

REGISTERED NUMBER: 07320958 (England and Wales)

**Report of the Directors and
Financial Statements for the Year Ended 30 September 2019
for
Property Finance Capital Limited**

MONDAY



A06 *A97QAV9L* #290
22/06/2020
COMPANIES HOUSE

Property Finance Capital Limited

**Contents of the Financial Statements
for the year ended 30 September 2019**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	3
Statement of Comprehensive Income	5
Balance Sheet	6
Statement of Changes in Equity	7
Notes to the Financial Statements	8

Property Finance Capital Limited

**Company Information
for the year ended 30 September 2019**

DIRECTORS:

J Rubins
B L Rubins
S D Meller
G P Losi
M F Robinson

REGISTERED OFFICE:

1st Floor
Health Aid House
Marlborough Hill
Harrow
Middlesex
HA1 1UD

REGISTERED NUMBER:

07320958 (England and Wales)

AUDITORS:

Grant Harrod Lerman Davis LLP
Chartered Accountants
Statutory Auditors
1st Floor
Healthaid House
Marlborough Hill
Harrow
Middlesex
HA1 1UD

Property Finance Capital Limited

**Report of the Directors
for the year ended 30 September 2019**

The directors present their report with the financial statements of the company for the year ended 30 September 2019.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2018 to the date of this report.

J Rubins
B L Rubins
S D Meller
G P Losi
M F Robinson

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Grant Harrod Lerman Davis LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



S D Meller - Director

22 January 2020

Report of the Independent Auditors to the Members of Property Finance Capital Limited

Opinion

We have audited the financial statements of Property Finance Capital Limited (the 'company') for the year ended 30 September 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Property Finance Capital Limited**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

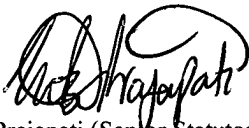
Auditors' responsibilities for the audit of the financial statements

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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.



R Prajapati (Senior Statutory Auditor)
for and on behalf of Grant Harrod Lerman Davis LLP
Chartered Accountants
Statutory Auditors
1st Floor
Healthaid House
Marlborough Hill
Harrow
Middlesex
HA1 1UD

22 January 2020

Property Finance Capital Limited

**Statement of Comprehensive Income
for the year ended 30 September 2019**

	Notes	2019 £	2018 £
TURNOVER		3,438,284	5,376,066
Cost of sales		<u>3,438,284</u>	<u>5,376,066</u>
GROSS PROFIT		-	-
OPERATING PROFIT and PROFIT BEFORE TAXATION		-	-
Tax on profit	5	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		-	-
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>-</u></u>	<u><u>-</u></u>

The notes form part of these financial statements

Property Finance Capital Limited (Registered number: 07320958)

Balance Sheet
30 September 2019

	Notes	2019 £	2018 £
CURRENT ASSETS			
Debtors	6	17,758,525	47,157,366
Cash at bank		148,806	684,137
		<u>17,907,331</u>	<u>47,841,503</u>
CREDITORS			
Amounts falling due within one year	7	17,014,281	47,816,303
		<u>893,050</u>	<u>25,200</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		893,050	25,200
CREDITORS			
Amounts falling due after more than one year	8	867,000	-
		<u>26,050</u>	<u>25,200</u>
NET ASSETS			
CAPITAL AND RESERVES			
Called up share capital	10	6,010	5,840
Share premium	11	20,040	19,360
		<u>26,050</u>	<u>25,200</u>
SHAREHOLDERS' FUNDS			

The financial statements were approved by the Board of Directors on 22 January 2020 and were signed on its behalf by:



S D Meller - Director

The notes form part of these financial statements

Property Finance Capital Limited

**Statement of Changes in Equity
for the year ended 30 September 2019**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 October 2017	5,460	-	18,360	23,820
Changes in equity				
Issue of share capital	380	-	1,000	1,380
Balance at 30 September 2018	<u>5,840</u>	<u>-</u>	<u>19,360</u>	<u>25,200</u>
Changes in equity				
Issue of share capital	170	-	680	850
Balance at 30 September 2019	<u><u>6,010</u></u>	<u><u>-</u></u>	<u><u>20,040</u></u>	<u><u>26,050</u></u>

The notes form part of these financial statements

Property Finance Capital Limited

Notes to the Financial Statements for the year ended 30 September 2019

1. STATUTORY INFORMATION

Property Finance Capital Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c).

