Registered number: 11532386

BUSINESS LOANS MI1 LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

CONTENTS

COMPANY INFORMATION

Directors	Aline Sternberg CSC Directors (No.1) Limited CSC Directors (No.2) Limited
Company secretary	CSC Corporate Services (UK) Limited 10th Floor, 5 Churchill Place London E14 5HU
Registered number	11532386
Registered office	10th Floor, 5 Churchill Place London E14 5HU
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT United Kingdom
Bankers	Barclays Bank Leicestershire United Kingdom LE87 2BB

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

Introduction

The Directors present the Strategic Report of Business Loans MI1 Limited (the “Company”) for the year ended 31 December 2023.

Principal activities, business review and future developments

The Company was incorporated as a private limited company on 22 August 2018 in the United Kingdom and registered in England and Wales under the Companies Act 2006. The Company was established as a special purpose vehicle (“SPV”) to purchase loans to UK businesses (the “Receivables”) from Kriya Finance Limited (the “Originator” and “Seller”). On 20 September 2018, the Company entered into a Receivables Purchase Agreement and Servicing Agreement whereby the Originator agreed, from time to time, to assign and transfer Receivables originated by the Originator to the Company. In June 2020 this was applied to the origination of loans with UK SMEs under the Coronavirus Business Interruption Loan Scheme (“CBILS”). In September 2021 and September 2022, it was agreed to include Flex Loans and a Buy Now Pay Later solution to B2B Merchants, which was then indirectly disposed of to a new SPV Griffin Payments Limited in December 2023.

The Company entered into a Senior Note Facility Agreement to fund the Asset Trust. The Notes mature 36 months after the end of the Revolving Period, which ends on 6 December 2023, making the notes mature on 6 December 2026. The maximum commitment of the Senior Note is £27,000,000 from Viola Credit Alternative Lending (FNX) SPV, L.P and £3,000,000 from Viola Credit BI, L.P. As of 31 December 2023, the Seller holds £11,503,183 (2022: £33,340,961) outstanding at the financial year-end. Additionally, as of 31 December 2023, the Seller holds £2,023,738 (2022: £7,789,097) of the Subordinated Note.

The Directors of the Company have concluded that the risks and rewards of ownership of the Receivables substantially remain with the Seller, due to the credit enhancement provided to the transaction by the Seller in the form of the Subordinated Note and the entitlement to the residual funds. As a result, in the Seller's financial statements, the transfer of the ownership of the beneficial interest in the Receivables fails the derecognition criteria of IAS 39 Financial Instruments: Recognition and Measurement and the transfer is instead accounted for as a financing transaction. The Directors of the Company have concluded that it is appropriate to also account for the beneficial interest acquired in the Receivables in the same way. Therefore, the Company has not recognised the Receivables on its Balance Sheet but has instead recognised a receivable to the Seller (a ‘Deemed Loan to the Seller’). At the end of the financial year, the total outstanding balance of the Deemed Loan issued by the Company to the Seller amounted to £11,237,861 (2022: £27,398,829).

The key future developments which the Directors expect to have the greatest impact on the Company, due to their impact on the performance of the Receivables (in particular, future cash flows, and default rates), relate to pressures resulting from uncertainty and changes in the macroeconomic environment.

Prospects for UK economic performance remain uncertain. The medium and longer-term impacts of COVID- 19, together with the implications of the UK’s new trading relationships post-Brexit and geopolitical tensions remain uncertain. This has resulted in significant cost inflation and therefore increased pressure for the Bank of England to continue to increase the base rate from unprecedented low level. All these factors result in increased pressure on affordability and a heightened risk that borrowers may ultimately default on the Receivables.

While the extent and duration of the effect of this economic uncertainty remains unclear, there is a risk of financial instability for the Company – for example a detrimental effect on the UK economy may ultimately impact the borrowers’ ability to repay the Receivables. However, in the worst case scenario the Senior Note and Subordinated Notes are a limited recourse obligation of the Company, therefore payments to them are limited to the application of receipts from the Receivables and the Company is not ultimately exposed if the borrowers are unable to repay.

The Company will continue to monitor the effect these macroeconomic factors have on borrowers’ ability to repay the Receivables and therefore the performance of the Company.

The Directors expect the present level of activity to be maintained for the foreseeable future.

Financial key performance indicators

Given the nature of the Company’s activities, the Directors consider the performance of the underlying Receivables portfolio to be the key performance indicator for the Company and the related issuance of the Senior Note. The balance of the Receivables portfolio was £15,894,043 (2022: £38,492,908) as of 31 December 2023.

At the financial year end, the balance of the Senior Notes outstanding amounted to £11,503,183 (2022 - £33,340,961) and the balance of the Subordinated Loan amounted to £2,023,738 (2022 - £7,789,097).

Financial Instruments

The Company’s operations are financed primarily by means of the Senior Notes and the Subordinated Loans. The Company issued such financial instruments to finance the acquisition of Receivables.

