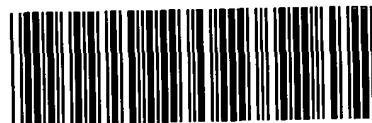


Company Registration No. 08948556 (England and Wales)

**BUSINESS LENDING DEVELOPMENT FUNDING
LIMITED**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022



BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

COMPANY INFORMATION

Directors	S Parfitt C Parfitt W Wade M Baker J Rose I Shaw
Secretary	C Parfitt
Company number	08948556
Registered office	Crown House 1 Crown Square Woking Surrey GU21 6HR
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

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BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2022

The directors present the strategic report for the year ended 30 April 2022.

Principal Activities

The Company's principal activity was unchanged during the year in that we continue to offer senior secured development finance to UK homebuilders. Geographically we fund developments throughout the UK although the bulk of the financing activities are supporting developments in England.

We previously reported that the Business Lending Group had applied for and received accreditation from the British Business Bank to offer support loans under firstly the Coronavirus Business Interruption Loan Scheme (CBILS) and latterly the Recovery Loan Scheme (RLS). These lending programmes have provided the main focus of our lending strategy from summer 2020.

As of August 2022 a further iteration of the Recovery Loan Scheme has been launched and Business Lending has been accredited to offer loans under this scheme. Although the scope of this latest offering is not as wide as previous iterations it will continue to offer considerable advantage to our clients both existing & potential and to the client housebuilders construction/housebuilding industry generally.

The CBILS was closed for new transactions in August 2022 and within this programme Business Lending underwrote c£150m of new lending supporting the development of 695 new homes with a total gross development value of £262m. At the time of closing of the phase 1 & 2 RLS programmes we had committed to supporting 21 developments totalling 339 new homes at a gross value of c£153m, although some projects remain "subject to planning" and may not meet the required timetable for the RLS2 programme.

The phase 3 RLS scheme is proposed to run till 2024 and we hope to support the development of many hundreds more new homes during this period including potential any of the RLS2 schemes that are delayed from late planning.

The Group Head Office remains in Woking, Surrey.

Credit Risk

Development lending is a bespoke business and the lending activities and loans provided by the Company are reviewed on an individual basis. There are four core stages in the risk review/risk management process although Credit Risk Management runs through the DNA of the business and our credit process is not confined to these stages. Furthermore, it should be noted with that the stakeholder management team is fully involved in the Credit Risk Management processes on a daily basis.

Core Risk Management Processes:

1. Client & Relationship Management: All clients and every development site are visited by our business development team and clients reviewed for experience, suitability, and financial standing. Credit reports are then scrutinised by the Board.

2. Valuation Review: Our in-house team of surveyors conduct an independent review of the proposed development values of all our development loans. Additionally the Company will instruct an independent surveying firm to conduct a valuation under the terms of the RICS "Red Book" regulatory environment, reporting directly to and responsible to, the Company (see also Risk Verification below).

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

3. Risk Verification: The Credit Operations team conduct a thorough verification process before any funding is released. This comprises:

- Formal valuation with the instruction and review of an external valuation report conducted by a firm regulated by the Royal Institute of Chartered Surveyors;
- Construction Cost Review, with the appointment of a qualified building specialist (usually a quantity surveying firm) to independently report to the Company confirming the projected construction costs, development timescales and other key building risks.
- Know your client and anti-money laundering risk reviews;
- Legal title review and security risk management for the property and other loan security.
- Other specialist reports or reviews are undertaken on a case by case basis.

4. Construction Management Review: Following the initial site funding all construction costs and ancillary development fees and charges are reviewed and approved by an independent qualified monitoring surveyor, reporting and responsible to, the Company. Our appointed monitoring surveyor will visit sites periodically, usually monthly, to report on progress and the Company's in-house monitoring team (that comprises qualified construction specialists) will review and challenge the external surveyors where appropriate. This is supplemented by an in-house site visit programme conducted by one of our team.

