

REGISTERED NUMBER: 00734142 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

FOR

JABAC FINANCES LIMITED

Ward Divecha Limited
Chartered Accountants &
Statutory Auditors
29 Welbeck Street
London
W1G 8DA

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FOR THE YEAR ENDED 30 NOVEMBER 2021**

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JABAC FINANCES LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2021**

DIRECTORS:

H M Newman
C B Newman
P Newman

REGISTERED OFFICE:

Lynwood House
373-375 Station Road
Harrow
Middlesex
HA1 2AW

REGISTERED NUMBER:

00734142 (England and Wales)

ACCOUNTANTS:

Ward Divecha Limited
Chartered Accountants &
Statutory Auditors
29 Welbeck Street
London
W1G 8DA

STATEMENT OF FINANCIAL POSITION
30 NOVEMBER 2021

		2021		2020	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	4		9,040		5,618
CURRENT ASSETS					
Debtors	5	12,648,630		12,517,554	
Cash at bank		<u>1,002,010</u>		<u>775,946</u>	
		13,650,640		13,293,500	
CREDITORS					
Amounts falling due within one year	6	<u>9,570,035</u>		<u>8,736,639</u>	
NET CURRENT ASSETS			<u>4,080,605</u>		<u>4,556,861</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,089,645		4,562,479
CREDITORS					
Amounts falling due after more than one year	7		(44,483)		-
PROVISIONS FOR LIABILITIES			<u>(1,683)</u>		<u>(1,025)</u>
NET ASSETS			<u>4,043,479</u>		<u>4,561,454</u>
CAPITAL AND RESERVES					
Called up share capital	8		375,000		500,000
Capital redemption reserve	9		125,000		-
Retained earnings	9		<u>3,543,479</u>		<u>4,061,454</u>
SHAREHOLDERS' FUNDS			<u>4,043,479</u>		<u>4,561,454</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 November 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 November 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

STATEMENT OF FINANCIAL POSITION - continued
30 NOVEMBER 2021

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 24 August 2022 and were signed on its behalf by:

H M Newman - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021**

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

The principal accounting policies adopted are set out below.

Turnover

Interest income on 'trade receivables at amortised cost' are calculated using effective interest method which allocates interest, and loan origination fees, over the expected lives of the assets.

The effective interest method requires the company to estimate future cash flows, but it varies in some cases based on experiences of customer's behaviour, contractual terms of the financial instrument as well as expected lives of the trade receivables.

Tangible fixed assets

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

Depreciation is provided at rates calculated to write off the cost evenly over its expected useful life, as follows:

Fixtures, fittings & equipment- 33% reducing balance

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2021**

2. ACCOUNTING POLICIES - continued

Financial instruments

The company only enters in to basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade debtors and trade and other creditors.

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.

Impairment of financial assets

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

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

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

The impairment reversal is recognised in profit or loss.

Basic financial liabilities

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

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

Derecognition of financial liabilities

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

Taxation

Taxation for the year 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 statement of financial position date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2021

2. ACCOUNTING POLICIES - continued

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in 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 year 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.

Hire purchase and leasing commitments

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Employee benefits

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

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

Going concern

The Directors are closely monitoring the impact of current economic crisis. At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 5 (2020 - 5) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2021

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 December 2020	46,414
Additions	<u>5,342</u>
At 30 November 2021	<u>51,756</u>
DEPRECIATION	
At 1 December 2020	40,796
Charge for year	<u>1,920</u>
At 30 November 2021	<u>42,716</u>
NET BOOK VALUE	
At 30 November 2021	<u>9,040</u>
At 30 November 2020	<u>5,618</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	12,519,433	12,517,554
Other debtors	<u>129,197</u>	-
	<u>12,648,630</u>	<u>12,517,554</u>

Customer accounts are stated net of provisions in the current and previous years.

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank loans and overdrafts	5,517	-
Trade creditors	9,313,813	8,339,369
Taxation and social security	81	-
Other creditors	<u>250,624</u>	<u>397,270</u>
	<u>9,570,035</u>	<u>8,736,639</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2021

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

	2021	2020
	£	£
Bank loans	<u>44,483</u>	<u>-</u>

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021	2020
			£	£
375,000	Ordinary	1	<u>375,000</u>	<u>500,000</u>

9. RESERVES

	Retained earnings	Capital redemption reserve	Totals
	£	£	£
At 1 December 2020	4,061,454	-	4,061,454
Deficit for the year	(517,974)		(517,974)
Movement in reserve	(1)	125,000	124,999
At 30 November 2021	<u>3,543,479</u>	<u>125,000</u>	<u>3,668,479</u>

10. RELATED PARTY DISCLOSURES

Included in trade creditors at the year end is £1,255,555 (2020: £1,410,768) in respect of directors deposits and £134,146 (2020: £132,117) in respect of shareholders deposits held by the company in the normal course of business.

During the year £72,166 (2020: £77,118) and £6,086 (2020: £7,234) interest was paid on these deposits respectively.

Also during the year, a settlement agreement for £1m was reached with Mr Adam Newman and his associates to bring various litigious matters to a conclusion and to protect the business from any further reputational damage. All the other debtors and deposits belonging to Mr Adam Newman were settled.

11. CONTROLLING PARTY

There is no controlling party for the current and previous year, but it is collectively controlled by the Newman Family.

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
JABAC FINANCES LIMITED**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Statement of Financial Position. Readers are cautioned that the Statement of Comprehensive Income and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Jabac Finances Limited for the year ended 30 November 2021 which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Jabac Finances Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Jabac Finances Limited and state those matters that we have agreed to state to the Board of Directors of Jabac Finances Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Jabac Finances Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Jabac Finances Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Jabac Finances Limited. You consider that Jabac Finances Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Jabac Finances Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Ward Divecha Limited
Chartered Accountants &
Statutory Auditors
29 Welbeck Street
London
W1G 8DA

24 August 2022

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.