The Company’s exposure to risk on financial instruments and the management of such risk is largely determined prior to the issuance of the Senior Notes.

The Directors monitor the Company’s performance by reviewing monthly reports on the performance of the Receivables, to ensure that the transaction terms have been complied with, no unforeseen risks have arisen, and that the Noteholders have been paid on a timely basis.

Kriya Finance Limited (the “Servicer”) administers the Receivables under a servicer agreement with the Company. In administering the Receivables, the Servicer applies its formal structure for managing risk and other control procedures.

Streamlined Energy and Carbon Reporting

The Company is out of the scope of the Streamlined Energy and Carbon Reporting (SECR), as it does not meet the numerical thresholds in relation to turnover and number of employees.

Principal risks and uncertainties

Whilst the Directors have overall responsibility for the establishment and oversight of the Company's risk management framework, this obligation has been allocated and managed in accordance with the transaction documents.

For further detail regarding principal risks and uncertainties, please refer to section “Principal activities, business review and future developments". The Company is mainly exposed to credit risk, liquidity risk and market risk. The principal nature of such risks is summarised below.

Credit Risk

Credit risk reflects the risk that the underlying borrowers of the Receivables or other transaction parties will not meet their obligations as they fall due. When considering the credit risk of the Deemed loan to Seller, the Directors consider the credit risk of the underlying Receivables and the credit enhancement inherent in the structure.

The Company’s principal business objective rests on the performance of the Receivables. Credit risk is minimised by the fact that the Receivables are secured by the UK Government with 80% principal balance guaranteed for CBILS Receivables in accordance with the terms of the Guarantee Agreements.

Liquidity Risk

Liquidity risk is defined as the risk of being unable to fulfil current or future payment obligations in full on the due date. The objective of the Company's liquidity management is to ensure the sufficient funds are available to meet the Company's commitments. Liquidity risk is minimised by the fact that the UK Government has guaranteed interest payments for 12 months and provides a steady cash flow for the Company to discharge all expenses.

Market Risk

Market risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in the market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Other price risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Interest Rate Risk

Interest rate risk is a major component of market risk. The net interest margin is dependent on the movements of interest rates and can create mismatches in cash flows (fixed assets or liabilities) or repricing dates (floating assets or liabilities).

The Company is subject to the risk of a mismatch between the rate of interest payable in respect of the Loans Receivable and the rate of interest (including margin) payable in respect of the Notes. The Loans Receivable pay a fixed rate of interest, while the Company's liabilities under the floating rate Notes are based on the compounded daily Sonia rate for the relevant period.

The Company has not entered into any interest rate swap or other hedging transaction in relation to any of the Loans Receivable, and as a result there is no hedge in respect of the risk of any variance in the rates charges on any Loans which in turn may result in insufficient funds being made available to the Company for the Company to meet its obligations to the Noteholders and other secured creditors.

Currency Risk

The Company is exposed to currency risk on its financial assets due to international operations, primarily involving the US dollar and the Euro. Currently, there are no hedging strategies in place to manage this exposure. However, the Company closely monitors these risks and has capped the amount we can have in foreign assets.

Capital Risk Management

The Company is not subject to any external capital requirements except for the minimum requirement under the Companies Act 2006. The Company has not breached the minimum requirement.

Operational Risk
The Company could also be impacted by its service providers being unable to deliver their contractual obligations.

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

....
Oreoluwa Salu per pro CSC Directors (No.1) Limited Director
Date: 31 July 2024

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors present their report and the audited financial statements for the year ended 31 December 2023.

Corporate Governance

The Directors have been charged with governance in accordance with the underlying transaction documents describing the structure and operation of the transaction. The governance structure of the Company is such that the key activities have been predetermined and the operational roles have been assigned to third parties and are strictly governed by the corresponding transaction documents concerning those roles.

The transaction documents provide for procedures that have been designed for safeguarding assets against unauthorised use or disposition, for maintaining proper accounting records, and for the reliability and usefulness of financial information used in the business or for publication. Such procedures are designed to manage rather than eliminate the risk of failure, to achieve business objectives whilst enabling them to comply with all statutory obligations.

The Directors are satisfied that there is no requirement to publish a corporate governance statement and that the Company is exempt from the disclosure requirements of the provisions of the UK Code Corporate Governance.

Share Capital

The issued share capital consists of 1 ordinary share of £1.

Directors' responsibilities statement

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”, and applicable law).

Under company law, 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 the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also 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.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Results and dividends

The Company retains the right to £200 each month of available revenue receipts from the beneficial interest in the Loan Portfolio, to the extent sufficient cash is available for such retention. The profit for the year, after taxation, amounted to £1,800 (2022 - profit £1,944).

The Directors do not recommend the payment of a dividend for the year ended 31 December 2023 (2022: Nil).

