

Registered number: 05763812

J Leon Trading Limited
Report And Financial Statements
31 March 2020

Rees Pollock
Chartered Accountants



J Leon Trading Limited

COMPANY INFORMATION

Directors

J. E. Eades
T. L. Slowe
P. W. Walker
A. P. Church
V. R. Smith
J. Shenton

Company secretary

D. Howe

Registered number

05763812

Registered office

32 Hampstead High Street
London
NW3 1JQ

Independent auditors

Rees Pollock
35 New Bridge Street
London
EC4V 6BW

DIRECTORS' REPORT

For the Year Ended 31 March 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Results and dividends

The profit for the year, after taxation, amounted to £1,519,037 (2019 - £130,679).

Directors

The directors who served during the year were:

J. E. Eades
T. L. Slowe
P. W. Walker
A. P. Church
V. R. Smith
J. Shenton

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

J Leon Trading Limited

DIRECTORS' REPORT (CONTINUED)
For the Year Ended 31 March 2020

Auditors

The auditors, Rees Pollock, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 28 October 2020 and signed on its behalf

A handwritten signature in black ink, appearing to read 'D Howe', is written over a horizontal line.

D Howe
Secretary

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
J LEON TRADING LIMITED**

Opinion

We have audited the financial statements of J Leon Trading Limited (the 'Company') for the year ended 31 March 2020, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes, 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 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 included in the Annual Report other than the financial statements and our Auditors' Report 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.

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
J LEON TRADING LIMITED (CONTINUED)**

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 Directors' Report.

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

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.

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 Auditors' Report.

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 in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Philip Vipond (Senior statutory auditor)
for and on behalf of
Rees Pollock
Chartered Accountants
Statutory Auditor

35 New Bridge Street
London
EC4V 6BW

4 November 2020

STATEMENT OF INCOME AND RETAINED EARNINGS
For the Year Ended 31 March 2020

	Note	2020 £	2019 £
Administrative expenses		(15)	(15)
Operating loss		(15)	(15)
Income from fixed assets investments		51,971	142,925
Fair value movement on investments		1,469,333	-
Profit before tax		1,521,289	142,910
Tax on profit		(2,252)	(12,231)
Profit after tax		1,519,037	130,679
Retained earnings at the beginning of the year		2,805,586	2,674,907
Profit for the year		1,519,037	130,679
Retained earnings at the end of the year		4,324,623	2,805,586

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of income and retained earnings.

The notes on pages 7 to 9 form part of these financial statements.

BALANCE SHEET
As at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	4	4,077,632	2,358,299
		<u>4,077,632</u>	<u>2,358,299</u>
Current assets			
Debtors, amounts falling due within one year	5	4,085,421	4,455,317
Cash at bank and in hand		182,139	10,287
		<u>4,267,560</u>	<u>4,465,604</u>
Creditors, amounts falling due within one year		(2,252)	-
Net current assets		<u>4,265,308</u>	<u>4,465,604</u>
Total assets less current liabilities		<u>8,342,940</u>	<u>6,823,903</u>
Net assets		<u>8,342,940</u>	<u>6,823,903</u>
Capital and reserves			
Called up share capital	6	3,755	3,755
Capital redemption reserve		4,014,562	4,014,562
Profit and loss account		4,324,623	2,805,586
		<u>8,342,940</u>	<u>6,823,903</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 October 2020.

P. W. Walker
Director



The notes on pages 7 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

J Leon Trading Limited is a limited company incorporated in the United Kingdom. The Company's registered address is 32 Hampstead High Street, London, NW3 1JQ.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of 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 judgment in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Going concern

The business is well funded and remains largely unaffected by COVID-19 and so continues to operate without any major issues. The Directors believe that the Company is able to operate for at least 12 months from the date of signing of these financial statements. Accordingly the Directors consider it appropriate to prepare the financial statements on a going concern basis.

1.3 Fixed asset investments

(i) Unlisted investments

Unlisted investments are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in the fair value are recognised in profit or loss, except that investments in equity instruments whose fair values cannot be measured reliably are measured at cost less impairment.

(ii) Loan investments

Loan investments are initially measured at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

Financial assets are derecognised when: (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

1.4 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2020

1. Accounting policies (continued)

1.4 Financial instruments (continued)

case of an outright short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

1.5 Current and deferred taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. These are not discounted.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

As detailed in note 1.2, investments in unlisted company shares are measured at market value unless market value cannot be readily determined, in which case they are valued at historic cost less impairment. As such a degree of judgement and estimation is required in implementing this policy.

3. Employees

The average monthly number of employees, including directors, during the year was nil (2019: nil).

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2020

4. Fixed asset investments

	Other fixed asset investments £
Valuation	
At 1 April 2019	2,358,299
Additions	250,000
Revaluations	1,469,333
At 31 March 2020	<u>4,077,632</u>
Net book value	
At 31 March 2020	<u>4,077,632</u>
At 31 March 2019	<u>2,358,299</u>

5. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	4,011,897	4,421,897
Prepayments and accrued income	73,524	33,420
	<u>4,085,421</u>	<u>4,455,317</u>

6. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
37,550 Ordinary shares of £0.10 each	<u>3,755</u>	<u>3,755</u>

7. Controlling party

The ultimate holding company is J Leon & Company limited, a company incorporated in England and Wales. This is the parent company of the smallest group for which the consolidated financial statements are drawn up, of which J Leon Trading is a member. Its registered address is 32 Hampstead High Street, London, NW3 1JQ.