All transactions are reviewed on an individual basis at a monthly loan monitoring meeting and any credits displaying issues that are outside the programmed cost or timing schedule are further reviewed at a Watch List review every two weeks or more frequently as considered appropriate.

Performance & Results

Pre-tax profits for the year to 30th April 2022 have been returned at £1.726m. The past 2 years have bought forward some exceptional challenges, Covid-19 pandemic, changing trading relationships with the European Union, inflation and rising interest rates.

During this period the housing market has shown considerable resilience. Looking forward into 2023 the housing market is likely to show some increased stress and some reduction in value is likely, especially in real terms allowing for inflation. However regardless housing should remain defensive but stress testing sales will become more important and we have enhanced our credit process in this regard.

Business Lending is accredited with the British Business Bank to offer lending under the Recovery Loan Scheme Series 3 and we are actively underwriting under this programme. As of the 31st October 2022 all BLG loans have at least partial risk guarantee cover from the British Business Bank.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

Other Risk Management

Operational Risk

Covid required the business to move to a homeworking environment however this was achieved relatively seamlessly mainly due to the prior investments in technologies that had been set up for remote working previously. The business is slowly returning to a partial office based working environment but we have cut the office space and will in future operate a hybrid working model. We continue to invest in technology and infrastructure resilience training to protect against cyber-crime and again this will continue going forward.

We are also investing in additional team resourcing to manage the new customers acquired through the CBILS programme and some development risk management support to cover construction management risk for under-performing developments/loans.

Liquidity Risk

Portfolio funding is undertaken through specialist credit facilities, predominately provided by Matura Finance Ltd together with a secured credit line from One Savings Bank. Whilst all lending to developers is structured as on-balance sheet at a group/consolidated level, we operate four distinct silos within 4 wholly owned subsidiaries:

Business Lending Residential Funding Ltd: Wholly owned by Business Lending Development Funding Ltd and funded through secured credit lines provided by One Savings Bank and Matura Finance Ltd.

Business Lending Residential Funding 2 Ltd: Wholly owned by Business Lending Development Funding Ltd and funded through secured credit facility provided by Matura Finance Ltd.

Business Lending Residential Funding 3 Ltd: Wholly owned by Business Lending Development Funding Ltd and funded through secured credit lines provided by Matura Finance Ltd.

Business Lending Residential Funding 4 Ltd: Wholly owned by Business Lending Development Funding Ltd and funded through secured credit lines provided by Matura Finance Ltd.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

Other Post Balance Sheet Matters:

Following on from the CBILS programme and the series 1 and 2 Recovery Loan Schemes, in August 2022 accreditation for the RLS3 scheme was achieved from the British Business Bank.

Regulatory Risk

Business to business development finance is predominately an unregulated lending activity. Nevertheless we seek to adopt best practice in lending and the management and team remain committed to doing so. We are required to operate within anti-money laundering regulatory requirements and the team is trained to manage these risks with regular refresher and update training also. We also receive regular legal and industry briefings to ensure practices are kept up-to-date.

The Company is regulated in data management predominantly through the GDPR regime. We have an ongoing training, refresh and monitoring programme with a dedicated Board Level Compliance Officer.

Market Risk

The Company's activities are sensitive to the performance of the residential property market in that, although we are not direct holders of real estate assets, our clients and our loan performance is affected by new homes sales. The housing market has been very resilient through recent years but current forecasts are that the next 12-18 months are to be more challenging. BLG underwrites loans up to 65% of the development value although some of the book is at a lower advance level. We therefore have a cushion against falling values however we are mindful of the increased potential for value reduction and the risk associated with this changing environment.

Interest Rate Risk

All the Group lending is match funded in respect of interest rate risk, with most lending and interest expense floating rate linked to Bank of England Base. Therefore we are not exposed to interest rate differentials.