Directors

The Directors who served during the year and up to the date of signing the financial statements were:

Aline Sternberg
CSC Directors (No.1) Limited
CSC Directors (No.2) Limited

CSC Corporate Services (UK) Limited was appointed company secretary on 22 August 2018 and continued to act as secretary for the financial year ending 31 December 2023. The Directors and their immediate relatives did not hold a beneficial interest in the ordinary share capital of the Company.

Directors' interest in contracts

The Company has no employees. CSC Capital Markets UK Limited provides corporate services to the Company at arm's length commercial rates. CSC Capital Markets UK Limited received fees in the amount of £45,960 (2022: £65,911) for corporate administrative services which includes the provision of directorship services by its employees. The Directors provided are not remunerated directly by the Company for their services

Going Concern

In order to form a view as to the most appropriate basis of preparation of these financial statements, the Directors have assessed the likelihood of whether the Company will continue trading over the foreseeable future versus the likelihood of either intending to or being forced to either cease trading or to place the Company into liquidation.

The ability of the Company to meet its obligations on the Senior Note and the Subordinated Note and to meet its operating and administrative expenses is dependent principally on the performance of the Receivables. The Senior Note and the Subordinated Note are a limited recourse obligation of the Company, secured over the Receivables, and the Company's ability to pay amounts due on the Senior Note and the Subordinated Note - being principal, fixed coupon and variable return - are, in substance, limited to the application of the receipts from the Receivables under the terms of the priority of payments.

The Directors have assessed the financial position and performance of the Company. The Company's Directors have a reasonable expectation that the Company will be able to continue in business for the next 12 months. This includes consideration of risk that could threaten the Company's business model, future performance, solvency, liquidity and the affordability risk from the cost of living crisis. During 2023, the performance of the Receivables has been stable with no signs of significant deterioration. For this reason, they continue to adopt the going concern basis of accounting in preparing the accounts.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Third party indemnities

Qualifying third party indemnity provisions for the benefit of the Directors were in force during the year under review and remain in force as at the date of approval of the financial statements.

Financial risk management

Information on financial risk management is included in the financial instruments section of the Strategic Report.

Charitable and political donations

During the year the Company donated £nil to charities. The Company has never made political donations.

Future developments

Information on future developments is included in the principal activities, business review and future developments section of the Strategic Report.

Post balance sheet events

There have been no other significant subsequent events since the balance sheet date which require disclosure in these financial statements.

Disclosure of information to auditors

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

The financial statements on pages 11 to 27 were approved by the Board of Directors on 31 July 2024 and signed on its behalf by:

....
Oreoluwa Salu per pro CSC Directors (No.1) Limited Director
Date: 31 July 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUSINESS LOANS MI1 LIMITED FOR THE YEAR ENDED 31 DECEMBER 2023

Opinion

In our opinion, Business Loans MI1 Limited’s financial statements:

- give a true and fair view of the state of the Company’s affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Statement of Financial Position as at 31 December 2023; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors’ responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors’ report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they 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 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 an auditors' 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 Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the underlying Transaction Documents, 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 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 the posting of inappropriate journal entries. Audit procedures performed by the engagement team included:

- Making inquiries of those charged with governance in relation to known or suspected instances of non-compliance with laws and regulation and fraud;
- Testing of the reconciliation of the financial statements to the year end servicer's reports and to the bank statements of the Company;
- Testing journals using a risk-based approach and evaluating whether there was evidence of bias in relation to the accounting estimates; and
- Testing that the priority of payments has been applied in accordance with the Transaction Documents.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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 for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Jessica Miller

Jessica Miller (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
31 July 2024

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Year Ended 31 December 2023 £	Year Ended 31 December 2022 (Restated)* £
Interest receivable and similar income	3	**3,037,344**	4,633,719
Interest payable and similar expenses	4	**(2,501,685)**	(3,489,157)
Net interest income		**535,659**	1,144,562
Administrative expenses	5	**(533,259)**	(1,142,162)
Operating profit		**2,400**	2,400
Profit before taxation		**2,400**	2,400
Tax on profit	8	**(600)**	(456)
Profit for the financial year		**1,800**	1,944
Total comprehensive income for the financial year		**1,800**	1,944

** Further information on the prior year restatement is disclosed in Note 2.*

The notes on pages 14-27 are an integral part of these financial statements.

BUSINESS LOANS MI1 LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note		2023 £		2022 (Restated) £
Non-current assets					
Deemed Loan	9		**4,492,283**		11,423,320
			4,492,283		11,423,320
Current assets					
Deemed Loan	9	**6,745,578**		15,975,509	
Debtors: amounts falling due within one year	10	**124,483**		162,402	
Cash and cash equivalents	11	**476,142**		6,156,208	
		7,346,203		22,294,119	
Creditors: amounts falling due within one year	12	**(7,337,111)**		(22,286,827)	
Net current asset			**9,092**		7,292
Total assets less current liabilities			**4,501,375**		11,430,612
Creditors: amounts falling due after more than one year	13		**(4,492,283)**		(11,423,320)
Net assets			**9,092**		7,292
Capital and reserves					
Called up share capital	15		**1**		1
Profit and loss account			**9,091**		7,291
Total equity			**9,092**		7,292

The financial statements were approved by the Board of Directors on 31 July 2024 and signed on its behalf by.

