Just Finance
SME Commercial Funding

# Directors' Report and Financial Statements

**Period Ending** 30 June 2014

**Jeffreys Henry LLP**
Finsgate
5-7 Cranwood Street
London
EC1V 9EE

# COMPANY INFORMATION

| | |
|---|---|
| **Directors** | Mr Robert Boot<br>Mr John Davies |
| **Secretary** | Mr Robert Boot |
| **Company number** | 08226064 |
| **Registered office** | 1 Charterhouse Mews<br>London<br>EC1M 6BB |
| **Auditors** | Jeffreys Henry LLP<br>Finsgate,<br>5-7 Cranwood Street<br>London<br>EC1V 9EE |
| **Bankers** | Santander Bank Plc<br>4th Floor<br>100 Ludgate Hill<br>London<br>EC4M 7RE |
| **Solicitors** | DWF Solicitors<br>Capital House<br>85 King William Street<br>London<br>EC4N 7BL |

# CONTENTS

# DIRECTORS' REPORT
## *FOR THE PERIOD ENDED 30 JUNE 2014*

The directors present their report and financial statements for the period from 1 October 2013 to 30 June 2014. The company was incorporated on 24 September 2012

**Principal activities**
The principal activity of the company is that of the provision of loans.

**Fair review of business**
The directors are satisfied with the results for the period.

**Principal risks and uncertainties**
The principal risk to the business is that the borrowers will default on their interest payments or capital repayment. It is intended that the company will closely monitor the performance of the borrowers but the company will be subject to the risk of fraud by the borrower. The company also faces risks from economic factors, fluctuations in exchange rates and the ability to secure future investments.

The directors consider that the company has adequate resources for ongoing operating expenses due to the expected revenues to be generated from the operations in the next financial year. Further discussion on risk and sensitivity analysis is discussed in Note 4.

**Key performance indicators**
When the company commences full operations the key performance indicator will be the return, both income and capital, that it receives from its loans.

A further key performance will be the bad debt ratio of the company and that of its borrowers.

**Results and dividends**
The results for the period are set out on page 7.

**Future developments**
The company aims to raise funds through an issue of debentures and then continue to provide finance for UK businesses which are hungry for an injection of working capital.

**Directors**
The following directors have held office since 1 October 2013:
Mr Robert Boot
Mr John Davies

**Creditor payment policy**
The company's policy is to pay creditors within the agreed terms which are generally no more than 30 days.

**Financial instruments**
The company has not entered into any financial instruments to hedge against interest rate or exchange rate risk.

**Auditors**
Jeffreys Henry LLP were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

**Statement of directors' responsibilities**
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 International Financial Reporting Standards (IFRS) as adopted for use in the European Union. 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:

## DIRECTORS' REPORT (CONTINUED)
### *FOR THE PERIOD ENDED 30 JUNE 2014*

**Statement of directors' responsibilities (Continued)**

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the company financial statements have been prepared in accordance with IFRS as adopted by the European Union 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. 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.

**Statement of disclosure to auditors**
Each person who is a Director at the date of approval of this Annual Report confirms that:
- So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each Director has taken all the steps that he ought to have taken as Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the board

Mr Robert Boot
**Director**

26 November 2014

## CORPORATE GOVERNANCE STATEMENT
## *FOR THE PERIOD ENDED 30 JUNE 2014*

The board has sought to comply with a number of the provisions of the UK Corporate Governance Code ("Code") published by the Financial Reporting Council in 2013 in so far as it considers them to be appropriate to company of their size and nature. They make no statement of compliance with the Code overall and do not 'explain' in detail any aspect of the Code with which they do not comply.

The Directors have formed an Audit Committee. The Chairman of the committee is John Davies. The other members of the Audit Committee are Robert Boot and John Davies. The Chairman of the Audit Committee has the right to require the attendance of the Finance Director of the Company at meetings of the committee.
The audit committee operate with the following terms of reference:

**Audit Committee**

- to monitor the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance, reviewing significant financial reporting judgements contained in them;
- to review the Company's internal financial controls and, unless expressly addressed by a separate board risk committee composed of independent directors, or by the Board itself, to review the Company's internal control and risk management systems;
- to monitor and review the effectiveness of the Company's internal audit function;
- to make recommendations to the Board, for it to put to the shareholders for their approval in general meeting, in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements; and
- to develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm, and to report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

As and when the Company employs staff the Audit Committee is to review arrangements by which such staff may raise concerns about possible improprieties in matters of financial reporting or other matters so that a proportionate and independent investigation of such matters can take place, together with the instigation of appropriate follow up action.