However the rising interest environment does increase the loan credit risk in that delays in construction accrues interest to a higher level and higher rates will effect buyer appetite and sales. Stress testing at the underwrite stage and regular careful monitoring can manage this risk.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

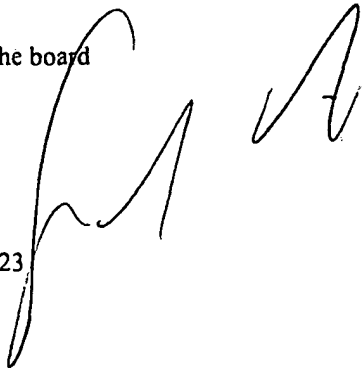
Future Development

The Group Business Plan beyond 2023 remains largely unchanged in that our focus will be providing senior secured development funding. We have branched out into providing some limited bridging loans, especially where these support our development clients. Furthermore we plan to provide a small number of commercial property loans to help with product diversification.

Environmental, Social & Governance ("ESG"). Companies do not operate in a vacuum and BLG are no exception. It is clear that not only will we be required to consider more carefully our environmental impact, what we contribute to society as a whole and how we manage and govern ourselves in the context of the wider world, but it is morally the right thing to do! Therefore through 2023 we plan to launch an ESG initiative, initially to start improving BLG's actions hopefully growing to encompass the actions and impact of our client lending. Whilst culture takes time to evolve and change there is an imperative to embed a strong ESG culture into the DNA of the business.

On behalf of the board

S Parfitt
Director
17 January 2023



BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2022

The directors present their annual report and financial statements for the year ended 30 April 2022.

Principal activities

The principal activity of the company and group continued to be that of secured development finance to homebuilders.

Results and dividends

The results for the year are set out on page 12.

Ordinary dividends were paid amounting to £2,200,000. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

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

Auditor

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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). 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 group and company, and of the profit or loss of the group 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

S Parfitt
Director

17 January 2023

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

Opinion

We have audited the financial statements of Business Lending Development Funding Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2022 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the parent company's affairs as at 30 April 2022 and of the group's 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 parent 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the group, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls and determined that the principal risks were related to inflated revenue and profit.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence including correspondence with legal advisors, enquiries of management and review of internal reports in so far as they related to the financial statements and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

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.


Marc Waterman (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young

17 January 2023

Chartered Accountants
Statutory Auditor

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED**GROUP STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 30 APRIL 2022**

	Notes	2022 £	2021 £
Turnover	2	11,136,175	10,249,790
Cost of sales		(24,530)	(34,250)
Gross profit		11,111,645	10,215,540
Administrative expenses		(3,492,940)	(3,995,617)
Operating profit	3	7,618,705	6,219,923
Interest payable and similar expenses	7	(5,892,587)	(5,770,557)
Profit before taxation		1,726,118	449,366
Tax on profit	8	(276,350)	(145,450)
Profit for the financial year		1,449,768	303,916

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

GROUP BALANCE SHEET

AS AT 30 APRIL 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		40,804		48,773
Current assets					
Debtors falling due after more than one year	14	9,357,087		11,402,498	
Debtors falling due within one year	14	67,303,304		49,768,685	
Cash at bank and in hand		1,294,878		1,482,783	
		<u>77,955,269</u>		<u>62,653,966</u>	
Creditors: amounts falling due within one year	15	<u>(65,611,346)</u>		<u>(47,532,624)</u>	
Net current assets			<u>12,343,923</u>		<u>15,121,342</u>
Total assets less current liabilities			<u>12,384,727</u>		<u>15,170,115</u>
Creditors: amounts falling due after more than one year	16		<u>(9,262,080)</u>		<u>(11,297,236)</u>
Net assets			<u><u>3,122,647</u></u>		<u><u>3,872,879</u></u>
Capital and reserves					
Called up share capital	19		1,000		1,000
Profit and loss reserves			<u>3,121,647</u>		<u>3,871,879</u>
Total equity			<u><u>3,122,647</u></u>		<u><u>3,872,879</u></u>