Oreoluwa Salu per pro CSC Directors (No.1) Limited Director

The notes on pages 14-27 are an integral part of these financial statements.

BUSINESS LOANS MI1 LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2022 - as previously stated	1	1,833,263	1,833,264
Prior year adjustment - correction of error	-	(1,827,916)	(1,827,916)
At 1 January 2022 (as restated)	1	5,347	5,348
Profit for the year - as restated	-	1,944	1,944
At 31 December 2022- as restated*	1	7,291	7,292
Profit for the year	-	1,800	1,800
At 31 December 2023	1	9,091	9,092

* Further information on the prior year restatement is disclosed in Note 2. The notes on pages 14 to 27 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

The Company is a private company limited by shares and incorporated in England under the Companies Act 2006 as a private limited company. The address of its registered office is 10th Floor, 5 Churchill Place, London E14 5HU.

The Company was incorporated as a private limited company on 22 August 2018 in the United Kingdom and registered in England and Wales under the Companies Act 2006. The Company was established as a special purpose vehicle to purchase loans to UK businesses from Kriya Finance Limited On 20 September 2018, the Company entered into a Receivables Purchase Agreement and Servicing Agreement whereby the Originator agreed, from time to time, to assign and transfer Receivables originated by the Originator to the Company. In June 2020 this was applied to the origination of loans with UK SMEs under the Coronavirus Business Interruption Loan Scheme (“CBILS”). In September 2021 and September 2022, it was agreed to include Flex Loans and a Buy Now Pay Later solution to B2B Merchants, which was then indirectly disposed of to a new SPV Griffin Payments Limited in December 2023.

The Company entered into a Senior Note Facility Agreement to fund the Asset Trust. The Notes mature 36 months after the end of the Revolving Period, which ends on 6 December 2023, making the notes mature on 6 December 2026. The maximum commitment of the Senior Note is £27,000,000 from Viola Credit Alternative Lending (FNX) SPV, L.P and £3,000,000 from Viola Credit BI, L.P. As of 31 December 2023, the Seller holds £11,503,183 (2022: £33,340,961) outstanding at the financial year-end. Additionally, as of 31 December 2023, the Seller holds £2,023,738 (2022: £7,789,097) of the Subordinated Note.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statement have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

In accordance with Section 11 of FRS 102, the provisions of IAS 39 have been applied consistently with respect to the recognition and measurement of financial instruments.

The Directors have adjusted the format of the Statement of Comprehensive Income and Statement of Financial Position as allowed under Companies Act 2006. In the opinion of the directors, net interest income is a more appropriate measurement of the Company’s performance than turnover and cost of sales.

The Company’s functional and presentation currency is the pound sterling (£).

The following principal accounting policies have been applied consistently throughout the year:

2.2 Statement of Compliance

The Company has adopted and is in compliance with United Kingdom Accounting Standards, Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (the "FRS 102") and the Companies Act 2006.

2.3 Financial reporting standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);

This information is included in the consolidated financial statements of Kriya Finance Limited (Formerly MarketFinance Limited) for the year ended 31 December 2023

2.4 Going concern

In order to form a view as to the most appropriate basis of preparation of these financial statements, the Directors have assessed the likelihood of whether the Company will continue trading over the foreseeable future versus the likelihood of either intending to or being forced to either cease trading or to place the Company into liquidation.

The ability of the Company to meet its obligations on the Senior Note and the Subordinated Note and to meet its operating and administrative expenses is dependent principally on the performance of the Receivables. The Senior Note and the Subordinated Note are a limited recourse obligation of the Company, secured over the Receivables, and the Company’s ability to pay amounts due on the Senior Note and the Subordinated Note - being principal, fixed coupon and variable return - are, in substance, limited to the application of the receipts from the Receivables under the terms of the priority of payments.

The Directors have assessed the financial position and performance of the Company. The Company’s Directors have a reasonable expectation that the Company will be able to continue in business for the next 12 months. This includes consideration of risk that could threaten the Company’s business model, future performance, solvency, liquidity and the affordability risk from the cost of living crisis. During 2023, the performance of the Receivables has been stable with no signs of significant deterioration. For this reason, they continue to adopt the going concern basis of accounting in preparing the accounts.

2.5 Foreign currency translation

These financial statements are presented in GBP (£) which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. All figures in the financial statements are rounded to zero decimal places.

2.6 Interest receivable and expense recognition

Interest receivable and expense are recognised within ‘Interest receivable and similar income’ and ‘Interest payable and similar charges’ in Statement of Comprehensive Income. Accrued interest income, accrued interest expense and other interest expense are recognised in other receivables and other payables on the Statement of Financial Position.

