Accounts

June 2020

Propiteer Group

REGISTERED NUMBER: 12101322 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE PERIOD 12 JULY 2019 TO 30 JUNE 2020

FOR

PROPITEER CAPITAL PLC

PREVIOUSLY KNOWN AS
ASSET BACKED SECURED BOND PLC

PROPITEER CAPITAL PLC (REGISTERED NUMBER: 12101322)

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 12 JULY 2019 TO 30 JUNE 2020

	Page
Company Information	1
Strategic Report	2
Report of the Directors	5
Report of the Independent Auditors	7
Income Statement	9
Other Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Cash Flow Statement	13
Notes to the Cash Flow Statement	14
Notes to the Financial Statements	15

PROPITEER CAPITAL PLC

COMPANY INFORMATION
FOR THE PERIOD 12 JULY 2019 TO 30 JUNE 2020

DIRECTORS:	D F E Marshall C T Sandy
SECRETARY:	P R Hole
REGISTERED OFFICE:	Olivers Barn Maldon Road Witham Essex CM8 3HY
REGISTERED NUMBER:	12101322 (England and Wales)
AUDITORS:	AGK Partners Chartered Accountants & Statutory Auditors 1 Kings Avenue London N21 3NA

STRATEGIC REPORT
FOR THE PERIOD 12 JULY 2019 TO 30 JUNE 2020

The directors present their strategic report for the period 12 July 2019 to 30 June 2020.

Principal activity
The primary activity of Propiteer Capital PLC (the "Issuer") is to issue, through a bond programme, various series and tranches of bonds (the "Bonds") and deploy the proceeds for collaterised borrower loans within the wider Propiteer group (the "Borrower Loans"). The repayment of principal and payment of interest by borrowers under the Borrower Loans are intended to generate sufficient funds to enable the Issuer to satisfy its payment obligations under each relevant series and tranche of Bonds issued.

The success of this strategy rests on the directors' ability to raise funds at competitive rates from the issuance of bonds while ensuring that Borrower Loans are issued at competitive lending rates. The directors and the company secretary have a wide range of contacts and experience in the financial and property sectors.

Long-term objective
The Issuer's long term objective is to create a portfolio of Borrower Loans backed by assets with a good flow of income from creditworthy borrowers. Projects selected will have short and medium terms returns creating a balanced portfolio for the Issuer and indirectly the Issuer's bond holders. The definition of these objectives is further explained in the key performance indicators which also disclose performance against these objectives.

REVIEW OF BUSINESS
No bonds were issued during this financial year as work was being done to finalise the bond issuance programme and to engage with 3rd party providers.

The directors monitor key financial performance indicators. The indicators are appropriate to the circumstances of the business. For the year ended 30 June 2020 they are summarised on the following pages headed Key Performance Indicators.

PRINCIPAL RISKS AND UNCERTAINTIES

The Issuer's business

The investment objective in respect of each tranche of Bonds issued is to be achieved using the proceeds by the Issuer. The Issuer will use the proceeds of each tranche of Bonds issued to procure Borrower Loans with principal and interest payments made from Borrowers under the Borrower Loans intended to generate sufficient funds to enable the Issuer to satisfy its payment obligations under each relevant series and tranche of Bonds issued.

Before any portfolio of Borrower Loans is procured all cases must go through a strict review and assessment process, which will be carried out by the Collateral Manager, acting on behalf of the Issuer. This will include, but not limted, to financial analysis, market analysis and a full individual analysis. The Collateral Manager, on behalf of the Issuer, will monitor Borrower Loans on an ongoing basis to make sure the credit risk remains within acceptable limits.

The Issuer has the power to replace the Collateral Manager if it does not meet its requirements under the Collateral Management Agreement, and the Security Trustee is in place to hold the assets in which the Issuer lends against as security so if the Issuer were to default on repayment the security would still be in place in favour of the Bondholders.

Issuer's credit risk

The Issuer has no material assets except for the requirements of the Collateral Manager under the Collateral Management Agreement and the Borrower Loans procured and any security granted as part of that. Payments made in respect of each tranche of Bonds will come entirely from payments in relation to the Borrower Loans.