The Audit Committee will also consider annually whether there is any need to put in place an internal audit function which, if put in place, is to be monitored and reviewed by the Audit Committee.

**Internal controls**

The Board is responsible for maintaining a sound system of internal controls to safeguard shareholders' investment and group assets. The Directors monitor the operation of internal controls. The objective of the system is to safeguard group assets, ensure proper accounting records are maintained and that the financial information used within the business and for publication is reliable. Any such system of internal control can only provide reasonable, but not absolute assurance against material misstatement or loss.

Internal financial control procedures undertaken by the Board include:

- Review of biannual financial reports and monitoring performance.
- Prior approval of all significant expenditure/Loans including all major investment decisions.
- Review and debate of treasury policy.

The Board has reviewed the operation and effectiveness of the company's system of internal control for the financial period and the period up to the date of approval of the financial statements.

## CORPORATE GOVERNANCE STATEMENT (CONTINUED)
## *FOR THE PERIOD ENDED 30 JUNE 2014*

**UK Corporate Governance Code**
The Directors have adopted the approach in the principles in the Code. While they acknowledge the principle of a clear division of responsibilities between the running of the Board of Directors and the executive responsibility for the running of the Company's business, they consider that the Company's business can best be advanced by the Board of Directors acting as one body in making investment decisions.

The Board considers that the principle in the Code relating to relations with shareholders should also apply to relations with holders of Debentures. Although the holders of Debentures will not attend general meetings of the Company the Board believes that communication with holders of Debentures on a regular basis is important.

The Directors have considered the provision in the Code for the appointment of one of the independent Non-Executive Directors to be the senior Independent Director. At the current time the Board is not large enough to accommodate such an appointment. The Directors will however, consider the appointment of a senior Independent Director when appropriate.

# INDEPENDENT AUDITORS' REPORT
# TO THE MEMBERS OF JUST FINANCE LOANS & INVESTMENTS LIMITED

We have audited the financial statements of Just Finance Loans & Investments Limited for the period ended 30 June 2014 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 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.

**Respective responsibilities of directors and auditors**
As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the Directors are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**
In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2014 and of the results for the period then ended.
- The financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- The financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with provision of the Companies Act 2006;

**Opinion on other matter prescribed by the Companies Act 2006**
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## INDEPENDENT AUDITORS' REPORT
## TO THE MEMBERS OF JUST FINANCE LOANS & INVESTMENTS LIMITED (CONTINUED)

**Matters on which we are required to report by exception**

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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

**Sanjay Parmar**
Senior Statutory Auditor

For and on behalf of
**Jeffreys Henry LLP (Statutory Auditors)**
Finsgate 5-7 Cranwood Street
London
EC1V 9EE

Date: 26 November 2014

## STATEMENT OF COMPREHENSIVE INCOME
### *FOR THE PERIOD ENDED 30 JUNE 2014*

| | Note | Period Ended 30 June 2014 £ | Period Ended 30 September 2013 £ |
|---|---|---|---|
| **Continuing operations** | | | |
| Administrative expenses | | - | - |
| **Loss on ordinary activities before taxation** | | - | - |
| Tax on loss on ordinary activities | 6 | - | - |
| **Loss for the period** | | - | - |
| **Loss per share** | | - | - |

The notes on pages 11 to 16 form part of these financial statements.

The company was dormant for the previous financial year



Just Finance SME Commercial Funding

## STATEMENT OF FINANCIAL POSITION
## *AS AT 30 JUNE 2014*

| | Notes | As at 30 June 2014 £ | As at 30 September 2013 £ |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Other receivables | **8** | **451,200** | 100 |
| **Total assets** | | **451,200** | 100 |
| **Equity and liabilities** | | | |
| **Equity attributable to owners of the parent** | | | |
| Ordinary shares | **9** | **50,000** | 100 |
| Retained earnings | | **-** | - |
| **Total equity** | | **50,000** | 100 |
| **Liabilties** | | | |
| **Non-current liabilities** | | | |
| Borrowings | **10** | **401,200** | - |
| **Total liabilities** | | **401,200** | - |
| **Total equity and liabilities** | | **451,200** | 100 |

The notes on pages 11 to 16 form part of these financial statements.