The Company accounts for interest receivable and interest expense on an effective interest rate basis. The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cashflows considering all contractual terms of the financial instrument but does not consider future credit losses.

2.7 Operating segments

The Company has not disclosed segmental information because in the opinion of the Directors the Company operates in one business sector and one geographic segment and generates all income in the United Kingdom.

2.8 Financial instruments

The Company's financial instruments comprise the Deemed Loan to the Seller, Cash at bank and in hand, Notes and various Debtors and Creditors that arise from its operations.

Notes
The notes were initially recognised at the fair value of the issue proceeds incurred and are subsequently stated at amortised cost using the effective interest method.

Deemed Loan to Seller
The Directors of the Company have concluded that the risks and rewards of ownership of the Receivables substantially remain with the Seller, due to the credit enhancement provided to the transaction by the Seller in the form of the Subordinated Note and the entitlement to the residual funds. As a result, in the Seller's financial statements, the transfer of the ownership of the beneficial interest in the Receivables fails the derecognition criteria of IAS 39 Financial Instruments: Recognition and Measurement and the transfer is instead accounted for as a financing transaction. The Directors of the Company have concluded that it is appropriate to also account for the beneficial interest acquired in the Receivables in the same way. Therefore, the Company has not recognised the Receivables on its Balance Sheet but has instead recognised a receivable to the Seller (a ‘Deemed Loan to the Seller’).

Delinquencies and defaults on the Receivables will not result in an impairment loss if the cash flows from the asset pool are still expected to be sufficient to meet the Company’s obligations. Losses incurred on the Receivables will not trigger an impairment charge as long as they do not exceed the credit enhancement i.e. the Subordinated Notes on the Deemed Loan granted by the Seller.

Impairment
The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired. A financial asset or portfolio of financial assets is impaired and an impairment loss incurred if there is objective evidence that an even or events since initial recognition of the asset have adversely affected the amount or timing of future cash flows from the asset. These indicators relate to the underlying Receivables, such as arrears in scheduled payments past due by more than 90 days.

If there is objective evidence that an impairment loss on a financial asset classified as Receivables and receivables has been incurred, the Company measures the amount of the loss as the difference between the carrying amount of the asset and the present value of estimated future cash flows from the asset discounted at the effective interest rate of the instrument at initial recognition.

Impairment losses are recognised in the Statement of Comprehensive Income and the carrying amount of the financial asset reduced by establishing an allowance for impairment losses. If in a subsequent year the amount of the impairment loss reduces and the reduction can be ascribed to an event after the impairment was recognised, the previously recognised loss is reversed by adjusting the allowance. Once an impairment loss has been recognised on a financial asset, interest income is recognised on the carrying amount using the rate of interest at which estimated future cash flows were discounted on measuring impairment.

Delinquencies and defaults on the Receivables will not result in an impairment loss on the Deemed Loan if the cash flows from the Receivables are in aggregate still expected to be sufficient to meet obligations under the Deemed Loan. Losses incurred on the Receivables will not trigger an impairment of the Deemed Loan as long as they do not exceed the credit enhancement provided by the Seller.

2.9 Taxation

The Directors are satisfied that the Company meets the definition of a “securitisation company” under the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296) and that no incremental unfunded tax liabilities will arise. As a result, no deferred tax is recognised.

Corporation tax for a securitisation company is calculated by reference to the required cash retained as ‘profit’ per the underlying Transaction Documents.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

All withdrawals from the Company’s bank accounts are governed by the detailed priority of payments set out in the underlying Transaction Documents and as such are considered restricted.

2.11 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the financial period in which the estimates are revised if the revision affects only that financial period or in the financial period of the revision and future years if the revision affects both current and future financial periods. Following judgment are considered significant for the Financial Statement. Due to the nature of the Company no accounting estimates are considered critical.

Critical Judgements

Derecognition assessment
From time to time, the Company acquired Receivables from the Seller. There is judgement involved in determining whether or not the transfer of the beneficial interest in the Receivables from the Seller to the Company resulted in the Seller transferring substantially all the risks and rewards associated with the Receivables to the Company. The judgement is considered a critical judgment as it impacts whether the transfer of the Receivables qualified for derecognition from the perspective of the Seller, thereby enabling the Company to recognise the Receivables as its own assets or whether the Company should instead derecognise the cash and other consideration paid and recognise a receivable from the Seller. Due to the retention of Subordinated Note and entitlement of residual funds, the Directors have concluded that the sale failed the derecognition criteria of IAS 39. Therefore, the Company has not recognised the Receivables on its Balance Sheet but has instead recognised a receivable from the Seller.

Impairment of Deemed Loan
The level of potential credit losses on the underlying Receivables is uncertain and depends on a number of micro and macro-economic factors that may affect repayment conditions. However, the Directors consider the Deemed Loan to be protected against losses on the underlying Receivables as a result of the credit enhancement that is provided to the securitisation structure. The Directors expect the income on the underlying Receivables to exceed the interest payable on the Notes and the Company's operating expenses. This excess spread is therefore available to make good any reductions in the principal balance of the Receivables as a result of defaults by customers. Management continues to forecast future cash flows, the present value of which is in excess of the carrying balance, and therefore the deemed loan is judged as not impaired.

