

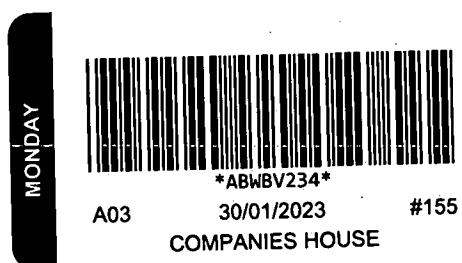
P K FINANCIAL LIMITED

Unaudited

Financial statements

Information for filing with the registrar

For the Period Ended 31 December 2021



P K FINANCIAL LIMITED
Registered number: 06212184

Balance Sheet
As at 31 December 2021

	Note	31 December 2021 £	30 June 2021 £
Fixed assets			
Tangible assets	4	19,330	12,558
		<u>19,330</u>	<u>12,558</u>
Current assets			
Debtors: amounts falling due within one year	5	398,585	398,862
Current asset investments	6	20,421	27,846
Cash at bank and in hand	7	7,027	33,289
		<u>426,033</u>	<u>459,997</u>
Creditors: amounts falling due within one year	8	(240,849)	(248,060)
Net current assets		<u>185,184</u>	<u>211,937</u>
Total assets less current liabilities		<u>204,514</u>	<u>224,495</u>
Creditors: amounts falling due after more than one year	9	(35,000)	(40,000)
Provisions for liabilities			
Deferred tax		(2,386)	(2,512)
		<u>(2,386)</u>	<u>(2,512)</u>
Net assets		<u><u>167,128</u></u>	<u><u>181,983</u></u>
Capital and reserves			
Called up share capital		10,000	10,000
Profit and loss account		157,128	171,983
		<u><u>167,128</u></u>	<u><u>181,983</u></u>

P K FINANCIAL LIMITED
Registered number: 06212184

Balance Sheet (continued)
As at 31 December 2021

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

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 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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 January 2023.



P K Patel
Director

The notes on pages 4 to 11 form part of these financial statements.

P K FINANCIAL LIMITED

**Statement of Changes in Equity
For the Period Ended 31 December 2021**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 November 2020	10,000	15,586	25,586
Comprehensive income for the period			
Profit for the period	-	198,397	198,397
Total comprehensive income for the period	-	198,397	198,397
Dividends: Equity capital	-	(42,000)	(42,000)
At 1 July 2021	10,000	171,983	181,983
Comprehensive income for the period			
Profit for the period	-	22,645	22,645
Total comprehensive income for the period	-	22,645	22,645
Dividends: Equity capital	-	(37,500)	(37,500)
At 31 December 2021	10,000	157,128	167,128

The notes on pages 4 to 11 form part of these financial statements.

P K FINANCIAL LIMITED

Notes to the Financial Statements For the Period Ended 31 December 2021

1. General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
253 Gray's Inn Road
London
WC1X 8QT

2. Accounting policies

2.1 Basis of preparation of financial statements

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 following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants relating to revenue are recognised in income on a systematic basis over the periods in which the related costs for which the grant is intended to compensate, are recognised.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

P K FINANCIAL LIMITED

Notes to the Financial Statements For the Period Ended 31 December 2021

2. Accounting policies (continued)

2.7 Pensions

Defined contribution pension plan

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 profit or loss 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.

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax.

Tax is recognised in profit or loss except that a change 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.

Deferred tax 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.

Both current and deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	25%
Fixtures and fittings	-	25%
Office equipment	-	25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

P K FINANCIAL LIMITED

Notes to the Financial Statements For the Period Ended 31 December 2021

2. Accounting policies (continued)

2.10 Valuation of investments

Investments in company shares and open-ended investment funds, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.11 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.12 Debtors

Short term debtors 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. Debtors classified as receivable within one year are not amortised.

2.13 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 of change in value.

2.14 Creditors

Short term creditors, including trade creditors, bank loans and loans from related companies, 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.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

P K FINANCIAL LIMITED

Notes to the Financial Statements
For the Period Ended 31 December 2021

3. Employees

The average monthly number of employees, including directors, during the period was 7 (2021 - 7).

4. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 July 2021	44,725
Additions	9,639
At 31 December 2021	<u>54,364</u>
Depreciation	
At 1 July 2021	32,167
Charge for the period on owned assets	2,867
At 31 December 2021	<u>35,034</u>
Net book value	
At 31 December 2021	<u>19,330</u>
At 30 June 2021	<u>12,558</u>

5. Debtors

	31 December 2021 £	30 June 2021 £
Other debtors	373,078	378,496
Prepayments and accrued income	25,507	20,366
	<u>398,585</u>	<u>398,862</u>

P K FINANCIAL LIMITED

Notes to the Financial Statements
For the Period Ended 31 December 2021

6. Current asset investments

	31 December 2021 £	30 June 2021 £
Other investments	20,421	27,846
	<u>20,421</u>	<u>27,846</u>

7. Cash and cash equivalents

	31 December 2021 £	30 June 2021 £
Cash at bank and in hand	7,027	33,289
	<u>7,027</u>	<u>33,289</u>

P K FINANCIAL LIMITED

**Notes to the Financial Statements
For the Period Ended 31 December 2021**

8. Creditors: Amounts falling due within one year

	31 December 2021 £	30 June 2021 £
Other loans	10,000	10,000
Trade creditors	4,859	8,844
Corporation tax	58,176	64,085
Other taxation and social security	4,376	4,759
Other creditors	143,746	147,579
Accruals and deferred income	19,692	12,793
	<u>240,849</u>	<u>248,060</u>

The following liabilities were secured:

	31 December 2021 £	30 June 2021 £
Other creditors - loan	96,980	97,280
	<u>96,980</u>	<u>97,280</u>

Details of security provided:

Included within other creditors, is a loan from P K Patel for the sum of £96,980 (2021 - £97,280) which is secured by a fixed and floating charge over all the assets of the company and has been provided to Barclays Security Trustee Ltd.

9. Creditors: Amounts falling due after more than one year

	31 December 2021 £	30 June 2021 £
Other loans	35,000	40,000
	<u>35,000</u>	<u>40,000</u>

P K FINANCIAL LIMITED

**Notes to the Financial Statements
For the Period Ended 31 December 2021**

10. Loans

Analysis of the maturity of loans is given below:

	31 December 2021 £	30 June 2021 £
Amounts falling due within one year		
Other loans	10,000	10,000
	<u>10,000</u>	<u>10,000</u>
Amounts falling due 1-2 years		
Other loans	35,000	40,000
	<u>35,000</u>	<u>40,000</u>
	<u>45,000</u>	<u>50,000</u>

The loan for the sum of £50,000 was part of the Bounce Back Loan Scheme introduced to help small and medium sized businesses who have been adversely affected by the Coronavirus pandemic. The scheme is fully guaranteed by the government and the loan is repayable over a period of 6 years in equal instalments, with interest being charged at the rate of 2.5% per annum.

11. Deferred taxation

	2021 £
At beginning of year	(2,512)
Charged to profit or loss	126
At end of year	<u><u>(2,386)</u></u>

P K FINANCIAL LIMITED

**Notes to the Financial Statements
For the Period Ended 31 December 2021**

11. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	31 December 2021 £	30 June 2021 £
Accelerated capital allowances	(2,386)	(2,512)
	<u>(2,386)</u>	<u>(2,512)</u>

12. Related party transactions

Included within other creditors is the net sum of £68,261 (2021 – £60,616) owed to P K Patel a director and member of the company with a material interest.

Interest for the sum of £1,181 (2021 - £3,721) was payable to P K Patel during the period in respect of a loan provided by him to the company in an earlier period. The loan is repayable in monthly instalments over a period of 10 years and interest accrues at a floating variable rate with a minimum of 2.4 per cent per annum.

During the period, the company advanced the sum of £1,313 to J M Kelly, a director and member of the company. Included within other debtors is the sum of £64,172 (2021 - £62,859) due from him.

During the period, the company provided consultancy services for the sum of £0 (2021 - £208,520) to PK Partnership (Consultancy) LLP, a partnership in which P K Patel and J M Kelly are partners.

At the balance sheet date, the sum of £203,907 (2021 - £209,643) was due from PK Partnership (Consultancy) LLP.

During the period, the company voted a dividend for the sum of £8,000 to P K Patel and the sum of £29,500 to JM Kelly.

Included in other creditors is the sum of £75,912 (2021 - £81,430) owed to P K Insurance (Brokers) Ltd, a company in which PK Patel and J M Kelly are both directors and members.