As net proceeds from Bonds are being used to procure Borrower Loans, there is credit risk inherent in these procurement activities. As such any adverse changes in credit quality and Borrower Loan recoverability could affect the Issuer's ability to make sufficient payments to satisfy its own payment obligations to the Bondholders.

A downturn in business condition or the general economy in the UK may adversely affect all aspects of the Issuer's business The Borrower assets which will be subject to the Borrower Security will mainly be located in the UK and as such the geographical concentration of credit risk is mainly centred on the UK making the Issuer sensitive to adverse changes in the UK economy, which could impact on the value of the security taken as part of Borrower Security. Such decreases in value of security could have an impact on the Issuer's ability to make payments to the Issuer's bondholders.

The Issuer would not consider financing assets in which the repayment of the Borrower Loan was not already identified. Further to this the Issuer will follow strict procurement criteria set out by the Credit Committee of the Collateral Manager which will include, but not limited to, loan-to-value guidelines, geographical location, and an experienced management team with an extensive track record.

Changes and mismatches in interest rates may adversely impact on the Issuer's revenue and/or profits. A substantial fall in the general cost of lending in the UK may adversely impact the availability of Borrower Loans and thus the Issuer's ability to make payments to the Issuer's bondholders. This is because the coupon payments to bondholders are reliant on there being a sufficient pool of Borrower Loans in the market which there may not be.

Under the Collateral Management Agreement, the Collateral Manager will provide experienced individuals to the Issuer who will put in place processes and procedures to counter fraud risk, and insurance in place providing an indemnity against losses arising from dishonest, fraudulent, or malicious acts committed by its staff, outside valuers, and outside solicitors.

COVID 19

This affects the Issuer in a number of ways.

Effect on Borrowers

As no Borrower Loans were in place at the end of the financial year there was no impact to our business from COVID-19.

Compliance with social distancing provisions will impose a burden on developers and borrowers. As a company we have decided to make arrangements for staff to work within the guidance of social distancing and this will not have an impact to our day-to-day operations. We will work with borrowers to ensure that social distancing measures are maintained, and this risk will now form part of our due diligence when assessing borrower loans.

Employer of staff

The Issuer has several seconded staff members who work in an administrative capacity, in addition to the directors. The office was closed during lockdown. Staff and directors alike now work predominantly from home with visits to the office only where it is essential and government guidelines can be observed.

Meetings have been held via the internet.

PROPITEER CAPITAL PLC (REGISTERED NUMBER: 12101322)

STRATEGIC REPORT
FOR THE PERIOD 12 JULY 2019 TO 30 JUNE 2020

SECTION 172(1) STATEMENT
The directors acknowledge their duty uncer S.172 of the Companies Act 2006 nd consider that they have, both individually and together, acted in the way that, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

In doing so, they have had regard (amongst other matters) to;

- the likely consequences of any decision in the long term.
-the impact of the Company's operations on the community and environment. The Company operates honestly and transparently. We consider the impact on the environment on our day to day operations and how we can minimise this.
- the desirability of the Company maintaining a reputation for high standards of business conduct. Our intention is to behave in responsible manner, operating within the high standard of business conduct and good governance
-the need to act fairly as between members of the company. Our intention is to behave responsibly towards our shareholders and stakeholders and treat them fairly and equally so that they may benefit from the successful delivery of our strategic objectives.

FUTURE DEVELOPMENTS
The Issuer's management constantly monitors opportunities to bring in new investment and issue Borrower Loans. A number of innovative bond programmes are under development as well as investment transactions which will be announced at the appropriate time.

The directors are of the view that economic consequences of the Covid 19 pandemic will create opportunities which the Issuer will be well placed to take advantage of. The directors will continue the same investment policies which have been successful since its listing with the intention of continuing to increase the Issuer's assets in the future.

KEY PERFORMANCE INDICATORS
Directors consider the following as key performance indicators:

Description	2020£
Revenue	61,150
Gross profit	61,150
Gross margin	100%
Operating profit/(loss)	(3,507)
Loss before tax	(3,507)
Net assets	46,493

ON BEHALF OF THE BOARD:

D J Gaynor - Director

1 June 2021

REPORT OF THE DIRECTORS
FOR THE PERIOD 12 JULY 2019 TO 30 JUNE 2020

The directors present their report with the financial statements of the company for the period 12 July 2019 to 30 June 2020.