2.12 Prior year restatement

The Directors have restated the prior year figures due to errors in the accounting for the Receivables.

In the prior year, the Directors recognised the Receivables on the Statement of Financial Position of the Company. The Directors reassessed the accounting during the year and concluded that as per the derecognition criteria of IAS 39, the purchase of the Receivables by the Company from the Seller, does not meet the de-recognition criteria. As a result, the Receivables should remain on the Sellers Statement of Financial Position and recognised as a Deemed Loan in the Company's Statement of Financial Position. Accordingly, the Directors have restated the financial statements to correct this error. The accounting policies disclosed in Note 2 have been updated in line with this prior year restatement.

The impact of this adjustment on the prior year Statement of Comprehensive Income and Statement of Financial Position has been shown below.

	As originally stated	Adjustment	Restated
	For the year ended 31 December 2022	For the year ended 31 December 2022	For the year ended 31 December 2022
	£	£	£
Interest income and similar income	4,841,330	(207,611)	4,633,719
Interest expense and similar charges	(3,489,157)	-	(3,489,157)
Administrative Expenses	(2,987,911)	1,845,749	(1,142,162)

	As originally stated	Adjustment	Restated
	As at 31 December 2022	As at 31 December 2022	As at 31 December 2022
	£	£	£
Deemed Loan	35,377,704	(7,978,875)	27,398,829
Debtors: amounts falling due within one year	490,242	(327,840)	162,402
Creditors: amounts falling due within one year	(369,186)	(21,917,641)	(22,286,827)
Creditors: amount falling due after more than one year	(41,457,897)	30,034,577	(11,423,320)

3 Interest receivable and similar income

An analysis of interest income and similar income by class of business is as follows:

	Year Ended 31 December 2023	Year Ended 31 December 2022 (Restated)
	£	£
Loan interest receivable	**3,165,175**	4,841,359
Deferred purchased consideration adjustment	**(127,835)**	(207,611)
Interest income on bank accounts	**4**	(29)
	3,037,344	4,633,719

4 Interest payable and similar expenses

	Year Ended 31 December 2023	Year Ended 31 December 2022 (Restated)
	£	£
Interest expense on Senior Note	**(2,446,662)**	(3,400,297)
Unused fee on Senior Note*	**(55,023)**	(88,860)
	(2,501,685)	(3,489,157)

*The unused fee is a fee on the outstanding balance on the Senior Note which is calculated each interest payment date and paid to the Senior Noteholder.

5 Administrative expenses

	Year Ended 31 December 2023 £	Year Ended 31 December 2022 (Restated) £
Audit fees	**(93,062)**	(49,710)
Other expenses	**(440,197)**	(1,092,452)
	(533,259)	(1,142,162)

6 Auditors' remuneration

	Year Ended 31 December 2023 £	Year Ended 31 December 2022 (Restated) £
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	**(77,552)**	(41,425)
Value Added Tax	**(15,510)**	(8,285)
	(93,062)	(49,710)

No non-audit services were provided to the Company by the Company's auditors (2022: None)

7 Employees

The Company has no employees. The Directors received no remuneration from the Company in respect of qualifying services rendered during the financial year. CSC Capital Markets UK Limited as corporate service provider received fees of £45,960 (2022: £65,911) during the financial year of which a portion represents directorship services provided by the Directors of the company who are also employees of the corporate service provider. The Directors are not paid directly by the Company but their directorship services are reflected in their salary received from the corporate service provider.

8 Tax on profit

	Year Ended 31 December 2023 £	Year Ended 31 December 2022 (Restated) £
Corporation tax		
Current tax profit for the year	**600**	456
Total current tax	**600**	456
Taxation on profit	**600**	456

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2022 - the same as) the standard rate of corporation tax in the UK of 25% (2022 - 19%). The differences are explained below:

	Year Ended 31 December 2023 £	Year Ended 31 December 2022 (Restated) £
Profit before tax	**2,400**	2,400
Profit multiplied by standard rate of corporation tax in the UK of 25% (2022 – 19%)	**600**	456
Effects of:		
Accounting profits not taxed in accordance with SI 2006/3296	**(600)**	(456)
Cash retained profit taxed in accordance with SI 2006/3296	**600**	456
Total tax charge for the year	**600**	456

For UK corporation tax purposes, the Company has been considered as a Securitisation Company under the ‘Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296)’. Therefore, the Company is not required to pay corporation tax on its accounting profit or loss. Instead, the Company is required to pay tax on its retained profits as specified in the documentation governing the transaction. Under the terms of the securitisation, the Company is expected to retain £200 per month.