Approved by the Board and authorised for issue on 26 November 2014.

Mr Robert Boot
**Director**

Company Registration No. 08226064

## STATEMENT OF CHANGES IN EQUITY
### *FOR THE PERIOD ENDED 30 JUNE 2014*

| | Notes | Share capital £ | Retained earnings £ | Total equity £ |
|---|---|---|---|---|
| **As at 24 September 2012** | | - | - | - |
| Issue of share capital | **9** | 100 | - | 100 |
| Results for the period | | - | - | - |
| **As at 30 September 2013** | | **100** | - | **100** |
| Issue of share capital | **9** | 49,900 | - | 49,900 |
| Results for the year | | - | - | - |
| **As at 30 June 2014** | | **50,000** | - | **50,000** |

Share capital is the amount subscribed for shares at nominal value.

Retained losses represent the cumulative loss of the Company attributable to equity shareholders.

The notes on pages 11 to 16 form part of these financial statements.

## STATEMENT OF CASH FLOWS
### *FOR THE PERIOD ENDED 30 JUNE 2014*

| | Notes | Year ended 30 June 2014 £ | Year ended 30 September 2013 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash generated from operations | **14** | **-** | - |
| Finance costs paid | | **-** | - |
| **Net cash generated from operating activities** | | **-** | - |
| **Net increase in cash and cash equivalents** | | **-** | - |
| Cash and cash equivalents at the beginning of the year | | **-** | - |
| **Cash and cash equivalents at end of year** | | **-** | - |

The notes on pages 11 to 16 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS
### *FOR THE PERIOD ENDED 30 JUNE 2014*

**1 General information**

Just Finance Loans & Investments Ltd is a company incorporated in the United Kingdom. The address of the registered office is disclosed on the company information page at the front of the annual report. The principal activities of the Company are described in the directors' report.

**2 Summary of significant accounting policies**

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

**2.1 Basis of preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. IFRS comprises of standards issued by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the European Union (EU).

**Preparation of financial statements**

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

**New and amended standards adopted by the Company**

The company has adopted the following new and amended IFRSs as of 30 June 2014:

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial period beginning on or after 1 October 2013 that would be expected to have a material impact on the company.

**Standards, interpretations and amendments to published standards that are not yet effective**

The following new standards, amendments to standards and interpretations have been issued, but are not effective for the financial year beginning 1 July 2013 and have not been early adopted:

| Reference | Title | Summary | Application date of standard (Periods commencing on or after) |
|---|---|---|---|
| IFRS 2, IFRS 3 | Amendments resulting from Annual improvements 2010-12 Cycle | IFRS 2: clarifies definition of vesting conditions<br>IFRS 3: clarifies contingent consideration in a business combination | 1 July 2014 |
| IAS 19 | Defined Benefit Plans: Employee Contributions | Clarifies that the treatment of contributions when they are independent of the number of years of service. | 1 July 2014 |
| IFRS 9 | Financial Instruments | Revised standard for accounting for financial instruments | 1 January 2015 |
| IAS 36 | Impairment of assets | Limited scope amendments to disclosure requirements | 1 January 2014 |
| IAS 39 | Hedge accounting and novation of derivatives | Provides relief from discontinuing hedge accounting when novation of a hedging instrument to a central counter party meets specified criteria | 1 January 2014 |