COMMENCEMENT OF TRADING
The company was incorporated on 12 July 2019and granted certificate of trading on 15 April 2020.

PRINCIPAL ACTIVITY
The principal activity of the company in the period under review was that of The primary activity of Propiteer Capital PLC (the "Issuer") is to issue, through a bond programme, various series and tranches of bonds (the "Bonds") and deploy the proceeds for collaterised borrower loans within the wider Propiteer group (the "Borrower Loans").

DIVIDENDS
No dividends will be distributed for the period ended 30 June 2020.

DIRECTORS
The directors who have held office during the period from 12 July 2019 to the date of this report are as follows:-

-K S Bhullar - appointed 12 July 2019- resigned 27 March 2020

-D F E Marshall - appointed 27 March 2020

- S W Padgett - appointed 12 July 2019- resigned 27 March 2020

- C T Sandy - appointed 27 March 2020

The following directors were appointed since the period ended 30 June 2020:-

-P V Lack- appointed on 29 July 2020

- D J Gaynor- appointed on 29 July 2020

- P R Hole- appointed on 22 January 2021 and resigned on 19 May 2021

The following directors resigned since the period ended 30 June 2020:-

- C T Sandy -resigned on 29 July 2020

-D F Marshall - resigned on 29 July 2020

Both the directors, being eligible, offer themselves for election at the forthcoming first Annual General Meeting.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, 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;
- state whether applicable 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 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.

REPORT OF THE DIRECTORS
FOR THE PERIOD 12 JULY 2019 TO 30 JUNE 2020

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 o' that information.

AUDITORS
The auditors, AGK Partners, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

D J Gaynor - Director

1 June 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PROPITEER CAPITAL PLC

Opinion
We have audited the financial statements of Propiteer Capital Plc (the 'company') for the period ended 30 June 2020 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 June 2020 and of its loss for the period 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 Strategic Report and 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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PROPITEER CAPITAL PLC

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page five, 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.

Michael Marcus (Senior Statutory Auditor)
for and on behalf of AGK Partners
Chartered Accountants & Statutory Auditors
1 Kings Avenue
London
N21 3NA

1 June 2021

PROPITEER CAPITAL PLC (REGISTERED NUMBER: 12101322)

INCOME STATEMENT
FOR THE PERIOD 12 JULY 2019 TO 30 JUNE 2020

	Notes	£
TURNOVER	3	61,150
Administrative expenses		64,657
OPERATING LOSS and LOSS BEFORE TAXATION		(3,507)
Tax on loss	6	-
LOSS FOR THE FINANCIAL PERIOD		(3,507)

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 12 JULY 2019 TO 30 JUNE 2020

	Notes	£
LOSS FOR THE PERIOD		(3,507)
OTHER COMPREHENSIVE INCOME		-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(3,507)

PROPITEER CAPITAL PLC (REGISTERED NUMBER: 12101322)

BALANCE SHEET
30 JUNE 2020

	Notes	£
CURRENT ASSETS		
Debtors	7	95,650
CREDITORS		
Amounts falling due within one year	8	49,157
NET CURRENT ASSETS		46,493
TOTAL ASSETS LESS CURRENT LIABILITIES		46,493
CAPITAL AND RESERVES		
Called up share capital	9	50,000
Retained earnings	10	(3,507)
SHAREHOLDERS' FUNDS		46,493

The financial statements were approved by the Board of Directors and authorised for issue on 1 June 2021 and were signed on its behalf by:

D J Gaynor - Director

P V Lack - Director

The notes form part of these financial statements

PROPITEER CAPITAL PLC (REGISTERED NUMBER: 12101322)

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 12 JULY 2019 TO 30 JUNE 2020

	Called up share capital £	Retained earnings £	Tota equity £
Changes in equity			
Issue of share capital	50,000	-	50,000
Total comprehensive income	-	(3,507)	(3,507)
Balance at 30 June 2020	50,000	(3,507)	46,493

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE PERIOD 12 JULY 2019 TO 30 JUNE 2020