9 Deemed Loan

	2023	2022 (Restated)
	£	£
Opening Balance	**38,492,908**	73,186,697
Additions during the period	**88,261,753**	6,284,883
Repayments during the period	**(84,228,217)**	(40,978,672)
Disposals during the period	**(26,632,401)**	-
Closing Balance	**15,894,043**	38,492,908
Less:		
Subordinated Note held by the Seller	**(2,023,738)**	(7,789,097)
Deferred consideration	**(2,632,444)**	(3,304,982)
Closing Balance	**11,237,861**	27,398,829

The maturity profile of the Deemed Loan is as follows:

In one year or less	**6,745,578**	15,975,509
In more than one year	**4,492,283**	11,423,320
Closing Balance	**11,237,861**	27,398,829

The Deemed Loan balance is valued based on the underlying Receivables which were purchased by the Company during the period. Under the terms of the Transaction, the company retains the right to £200 of available revenue receipts in each monthly Interest Payment Date. Deferred consideration generated after payment of the Senior Note and expenses is payable to the Seller and treated as a component of the Deemed Loan to the Seller.

The Subordinated Note to the Seller is subordinated to all other issued Notes in the structure. At the reporting period the balance of the Subordinated Note is £2,023,738 (2022: £7,789,097). As the Deemed Loan and Subordinated Note have the same counterparty, the net position is shown on the Statement of Financial Position.

Any impairment loss provision on the Receivables is absorbed by the credit enhancement at the Deemed Loan level in the form of the Subordinated Note and deferred consideration due back to the Seller.

10 Debtors: amounts falling due within one year

	2023	2022 (Restated)
	£	£
Other debtors	**17,460**	2,808
Prepayments and accrued Income	**107,023**	159,594
At 31 December	**124,483**	162,402

11 Cash and cash equivalents

	2023	2022 (Restated)
	£	£
Cash at bank and in hand	**476,142**	6,156,208
At 31 December	**476,142**	6,156,208

The cash at bank and in hand is held with Barclays Bank PLC, London Branch. They currently hold A1 (2022: A1) credit rating from Moody's.

12 Creditors: Amounts falling due within one year

	2023	2022 (Restated)
	£	£
Amounts owed to Group Undertakings	**(8,059)**	(21,584)
Accrued interest on Senior Notes	**(54,418)**	(99,518)
Other creditors	**-**	(133,244)
Accruals and deferred income	**(263,134)**	(114,384)
Taxation and social security	**(600)**	(456)
Senior Note	**(7,010,900)**	(21,917,641)
At 31 December	**(7,337,111)**	(22,286,827)

13 Creditors: Amounts falling due after more than one year

	2023	2022 (Restated)
	£	£
Senior Note	**(4,492,283)**	(11,423,320)
At 31 December	**(4,492,283)**	(11,423,320)

The Company entered into a Senior Note Agreement with Viola Credit Alternative Lending (FNX) SPV, L.P and Viola Credit BI, L.P for a facility with a maximum commitment amount equal to £27,000,000 from Viola Credit Alternative Lending (FNX) SPV, L.P and £3,000,000 from Viola Credit BI, L.P. The Senior Note interest is calculated at the applicable margin and the compounded Risk-Free Rate for that day. Interest is paid to the extent that funds are available under the prevailing priority of payments. The Senior Note has a maturity date of 6 December 2026.

The Senior Notes bear interest at a fixed rate and are secured over all the Receivables of the Company. £32,283,455 (2022 - £3,783,132) was drawn down in the financial year. Repayment of £54,121,233 (2022 - £41,767,450) was made during the financial year and a balance of £11,503,183 (2022 - £33,340,961) was remaining at the end of the year.

14. Financial risk management

The principal risks arising from the Company's financial instruments are liquidity, credit and market risk. The Company has established policies for managing these risks as outlined below.

Credit Risk

Credit risk is the risk of financial loss due to the failure of a counterparty to meet its obligation to settle outstanding amounts. Although the Company assesses the recoverability of its assets at each Balance Sheet date, its exposure to credit risk is not significant as any credit losses realised on the Company's Deemed Loan will be allocated against the Subordinated Note, and Class A Notes in issue in the order prescribed by the Company's prospectus documentation. The primary assets of the Company are the RLS and CBILS Receivables. Credit risk is monitored and managed on a regular basis through preparation and review of monthly investor and servicer reports which are reviewed in detail by senior management. The Receivables are secured by the UK Government with 80% principal balance guaranteed for CBILS Receivables in accordance with the terms of the Guarantee Agreements.

The maximum exposure to credit risk at the financial year end is as follows:

	2023	2022 (Restated)
	£	£
Maximum Credit Risk		
Deemed Loan	**11,237,861**	27,398,829
Debtors: amounts falling due within one year	**124,483**	162,402
Cash at bank and in hand	**476,142**	6,156,208
	11,838,486	33,717,439

The cash at hand is held with Barclays Bank PLC, London Branch. They currently hold an A1 (2022: A1) credit rating from Moody's.

