

Company registration number 08738775 (England and Wales)

CREDIT4 LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021
PAGES FOR FILING WITH REGISTRAR

CREDIT4 LIMITED

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CREDIT4 LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	4		19,555		26,073
Current assets					
Debtors	5	5,384,185		5,864,919	
Cash at bank and in hand		169,789		267,480	
		<u>5,553,974</u>		<u>6,132,399</u>	
Creditors: amounts falling due within one year	6	<u>(2,477,546)</u>		<u>(2,633,976)</u>	
Net current assets			3,076,428		3,498,423
Total assets less current liabilities			<u>3,095,983</u>		<u>3,524,496</u>
Creditors: amounts falling due after more than one year	7		<u>(4,165,611)</u>		<u>(4,715,611)</u>
Net liabilities			<u>(1,069,628)</u>		<u>(1,191,115)</u>
Capital and reserves					
Called up share capital			1,111		1,111
Profit and loss reserves			<u>(1,070,739)</u>		<u>(1,192,226)</u>
Total equity			<u>(1,069,628)</u>		<u>(1,191,115)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 October 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

CREDIT4 LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 OCTOBER 2021

The financial statements were approved by the board of directors and authorised for issue on 26 July 2022 and are signed on its behalf by:

Mr G Trott
Director

Company Registration No. 08738775

CREDIT4 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

Company information

Credit4 Limited is a private company limited by shares incorporated in England and Wales. The registered office is 22 Westminster Palace Gardens, Artillery Row, London, SW1P 1RR.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

The balance sheet indicates that the company is technically insolvent. The company is however meeting day to day cash flow requirements and is supported by various related parties. The directors believe that profitable trading will continue and that the company remains a going concern.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for both arrangement fees and interest charged on lending facilities provided in the normal course of business.

1.4 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 recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer costs	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Website	25% 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.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

CREDIT4 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 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 balance sheet 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.

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.

CREDIT4 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

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.

1.8 Equity instruments

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

1.9 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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CREDIT4 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

3 Employees

The average number of persons employed by the company (including directors) was as follows:

	2021 Number	2020 Number
Total	9	13

4 Tangible fixed assets

	Computer costs	Fixtures, fittings & equipment	Website	Total
	£	£	£	£
Cost				
At 1 November 2020 and 31 October 2021	55,096	3,162	14,566	72,824
Depreciation and impairment				
At 1 November 2020	33,297	1,866	11,588	46,751
Depreciation charged in the year	5,450	324	744	6,518
At 31 October 2021	38,747	2,190	12,332	53,269
Carrying amount				
At 31 October 2021	16,349	972	2,234	19,555
At 31 October 2020	21,799	1,296	2,978	26,073

5 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	5,235,816	5,732,009
Other debtors	148,369	132,910
	5,384,185	5,864,919

CREDIT4 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

6 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	50,122	54,111
Corporation tax	-	62
Other taxation and social security	9,859	2,345
Other creditors	2,417,565	2,577,458
	<u>2,477,546</u>	<u>2,633,976</u>

7 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	<u>4,165,611</u>	<u>4,715,611</u>

8 Loans and overdrafts

	2021 £	2020 £
Bank loans	4,165,611	4,715,611
Related party loans	2,061,800	2,061,800
	<u>6,227,411</u>	<u>6,777,411</u>
Payable within one year	2,061,800	2,061,800
Payable after one year	<u>4,165,611</u>	<u>4,715,611</u>

The bank loans are secured by fixed and floating charges over the entity.

No security measures have been placed on loans given from related parties.

9 Related party transactions

As at the year end date, an amount of £1,880,138 (2020: £1,730,138) was owed to DPK Real Estate Limited, a company with a common director, Mr David Maxwell. During the year interest was charged on the loan of £142,455 (2020: £135,568).

As at the year end date, an amount of £181,661 (2020: £331,661) was owed to KET Investments Limited, a company with a common director, Mr Gary Trott. During the year interest was charged on the loan of £22,425 (2020: £26,948).

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.