500 to the company. Mr S Parfitt and Mr P Wade are both directors of the company.

12 Parent company

The ultimate parent company is Heathside Partners LLP, a Limited Liability Partnership registered in England and Wales, which indirectly holds the majority of the issued share capital of the immediate parent company, Business Lending Development Finance Limited, a company registered in England and Wales.

13 Subsidiaries

These financial statements are separate company financial statements for Business Lending Development Funding Limited.

Separate company financial statements are required to be prepared by law.

Details of the company's subsidiaries at 30 April 2016 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
Business Lending Residential Funding Limited	England Residential Lending	Ordinary	100	
Business Lending Residential Funding 2 Limited	England Residential Lending	Ordinary	100	
Business Lending Residential Funding 3 Limited	England Residential Lending	Ordinary	100	

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2016**

13 Subsidiaries**(Continued)**

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Business Lending Residential Funding Limited	965,370	2,124,842
Business Lending Residential Funding 2 Limited	1,059,022	1,359,319
Business Lending Residential Funding 3 Limited	(53)	(52)

The investments in subsidiaries are all stated at cost.