The financial statements were approved by the board of directors and authorised for issue on 17 January 2023 and are signed on its behalf by:

S Palfit
Director

W Wade
Director

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED**COMPANY BALANCE SHEET****AS AT 30 APRIL 2022**

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		40,804		48,773
Investments	11		4		3
			<u>40,808</u>		<u>48,776</u>
Current assets					
Debtors	14	2,909,238		193,916	
Cash at bank and in hand		161,586		1,130,673	
		<u>3,070,824</u>		<u>1,324,589</u>	
Creditors: amounts falling due within one year	15	<u>(2,032,696)</u>		<u>(1,120,602)</u>	
Net current assets			<u>1,038,128</u>		<u>203,987</u>
Net assets			<u><u>1,078,936</u></u>		<u><u>252,763</u></u>
Capital and reserves					
Called up share capital	19		1,000		1,000
Profit and loss reserves			<u>1,077,936</u>		<u>251,763</u>
Total equity			<u><u>1,078,936</u></u>		<u><u>252,763</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £3,026,173 (2021 - £421,805 profit).

These financial statements have been prepared 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 17 January 2023 and are signed on its behalf by:

S Parfitt
Director

W Wade
Director

Company Registration No. 08948556

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED**GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2022**

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 May 2020		1,000	4,567,963	4,568,963
Year ended 30 April 2021:				
Profit and total comprehensive income for the year		-	303,916	303,916
Dividends	9	-	(1,000,000)	(1,000,000)
Balance at 30 April 2021		1,000	3,871,879	3,872,879
Year ended 30 April 2022:				
Profit and total comprehensive income for the year		-	1,449,768	1,449,768
Dividends	9	-	(2,200,000)	(2,200,000)
Balance at 30 April 2022		1,000	3,121,647	3,122,647

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2022**

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 May 2020		1,000	829,958	830,958
<hr/>				
Year ended 30 April 2021:				
Profit and total comprehensive income for the year		-	421,805	421,805
Dividends	9	-	(1,000,000)	(1,000,000)
<hr/>				
Balance at 30 April 2021		1,000	251,763	252,763
<hr/>				
Year ended 30 April 2022:				
Profit and total comprehensive income for the year		-	3,026,173	3,026,173
Dividends	9	-	(2,200,000)	(2,200,000)
<hr/>				
Balance at 30 April 2022		1,000	1,077,936	1,078,936
<hr/>				

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED**GROUP STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 30 APRIL 2022**

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	23		(6,955,668)		33,390,679
Interest paid			(5,892,587)		(5,770,557)
Income taxes paid			(117,652)		(27,118)
Net cash (outflow)/inflow from operating activities			(12,965,907)		27,593,004
Investing activities					
Purchase of tangible fixed assets		(25,328)		(17,467)	
Net cash used in investing activities			(25,328)		(17,467)
Financing activities					
Proceeds from borrowings		92,223,665		83,344,310	
Repayment of borrowings		(77,220,335)		(110,053,336)	
Dividends paid to equity shareholders		(2,200,000)		(1,000,000)	
Net cash generated from/(used in) financing activities			12,803,330		(27,709,026)
Net decrease in cash and cash equivalents			(187,905)		(133,489)
Cash and cash equivalents at beginning of year			1,482,783		1,616,272
Cash and cash equivalents at end of year			1,294,878		1,482,783

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED**COMPANY STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 30 APRIL 2022**