### 2.1 Basis of preparation (Continued)

**Standards, interpretations and amendments to published standards that are not yet effective (Continued)**

| Reference | Title | Summary | Application date of standard (Periods commencing on or after) |
|---|---|---|---|
| IFRS 21 | Accounting for levies imposed by governments | Clarifies that the obligating event giving rise to a liability to pay a levy is the activity described in the relevant legislation that triggers payment of the levy | 1 January 2014 |
| IFRS 10, IFRS 12, IAS 27 | Exception from consolidation for 'investment entities' | Amendments have been made to define an 'investment entity' and to introduce an exception from consolidation and the required disclosures. | 1 January 2014 |
| IAS 32 | Financial Instruments: Presentation | Clarifies the requirements for offsetting of financial assets and financial liabilities | 1 January 2014 |
| IFRS 14 | Regulatory deferral accounts | Aims to enhance the comparability of financial reporting by entities subject to rate-regulations | 1 January 2016 |
| IFRS 15 | Revenue from contracts with customers | Specifies how and when to recognise revenue from contracts as well as requiring more information and relevant disclosures. | 1 January 2017 |
| IFRIC 21 | Levies | Provides guidance on when to recognise a liability for government levies | 1 January 2014 |

The Directors anticipate that the adoption of these standard and the interpretations in future period will have no material impact on the financial statements of the company.

### 2.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the steering committee that makes strategic decisions.

### 2.3 Financial assets and liabilities

The company classifies it financial assets at fair value through profit and loss or as loans and receivables and classifies its financial liabilities as other financial liabilities. Management determines the classification of its investments at initial recognition. A financial asset or financial liability is measure initially at fair value. At inception transaction cost that are directly attributable to its acquisition or issue, for an item not at fair value through profit or loss, is added to the fair value of the financial asset and deducted from the fair value of the financial liability.

(a) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the company provides money, goods or services directly to a debtor with no intention of trading the receivable. Loans are recognised when the funds are advanced to customers. Loans and receivables are carried at amortised cost using the effective interest method (see below).

### 2.3 Financial assets and liabilities (Continued)

Derecognition
Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the group has transferred substantially all of the risks and rewards of ownership. In transaction in which the group neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset and it retains control over the asset, the group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset. There have not been any instances where assets have only been partly derecognised. The group derecognises a financial liability when its contractual obligation are discharge, cancelled or expire.

*Amortised cost measurement*
The amortised cost of a financial asset or financial liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal payments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and maturity amount, minus any reduction for impairment.

*Fair value measurement*
Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date. The fair value of assets and liabilities in active markets are based on current bid and offer prices respectively. If the market is not active the group establishes fair value by using appropriate valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same for which market observable prices exist, net present value and discounted cash flow analysis.

### 2.4 Share capital

Ordinary shares are classified as equity.

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

### 3 Critical accounting estimates and judgments

The group makes certain judgements and estimates which affect the reported amount of assets and liabilities. Critical judgements and the assumptions used in calculating estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 3.1 Impairment of loans and advances to customers and other receivables

The group reviews its portfolio of receivables to assess impairment at least on a half-yearly basis. The basis for evaluating impairment losses is determining whether a loss event has occurred, the criteria used (but which is not limited to) is:

- Delinquency in contractual payments of principal or interest;
- Cash flow difficulties experience by the borrower; and
- Initiation of liquidation proceedings.

In determining whether an impairment loss should be recognised the group makes judgements as to whether there a loss event indicates that there is a measurable decrease in the estimated future cash flows of the respective receivable.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
## *FOR THE PERIOD ENDED 30 JUNE 2014*

**3.1 Impairment of loans and advances to customers and other receivables (Continued)**

No impairment provision has been made against loans and advances to customers or other receivables during the year.

**4 Financial risk management**

**4.1 Financial risk factors**

The company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

a) Foreign exchange risk
The Company incurs expenses subject to foreign currency fluctuations.

b) Credit risk
The company takes on exposure to credit risk, which is this risk that the counterparty will be unable to pay amounts in full when due. A formal Credit Risk Policy has been agreed by the Board who review credit risk on a monthly basis. Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits when appropriate. Exposure to credit risk is also maintained by obtaining collateral, the loans to customers include a deed of indemnity and personal guarantees and the directors therefore believe there is a low risk of customer default.