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover represents fees and interest receivable on secured advances. Fees are recognised as services are provided and interest is recognised as it accrues over the life of advances.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes party to the contractual provisions of the instrument. Financial instruments are classified according to substance of the contractual arrangements entered into.

3. EMPLOYEES AND DIRECTORS

	2019	2018
	£	£
Wages and salaries	107,000	107,000
Social security costs	13,588	13,621
	<u>120,588</u>	<u>120,621</u>

The average number of employees during the year was as follows:

	2019	2018
Staff salaries	<u>1</u>	<u>1</u>
	2019	2018
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

Property Finance Capital Limited

**Notes to the Financial Statements - continued
for the year ended 30 September 2019**

4. OPERATING PROFIT

The operating profit in the year for the company was £Nil (2018: £Nil)

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 30 September 2019 nor for the year ended 30 September 2018.

6. DEBTORS

	2019 £	2018 £
Amounts falling due within one year:		
Amounts owed by group undertakings	16,840,829	46,967,416
Other debtors	3,280	1,740
Prepayments and accrued income	47,416	188,210
	<u>16,891,525</u>	<u>47,157,366</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	867,000	-
	<u>867,000</u>	<u>-</u>
Aggregate amounts	<u>17,758,525</u>	<u>47,157,366</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Participants' loans	16,386,426	46,866,290
Amounts owed to group undertakings	-	87,283
Social security and other taxes	20,426	3,572
Other creditors	560,013	670,948
Accrued expenses	47,416	188,210
	<u>17,014,281</u>	<u>47,816,303</u>

Included within a participants' loans are secured amounts totalling £16,386,426 (2018: £46,866,290). See note 9 for details.

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Participants' loan	867,000	-
	<u>867,000</u>	<u>-</u>

Included within a participants' loans are secured amounts totalling £867,000 (2018: £Nil). See note 9 for details.

Property Finance Capital Limited

**Notes to the Financial Statements - continued
for the year ended 30 September 2019**

9. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Participants' loans	<u>17,253,426</u>	<u>46,866,290</u>

The participants' loans are secured on first and second charges over advances made by Property Finance Nominees (No.3) Limited and Alternative Bridging Corporation (Cheval) Limited, who are fellow subsidiaries of Alternative Bridging Corporation Limited.

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019	2018
			£	£
1,000	Ordinary A	£1	1,000	1,000
501	Ordinary B	£10	<u>5,010</u>	<u>4,840</u>
			<u>6,010</u>	<u>5,840</u>

11. RESERVES

	Retained earnings	Share premium	Totals
	£	£	£
At 1 October 2018	-	19,360	19,360
Profit for the year	-	-	-
Cash share issue	-	680	680
	<u>-</u>	<u>680</u>	<u>680</u>
At 30 September 2019	<u>-</u>	<u>20,040</u>	<u>20,040</u>

12. ULTIMATE PARENT COMPANY

The ultimate controlling parent is Southern Group Limited by virtue of its controlling shareholding in Alternative Bridging Corporation Limited, the immediate parent company.

13. RELATED PARTY DISCLOSURES

The company's working capital is provided by loans from B shareholders.

At the year-end the company owed £93,224 (2018 was owed: £1,033,719) to Alternative Bridging Corporation (Cheval) Limited.

Included within participants' loans are amounts of £Nil (2018: £84,609) being loans from Grand Oaks Capital Limited, a company controlled by B. L. Rubins.

Included within participants' loans are amounts of £Nil (2018: £27,270) being loans from LRS Investments LLP, a LLP of which G. P. Losi and M Robinson are members.

Included within participants' loans are amounts of £294,835 (2018: £534,221) being loans from London and Counties Flats Ltd, a company of whom S Sharpe is a director.