		2022		2021	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	24	(4,243,758)		(1,960,148)	
Income taxes (paid)/refunded		-		12,164	
		<u> </u>		<u> </u>	
Net cash outflow from operating activities		(4,243,758)		(1,947,984)	
Investing activities					
Purchase of tangible fixed assets		(25,328)		(17,467)	
Purchase of subsidiaries		(1)		-	
Dividends received		5,500,000		2,500,000	
		<u> </u>		<u> </u>	
Net cash generated from investing activities		5,474,671		2,482,533	
Financing activities					
Dividends paid to equity shareholders		(2,200,000)		(1,000,000)	
		<u> </u>		<u> </u>	
Net cash used in financing activities		(2,200,000)		(1,000,000)	
Net decrease in cash and cash equivalents		(969,087)		(465,451)	
Cash and cash equivalents at beginning of year		1,130,673		1,596,124	
		<u> </u>		<u> </u>	
Cash and cash equivalents at end of year		161,586		1,130,673	
		<u> </u>		<u> </u>	

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

Company information

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

The group consists of Business Lending Development Funding Limited and all of its subsidiaries.

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.

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 under 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.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Business Lending Development Funding Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 30 April 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.4 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Turnover

Turnover represents amounts receivable for services.

The group has three core sources of income and the accounting policies thereon are stated as follows:

- a) Arrangement fees which are recognised in the period that they are due;
- b) Interest income is contractually due on a monthly basis and as such is accrued in the accounts on this basis; and
- c) Redemption fees are chargeable as a percentage of the final sale value of a property, subject to a minimum fee amount. This gives rise to two classes of redemption fee:
 - i) Contracted fees that is the minimum amounts chargeable under the loan contract; and
 - ii) Contingent fees amounting to an overage that is contingent on the underlying security properties selling for a given sum.

Contractual fees are spread across the life of the loan, with 80% of the contracted fee accounted for over the life of the facility and 20% reserved until the end of the project to allow for uncertainty. Contingent fees are only recognised at the end of the loan unless at any point they become contracted.

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 it is probable will be recovered.

1.6 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.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

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:

Leasehold land and buildings	5 years straight line
Plant and equipment	25% reducing balance
Fixtures and fittings	25% reducing balance
Computers	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 recognised in the profit and loss account.

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

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.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

1.10 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

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 publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

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 group 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 group after deducting all of its liabilities.

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 payments 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.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

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 group's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

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

1.12 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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 if, and only if, there is 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.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

1.13 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.

1.14 Retirement benefits

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

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leased asset are consumed.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2022 £	2021 £
Turnover analysed by class of business		
Interest and fees	11,136,175	10,249,790
	<u>11,136,175</u>	<u>10,249,790</u>
	2022 £	2021 £
Turnover analysed by geographical market		
United Kingdom	11,136,175	10,249,790
	<u>11,136,175</u>	<u>10,249,790</u>

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

3 Operating profit

	2022 £	2021 £
Operating profit for the year is stated after charging:		
Depreciation of owned tangible fixed assets	33,297	44,274
Operating lease charges	35,819	53,693
	<u> </u>	<u> </u>

4 Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	12,600	11,700
Audit of the financial statements of the company's subsidiaries	72,480	62,100
	<u> </u>	<u> </u>
	85,080	73,800
	<u> </u>	<u> </u>

5 Employees

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

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Directors	6	6	6	6
Employees	24	21	24	21
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	30	27	30	27
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	1,914,210	1,891,168	1,914,210	1,891,168
Social security costs	221,611	213,415	221,611	213,415
Pension costs	176,171	134,507	176,171	134,507
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	2,311,992	2,239,090	2,311,992	2,239,090
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2022****6 Directors' remuneration**

	2022	2021
	£	£
Remuneration for qualifying services	<u>471,600</u>	<u>621,600</u>

7 Interest payable and similar expenses

	2022	2021
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	476,056	1,562,503
Other interest on financial liabilities	<u>5,416,531</u>	<u>4,208,054</u>
	<u>5,892,587</u>	<u>5,770,557</u>

