

JBR Auto Services Limited

Annual report for the year ended 30 December 2019

Registered number: 09361616

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JBR Auto Services Limited

Annual report for the year ended 30 December 2019

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JBR Auto Services Limited

1

Officers and professional advisors

Directors

S Benaim
EH McNeill
D M Selig
T Sharma

Registered office

773 Finchley Road
London
NW11 8DN

Bankers

HSBC Bank PLC

Solicitors

Asserson
Shoosmiths

Independent auditors

PricewaterhouseCoopers LLP

Directors' report for the year ended 30 December 2019

The directors present their report and the audited financial statements for the company for the year ended 30 December 2019.

Principal activities

The principal activity of the company during the year was the provision of administrative services to JBR Capital Limited, a fellow subsidiary within the JBR Auto Holdings Limited group.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements are detailed on page 1.

Post balance sheet events

Coronavirus (COVID-19)

The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections. Measures taken to contain the virus have affected economic activity and include limiting the movement of people and the temporary closure of businesses and schools. As noted above the company's principal activity is the provision of services to JBR Capital Limited. The JBR Capital group has continued to trade during the period of lockdown having made a series of adjustments to its operating procedures to ensure the safety of its employees. The crisis is a Non Adjusting Post Balance Sheet event as far as these financial statements are concerned. Due to the current economic uncertainty it is not possible to assess the potential impact of Covid on the carrying value of the company's assets in the forthcoming financial year.

Other matters

As noted above the company's principal activity is the provision of administrative services to JBR Capital Limited. On 16 April 2020, JBR Capital Limited agreed with its funders, that as a result of the current climate and save for refinancing of balloon payments due on certain of the loans, to cease new lending. JBR Capital Limited is currently in talks with these lenders and other parties regarding the prompt resumption of new lending taking into account, amongst other things, the Covid situation.

Going Concern

The directors of the company, and the group of which is part, have prepared financial projections covering the period to 30 December 2021 along with sensitivity analyses of reasonably plausible alternative outcomes. These forecasts have been prepared on the basis of the current status of the banking facilities as described above and also take account of the expected impact of COVID 19 on the recovery of loans and the level of the future cost base. The forecasts also take into account the continued availability of confirmed finance facilities from the group's ultimate parent undertaking of £30m of which £27m have been drawn at the date of approving the financial statements. The forecasts demonstrate that the directors have a reasonable expectation that the company has adequate financial resources to continue in operational existence for the foreseeable future. The directors therefore continue to adopt the going concern basis in preparing the company's financial statements.

Statement of directors' responsibilities in respect of the financial statements

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" Section 1A, 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 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 Section 1A, 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 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.

The directors 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 that 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.

Independent auditors

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

Small Companies

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

On behalf of the Board



S Benaim
Director
Date: 30 June 2020

Independent auditors' report to the members of JBR Auto Services Limited

Report on the audit of the financial statements

Opinion

In our opinion, JBR Auto Services Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 December 2019 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, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, 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 balance sheet as at 30 December 2019; the statement of comprehensive income 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

We have nothing to report in respect of the following matters in relation to which 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.

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

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

Independent auditors' report to the members of JBR Auto Services Limited (Continued)

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 30 December 2019 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 Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the financial statements, 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.

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 received 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.

Independent auditors' report to the members of JBR Auto Services Limited (Continued)

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Mark Ellis

Mark Ellis (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff 30 June 2020

Registered number: 09361616

**Statement of comprehensive income
for the year ended 30 December 2019**

	Note	2019 £000	2018 £000
Turnover	3	3,925	3,856
Administrative expenses		(3,736)	(3,678)
Operating profit	5	189	178
Interest payable and similar charges		(2)	(1)
Profit before tax		187	177
Tax on profit		(35)	(36)
Profit for the financial year		152	141
Total comprehensive income for the year		152	141

The notes on pages 9 to 12 form part of these financial statements.

Balance sheet as at 30 December 2019

	Note	£000	2019 £000	£000	2018 £000
Current assets					
Debtors: amounts falling due within one year	6	843		837	
Cash at bank and in hand		2		97	
		<u>845</u>		<u>934</u>	
Creditors: amounts falling due within one year	7	(225)		(466)	
		<u></u>		<u></u>	
Net current assets			620		468
			<u></u>		<u></u>
Total assets less current liabilities			620		468
			<u></u>		<u></u>
Net assets			620		468
			<u></u>		<u></u>
Capital and reserves					
Called up share capital	8	-		-	
Profit and loss account		620		468	
		<u>620</u>		<u>468</u>	
Total shareholders' funds			620		468
			<u></u>		<u></u>

The financial statements have been prepared in accordance with the provisions applicable to the small companies regime and in accordance with the provisions of FRS102 Section 1A – small entities.