	Notes	£
Cash flows from operating activities		
Cash generated from operations	1	(28,513)
Net cash from operating activities		(28,513)
Cash flows from financing activities		
Share issue		50,000
Net amounts owed by group companies		(21,487)
Net cash from financing activities		28,513
Increase in cash and cash equivalents		-
Cash and cash equivalents at beginning of period		-
Cash and cash equivalents at end of period		-

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE PERIOD 12 JULY 2019 TO 30 JUNE 2020

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	£
Loss before taxation	(3,507)
Increase in trade and other debtors	(61,150)
Increase in trade and other creditors	36,144
Cash generated from operations	(28,513)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 12 JULY 2019 TO 30 JUNE 2020

1. **STATUTORY INFORMATION**

Propiteer Capital Plc is a private company , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

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

Critical accounting judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

The Company's management believes that judgements, estimates and assumptions used in the preparation of the financial statements are appropriate given the factual circumstances as at 30 June 2020.

Various elements of the Company's accounting policies, by their nature, are inherently subject to estimation techniques, valuation assumptions and other assessments. In particular, the Company has identified the following accounting policies which, due to the judgements, estimates and assumptions inherent in those policies, and the sensitivity of the financial statements to those judgements, estimates and assumptions, are critical to an understanding of the financial statements.

Valuation of debtors
Valuation of debtors is based upon ongoing assessments of the probable estimated losses inherent in the debtors portfolio. Assessments are conducted by the board employing a methodology and guidelines, which are continually monitored and improved. The primary component of this methodology comprises specific allowances and collective allowances.

A debtor is subject to impairment test when valid indications exist, at the assessment date, which demonstrate that the customer will not be able to meet his obligations and/or when the flow of receipts decelerates over time. Usually such indications include failure of communication with the customers and indications of significant financial difficulty.

Amounts individually provided for concern claims evaluated individually for impairment based upon management's best estimate of the present value of the cash flows which are expected to be received.

The accuracy of provisions depends on the accuracy of future cash flows for specific allowances and the model assumptions and parameters used in determining collective allowances. While this necessarily involves judgement, management believes that their provisions are reasonable and supportable.

Turnover
Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Taxation
Taxation for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

continued...

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments n periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand, short term deposits with an original maturity date of one month. Cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

continued...

2. **ACCOUNTING POLICIES - continued**

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

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.

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 impaiment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

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

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

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.

continued...

2. **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 though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

Equity instruments

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

3. **TURNOVER**

The turnover and loss before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	£
Management fee	61,150
	61,150

An analysis of turnover by geographical market is given below:

	£
United Kingdom	61,150
	61,150

4. **EMPLOYEES AND DIRECTORS**

There were no staff costs for the period ended 30 June 2020.

The average number of employees during the period was NIL.

	£
Directors' remuneration	-

5. **OPERATING LOSS**

The operating loss is stated after charging:

	£
Auditors' remuneration	4,500

6. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose for the period.

continued...

6. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss
The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	£
Loss before tax	(3,507)
Loss multiplied by the standard rate of corporation tax in the UK of 19%	(666)
Effects of:	
Tax losses carry forward	666
Total tax charge	-

7. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Amounts owed by group undertakings	34,500
Prepayments and accrued income	61,150
	95,650

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Trade creditors	31,644
Amounts owed to group undertakings	13,013
Accrued expenses	4,500
	49,157

9. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
50,000	Ordinary shares	1	50,000

50,000 Ordinary shares shares of 1 each were allotted and fully paid for cash at par during the period.

10. **RESERVES**

	Retained earnings £
Deficit for the period	(3,507)
At 30 June 2020	(3,507)

11. **ULTIMATE PARENT COMPANY**

Propiteer Capital Holdings Limited (incorporated in United Kingdom) is regarded by the directors as being the company's ultimate parent company.

12. **RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption available under Section 33.1A of FRS 102, from the requirement to disclose transactions with wholly owned members of the group.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

Propiteer
Group

info@pcplc.co.uk
Send us an email. One of our team will get back to you within
24 hours Monday - Friday

www.pcplc.co.uk
Vist for more information about PCPLC and to
find our Prospectus