8 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	330,903	171,797
Adjustments in respect of prior periods	<u>(54,553)</u>	<u>(14,183)</u>
Total current tax	<u>276,350</u>	<u>157,614</u>
Deferred tax		
Origination and reversal of timing differences	<u>-</u>	<u>(12,164)</u>
Total tax charge	<u>276,350</u>	<u>145,450</u>

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2022****8 Taxation****(Continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Profit before taxation	1,726,118	449,366
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	327,962	85,380
Tax effect of expenses that are not deductible in determining taxable profit	-	475
Unutilised tax losses carried forward	-	59,595
Adjustments in respect of prior years	(54,552)	-
Group relief	2,940	-
Taxation charge	276,350	145,450

9 Dividends

	2022	2021
	£	£
Recognised as distributions to equity holders:		
Final paid	2,200,000	1,000,000

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

10 Tangible fixed assets

Group	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 May 2021	46,355	109,215	51,156	255,203	461,929
Additions	6,431	18,897	-	-	25,328
At 30 April 2022	52,786	128,112	51,156	255,203	487,257
Depreciation and impairment					
At 1 May 2021	43,937	87,308	40,061	241,850	413,156
Depreciation charged in the year	2,121	10,162	11,095	9,919	33,297
At 30 April 2022	46,058	97,470	51,156	251,769	446,453
Carrying amount					
At 30 April 2022	6,728	30,642	-	3,434	40,804
At 30 April 2021	2,418	21,907	11,095	13,353	48,773
Company	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 May 2021	46,355	109,215	51,156	255,203	461,929
Additions	6,431	18,897	-	-	25,328
At 30 April 2022	52,786	128,112	51,156	255,203	487,257
Depreciation and impairment					
At 1 May 2021	43,937	87,308	40,061	241,850	413,156
Depreciation charged in the year	2,121	10,162	11,095	9,919	33,297
At 30 April 2022	46,058	97,470	51,156	251,769	446,453
Carrying amount					
At 30 April 2022	6,728	30,642	-	3,434	40,804
At 30 April 2021	2,418	21,907	11,095	13,353	48,773

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

11 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	12	-	-	4	3

Movements in fixed asset investments

Company	Shares in subsidiaries £
Cost or valuation	
At 1 May 2021	3
Additions	1
At 30 April 2022	4
Carrying amount	
At 30 April 2022	4
At 30 April 2021	3

12 Subsidiaries

Details of the company's subsidiaries at 30 April 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Business Lending Residential Funding 2 Limited	England and Wales	Ordinary	100.00
Business Lending Residential Funding 3 Limited	England and Wales	Ordinary	100.00
Business Lending Residential Funding Limited	England and Wales	Ordinary	100.00
Business Lending Residential Funding 4 Limited	England and Wales	Ordinary	100.00

13 Financial instruments

	Group 2022 £	2021 £	Company 2022 £	2021 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	74,911,656	58,818,208	2,852,025	129,074
Carrying amount of financial liabilities				
Measured at amortised cost	74,408,377	58,508,882	1,898,142	971,421

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

14 Debtors

	Group		Company	
	2022	2021	2022	2021
Amounts falling due within one year:	£	£	£	£
Trade debtors	64,284,520	46,033,863	43,382	125,352
Amounts owed by group undertakings	-	-	1,684,881	-
Other debtors	1,270,049	1,384,860	1,123,762	6,735
Prepayments and accrued income	1,748,735	2,349,962	57,213	61,829
	<u>67,303,304</u>	<u>49,768,685</u>	<u>2,909,238</u>	<u>193,916</u>
Amounts falling due after more than one year:				
Trade debtors	<u>9,357,087</u>	<u>11,402,498</u>	<u>-</u>	<u>-</u>
Total debtors	<u>76,660,391</u>	<u>61,171,183</u>	<u>2,909,238</u>	<u>193,916</u>