The maximum exposure to credit risk for the Group and Company was as follows:

| Credit risk exposure relating to on-balance sheet assets are as follows: | **2014** | **2013** |
|---|---|---|
| | **£** | **£** |
| Other receivables | 451,200 | - |
| **At 30 June/30 September** | **451,200** | **-** |

c) Cash flow and Interest rate risk
The company does not have any borrowings other than it's a amounts due to intercompany. The compnay does not manage any cash flow interest rate risk.

d) Liquidity risk
The company is careful to ensure that its loans can be realised.

e) Capital risk
The company takes great care to protect its capital investments. Significant due diligence is undertaken prior to making any investment.

f) Market risk
A general economic downturn at a global level, or in one of the world's leading economies, could

impact on the company. In addition, terrorism and other hostilities, as well as disturbances in worldwide financial markets, could have a negative effect on the company. Regulatory requirements, taxes, tariffs and other trade barriers, price or exchange controls or other governmental policies could also limit the company's operations. These risks are also applicable to most companies and the risk that company will be more affected than the majority of companies is assessed as small.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
## *FOR THE PERIOD ENDED 30 JUNE 2014*

**4.1 Financial risk factors (Continued)**

g) Price risk
The group's principal activity is provision of loans, the group does not have a diversified portfolio of services and is therefore at risk.

**4.2 Capital risk management**

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure appropriate for its growth plans.

In order to maintain or adjust the capital structure the Company may issue new shares or alter debt levels.

**5 Segment information**

The company's single line of business is the provision of loans.
All of the group's revenue arises in the UK and all of the groups non-current assets are held in the UK.
There are no customers who account for over 10% of revenue.

**6 Taxation**

The company has had no transaction that give rise to taxation during the current and the comparative periods.

**7 Dividends**

No dividends were paid or proposed for the period to 30 June 2014.

**8 Other receivables**

| | **2014** | **2013** |
|---|---|---|
| | **£** | **£** |
| Other receivables | 451,200 | - |
| Intercompany debtors | - | 100 |

**9 Ordinary share capital**

| | **2014** | **2014** |
|---|---|---|
| | **£** | **£** |
| **Allotted, called up and fully paid** | | |
| 50,000 Ordinary shares of £1 each | 50,000 | 100 |

On incorporation the company issued 100 ordinary shares of £1.

On 30 June 2014 the company authorised the issue of 49,990 Ordinary shares of £1 each.

**10 Trade and other payables**

| | 2014 £ | 2014 £ |
|---|---|---|
| Intercompany creditors | 401,200 | - |

## NOTES TO THE FINANCIAL STATEMENTS
## *FOR THE PERIOD ENDED 30 JUNE 2014*

### 11 Control

The ultimate parent company is The Just Loans Group Plc, the ultimate parent company has a 100% shareholding in the company.

The company is controlled by John Davies by virtue of his 72% shareholding in The Just Loans Group Plc at the year end.

### 12 Contingent liabilities

The Company has no contingent liabilities in respect of legal claims arising from the ordinary course of business.

### 13 Capital commitments

There was no capital expenditure contracted for at the end of the reporting period but not yet incurred.

### 14 Cash generated from operations

| | 2014 £ | 2013 £ |
|---|---|---|
| **Reconciliation to cash generated from operations** | | |
| Loss before taxation | - | - |
| Changes in working capital: | | |
| - Increase in other receivables | (451,100) | (100) |
| - Increase/(Decrease) in trade and other payables | 451,100 | 100 |
| | - | - |

The company has the following significant non-cash movements included in the above figures:

| | | |
|---|---|---|
| Loan to Pure World Energy Limited (Via parent company) | (451,100) | |
| Amounts due (to)/from parent company 'The Just Loans Group Plc' | 401,100 | (100) |
| Issue of share capital not generating cash flows | 49,900 | (100) |
| | - | - |

### 15 Related party transactions

The company has loaned funds to Pure World Energy Limited a company of which Robin Pugh is a common director. A loan facility agreement is in place and the group was owed £451,200 as at 30 June 2014. The loan is accruing interest at 1% per month (12% per annum). The agreement is dated 30 June 2014 and no interest has been accrued in the financial statements. The loan is secured by a fixed and floating charge over all property and assets of the company. The loan is also secured by personal guarantees of the directors and shareholders of the company.

At the end of the period the company owed £401,200 (2013 - £100 owed by) The Just Loans Group Plc, its parent company.

### 16 Events after the reporting period

There were no events after the reporting period that required disclosure.

**Just Finance Loans and Investements LTD**
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