Liquidity Risk

Liquidity risk is defined as the risk of being unable to fulfil current or future payment obligations in full on the due date. The objective of the Company's liquidity management is to ensure the sufficient funds are available to meet the Company's commitments. Liquidity risk is minimised by the fact that the collateral underlying the Deemed Loan is of a good quality and provides a steady cash flow for the Company to discharge all expenses.

The table on the following page analyses the undiscounted cashflows of the financial liabilities at the balance sheet date into relevant maturity groupings. The calculations have been based on the interest rates effective at the balance sheet date.

14. Financial risk management (continued)

Liquidity Risk (continued)

As at 31 December 2023	Less than 1 month £	After 1 month but within 3 months £	After 3 months but within 1 year £	1 year to 5 years £	Over 5 years £	Total £
Senior Notes	(913,710)	(1,309,798)	(4,787,392)	(4,492,283)	-	(11,503,183)
Senior Notes Interest expense	(141,193)	(247,458)	(539,074)	(2,875,061)	-	(3,802,786)
Accrued expenses	(317,552)	-	-	-	-	(317,552)
	(1,372,455)	(1,557,256)	(5,326,466)	(7,367,344)	-	(15,623,521)

As at 31 December 2022 (Restated)	Less than 1 month £	After 1 month but within 3 months £	After 3 months but within 1 year £	1 year to 5 years £	Over 5 years £	Total £
Senior Notes	(2,364,560)	(3,810,670)	(15,742,411)	(11,423,320)	-	(33,340,961)
Senior Notes Interest expense	(413,019)	(724,419)	(1,370,798)	(7,310,925)	-	(9,819,161)
Accrued expenses	(232,762)	-	-	-	-	(232,762)
	(3,010,341)	(4,535,089)	(17,113,209)	(18,734,245)	-	(43,392,884)

15. Called up share capital

	2023 £	2022 £
Authorised, allotted, called up and fully paid		
1 (2022 - 1) Ordinary share of £1.00	**1**	**1**

All shares were allotted during the year. The Company is not subject to any externally proposed capital requirements except for the minimum requirement under the Companies Act 2006. The Company has not breached the minimum requirement.

No dividends are proposed for the year (2022: no dividends).

16. Related party transactions

CSC Capital Markets UK Limited entered into an agreement with the Company to certain corporate administrative services to the Company. During the financial year Company incurred fees of £45,960 (2022 - £65,911) from CSC Capital Markets UK Limited. No fees were paid to Directors by the administrator as a Directors' fee.

Kriya Finance Limited (Formerly MarketFinance Limited) entered into an agreement with the Company to Service the portfolio. During the financial year the Company incurred fees of £141,037 (2022: £259,649) from Kriya Finance Limited. As of 31 December 2023, there was a balance payable of £8,059 (2022: £21,584). Kriya Finance Limited is also a Subordinated Noteholder and "the Seller". Interest income on the Deemed Loan to the Seller for the year ended 31 December 2023 was £3,165,175 (2022: £4,841,359). As at 31 December 2023 Interest Receivable on the Deemed Loan to the Seller was £107,023 (2022: £159,594). As at 31 December 2023 the outstanding balance of the Deemed Loan to the Seller was £11,237,861 (2022: 27,398,829) which is stated net of the Subordinated Note held by the Seller of £2,023,738 (2022: £7,789,097) and the Deferred Consideration payable to the Seller of £2,632,244 (2022: £3,304,982).

17. Post balance sheet events

There have been no other significant subsequent events since the balance sheet date which require disclosure in these financial statements.

18. Capital risk management

The capital managed by the Company comprises of ordinary shares outstanding as at year end. The Company is not subject to externally imposed capital requirements.

There were no changes to the policies and procedures during the year with respect to the Company's approach to capital management.

19. Controlling party

The entire share capital of Business Loans MI1 Limited is held on a discretionary trust basis under a share trust deed by the legal parent company, CSC Corporate Services (UK) Limited, a company incorporated in the United Kingdom and registered in England and Wales. CSC Corporate Services (UK) Limited is a wholly owned subsidiary of CSC Capital Markets UK Limited.

The parent undertaking, by virtue of its retention of risks and rewards in the Receivables, is Kriya Finance Limited (Formerly MarketFinance Limited). The consolidated financial statements of Kriya Finance Limited (Formerly MarketFinance Limited) are available from 48-50 Scrutton Street, London, EC2A 4XQ. Kriya Finance Limited (Formerly MarketFinance Limited) is the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2023 and is considered to be the Company's ultimate parent and controlling party. Group consolidated statements can be obtained from 48-50 Scrutton Street, London, EC2A 4XQ.

20. Contingent liabilities and commitments

There were no contingent liabilities or commitments as of 31 December 2023 (2022: £Nil). Contingent liabilities are assessed continually to determine whether transfers of economic benefits have become probable. Where future transfers of economic benefits charge from previous disclosed contingent liabilities, provisions are recognised in the year in which the changes in probability occur.