15 Creditors: amounts falling due within one year

		Group		Company	
		2022	2021	2022	2021
	Notes	£	£	£	£
Other borrowings	17	62,991,911	45,953,425	-	-
Trade creditors		37,319	60,312	37,319	60,312
Amounts owed to group undertakings		-	-	457,749	740,216
Corporation tax payable		330,495	171,797	-	-
Other taxation and social security		134,554	149,181	134,554	149,181
Other creditors		1,261,652	621,050	1,131,137	4,000
Accruals and deferred income		855,415	576,859	271,937	166,893
		<u>65,611,346</u>	<u>47,532,624</u>	<u>2,032,696</u>	<u>1,120,602</u>

16 Creditors: amounts falling due after more than one year

		Group		Company	
		2022	2021	2022	2021
	Notes	£	£	£	£
Other borrowings	17	<u>9,262,080</u>	<u>11,297,236</u>	<u>-</u>	<u>-</u>

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2022****17 Loans and overdrafts**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Other loans	72,253,991	57,250,661	-	-
Payable within one year	62,991,911	45,953,425	-	-
Payable after one year	9,262,080	11,297,236	-	-

All Group loans are secured by fixed and floating charges over the assets of each company within the Group.

As at 30 April 2022 the Group benefitted from revolving credit facility provided by Matura Finance Limited and One Savings Bank Plc.

18 Retirement benefit schemes

	2022	2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	176,171	134,507

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

19 Share capital

Group and company	2022	2021	2022	2021
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary of £1 each	1,000	1,000	1,000	1,000

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

20 Operating lease commitments

Lessee

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

	Group 2022 £	2021 £	Company 2022 £	2021 £
Within one year	36,403	58,992	36,403	58,992
Between two and five years	40,791	36,365	40,791	36,365
	<u>77,194</u>	<u>95,357</u>	<u>77,194</u>	<u>95,357</u>

21 Related party transactions

As at the year ended the group had a loan of £71,132,898 (2021: £41,800,988) including loan interest of £413,887 (2021: £237,353) from Matura Finance Limited, a company in which Mr I Shaw and Mr M Baker are directors. As at the balance sheet date the amount remained outstanding and was included within other loans and the interest in accruals.

The interest charge for the year on the loan amounted to £5,273,366 (2021: £2,125,330).

22 Controlling party

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.

In the opinion of the directors there is no ultimate controlling party.

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

23 Cash (absorbed by)/generated from group operations

	2022 £	2021 £
Profit for the year after tax	1,449,768	303,916
Adjustments for:		
Taxation charged	276,350	145,450
Finance costs	5,892,587	5,770,557
Depreciation and impairment of tangible fixed assets	33,297	44,274
Movements in working capital:		
(Increase)/decrease in debtors	(15,489,208)	26,734,323
Increase in creditors	881,538	392,159
Cash (absorbed by)/generated from operations	(6,955,668)	33,390,679

24 Cash absorbed by operations - company

	2022 £	2021 £
Profit for the year after tax	3,026,173	421,805
Adjustments for:		
Taxation charged/(credited)	-	(12,164)
Investment income	(5,500,000)	(2,500,000)
Depreciation and impairment of tangible fixed assets	33,297	44,274
Movements in working capital:		
Increase in debtors	(2,715,322)	(15,643)
Increase in creditors	912,094	101,580
Cash absorbed by operations	(4,243,758)	(1,960,148)

25 Analysis of changes in net debt - group

	1 May 2021 £	Cash flows 30 April 2022 £	£
Cash at bank and in hand	1,482,783	(187,905)	1,294,878
Borrowings excluding overdrafts	(57,250,661)	(15,003,330)	(72,253,991)
	<u>(55,767,878)</u>	<u>(15,191,235)</u>	<u>(70,959,113)</u>

BUSINESS LENDING DEVELOPMENT FUNDING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

26 Analysis of changes in net funds - company

	1 May 2021	Cash flows	30 April 2022
	£	£	£
Cash at bank and in hand	1,130,673	(969,087)	161,586
	<u> </u>	<u> </u>	<u> </u>