The financial statements on pages 7 to 12 were approved and authorised for issue by the Board of Directors on 30 June 2020 and were signed on its behalf by:



S BENAİM
Director

The notes on pages 9 to 12 form part of these financial statements.

Notes to the financial statements for the year ended 30 December 2019

1 General information

JBR Auto Services Limited (the "company") provides administrative services to its fellow subsidiary, JBR Capital Limited.

The company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is 773 Finchley Road, London, England, NW11 8DN.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

Going concern

The directors of the company, and the group of which is part, have prepared financial projections covering the period to 30 December 2021 along with sensitivity analyses of reasonably plausible alternative outcomes. These forecasts have been prepared on the basis of the current status of the banking facilities as described in the Directors' Report and also take account of the expected impact of COVID 19 on the recovery of loans and the level of the future cost base. The forecasts also take into account the continued availability of confirmed finance facilities from the group's ultimate parent undertaking of £30m of which £27m have been drawn at the date of approving the financial statements. The forecasts demonstrate that the directors have a reasonable expectation that the company has adequate financial resources to continue in operational existence for the foreseeable future. The directors therefore continue to adopt the going concern basis in preparing the company's financial statements.

Turnover

Turnover represents the value of recharges made to JBR Capital Limited. It is recognised on the provision of the relevant services.

Pensions

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 or change in value.

Financial instruments

The company has chosen to adopt the Sections 11 and 12 of FRS102 in respect of financial instruments.

(a) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and amounts due from fellow group companies are recognised at transaction price.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 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.

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) 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.

(b) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and amounts due to fellow group companies are recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

3 Turnover

Turnover consists entirely of recharges made to JBR Capital Limited.

4 Employees and directors

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

	2019 Number	2018 Number
Administration	34	26
Selling and distribution	17	16
	51	42

5 Operating profit

	2019 £000	2018 £000
Operating profit is stated after charging:		
Auditors' remuneration	8	8
Non-audit fees – tax compliance	2	2

6 Debtors

	2019 £000	2018 £000
Amounts falling due within one year:		
Amounts owed by group undertakings	804	804
Prepayments and other debtors	39	33
Total debtors	843	837

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

7 Creditors: amounts falling due within one year

	2019 £000	2018 £000
Trade creditors	6	7
Corporation tax	39	36
Other taxation and social security	129	113
Accruals	51	310
	225	466

8 Called up share capital

	2019 £	2019 £
Allotted and fully paid:		
1 ordinary shares of £1 each	1	1

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

9 Related party disclosures

The company has taken the exemption, where 100% of the voting rights are controlled within the group, not to disclose any transactions or balances with entities that are part of the group. Amounts of £34,379 (2018 : £32,408) were due to the company from the directors, the amounts were interest free and unsecured.

10 Ultimate parent undertaking and controlling party

The immediate parent undertaking is JBR Auto Holdings Limited, a company incorporated in England and Wales. The only Group in which the results of the Company are consolidated is that headed by JBR Auto

Holdings Limited. The directors consider the ultimate parent company and controlling related party of this company at 30 December 2019 to be C S Capital Partners IV LP.

11 Post balance sheet event

Coronavirus (COVID-19)

The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections. Measures taken to contain the virus have affected economic activity and include limiting the movement of people and the temporary closure of businesses and schools. The company's principal activity is the provision of services to JBR Capital Limited. The JBR Capital group has continued to trade during the period of lockdown having made a series of adjustments to its operating procedures to ensure the safety of its employees. The crisis is a Non Adjusting Post Balance Sheet event as far as these financial statements are concerned. Due to the current economic uncertainty it is not possible to assess the potential impact of Covid on the carrying value of the company's assets in the forthcoming financial year.

Other matters

The company's principal activity is the provision of administrative services to JBR Capital Limited. On 16 April 2020, JBR Capital Limited agreed with its funders, that as a result of the current climate and save for refinancing of balloon payments due on certain of the loans, to cease new lending. JBR Capital Limited is currently in talks with these lenders and other parties regarding the prompt resumption of new lending taking into account, amongst other things, the Covid situation.