

Registered number: 06212184

P K FINANCIAL LIMITED

Unaudited

Financial statements

Information for filing with the registrar

For the Year Ended 31 October 2020



P K FINANCIAL LIMITED
Registered number: 06212184

Balance Sheet
As at 31 October 2020

	Note		2020 £	2019 £
Fixed assets				
Tangible assets	5		8,302	8,769
Investments	6		-	25,094
			<u>8,302</u>	<u>33,863</u>
Current assets				
Debtors: amounts falling due within one year	7	246,201	170,287	
Current asset investments		24,224	-	
Cash at bank and in hand	9	45,021	40,283	
		<u>315,446</u>	<u>210,570</u>	
Creditors: amounts falling due within one year	10	(249,918)	(150,554)	
Net current assets			<u>65,528</u>	<u>60,016</u>
Total assets less current liabilities			<u>73,830</u>	<u>93,879</u>
Creditors: amounts falling due after more than one year			(46,667)	-
Provisions for liabilities				
Deferred tax	13	(1,577)	(1,666)	
			<u>(1,577)</u>	<u>(1,666)</u>
Net assets			<u>25,586</u>	<u>92,213</u>
Capital and reserves				
Called up share capital	14	10,000	10,000	
Profit and loss account		15,586	82,213	
			<u>25,586</u>	<u>92,213</u>

P K FINANCIAL LIMITED
Registered number: 06212184

Balance Sheet (continued)
As at 31 October 2020

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 year 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 6 August 2021.



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Prakash 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 Year Ended 31 October 2020**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 November 2018	10,000	18,927	28,927
Comprehensive income for the year			
Profit for the year	-	149,286	149,286
Total comprehensive income for the year	-	149,286	149,286
Dividends: Equity capital	-	(86,000)	(86,000)
At 1 November 2019	10,000	82,213	92,213
Comprehensive income for the year			
Loss for the year	-	(16,627)	(16,627)
Total comprehensive income for the year	-	(16,627)	(16,627)
Dividends: Equity capital	-	(50,000)	(50,000)
At 31 October 2020	10,000	15,586	25,586

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

P K FINANCIAL LIMITED

Notes to the Financial Statements For the Year Ended 31 October 2020

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 and in accordance with Section 1A Small Entities of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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 following principal accounting policies have been applied:

2.2 Going concern

The impact of Covid-19 (Coronavirus) has had a significantly detrimental effect on the company's business and operating results have been adversely affected.

Due to the ongoing nature of Covid-19, there is uncertainty over the future of many businesses. However, the directors are hopeful, that with the help of government support in the form of various reliefs, grants and loans and other loans, the company will be able to return to profitability and positive cashflows from operations. The accounts have therefore been prepared on the going concern basis.

2.3 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 in respect of services provided in the normal course of business, excluding discounts, rebates, value added tax and other sales taxes.

2.4 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.

2.5 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.

2.6 Borrowing costs

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

P K FINANCIAL LIMITED

Notes to the Financial Statements For the Year Ended 31 October 2020

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.

P K FINANCIAL LIMITED

Notes to the Financial Statements For the Year Ended 31 October 2020

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

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

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.

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.

P K FINANCIAL LIMITED

**Notes to the Financial Statements
For the Year Ended 31 October 2020**

2. Accounting policies (continued)

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.

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.

3. Employees

The average monthly number of employees, including directors, during the year was 6 (2019 - 6).

4. Intangible assets

	Goodwill £
At 1 November 2019	200,000
Disposals	(200,000)
	<hr/>
At 31 October 2020	-
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At 1 November 2019	200,000
On disposals	(200,000)
	<hr/>
At 31 October 2020	-
	<hr/>
Net book value	
At 31 October 2020	-
	<hr/> <hr/>
At 31 October 2019	-
	<hr/> <hr/>

P K FINANCIAL LIMITED

**Notes to the Financial Statements
For the Year Ended 31 October 2020**

5. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 November 2019	35,656
Additions	2,300
At 31 October 2020	<u>37,956</u>
Depreciation	
At 1 November 2019	26,887
Charge for the year on owned assets	2,767
At 31 October 2020	<u>29,654</u>
Net book value	
At 31 October 2020	<u>8,302</u>
At 31 October 2019	<u>8,769</u>

6. Fixed asset investments

	Unlisted investments £
At 1 November 2019	25,094
Amounts written off	(25,094)
At 31 October 2020	<u>-</u>

P K FINANCIAL LIMITED

**Notes to the Financial Statements
For the Year Ended 31 October 2020**

7. Debtors

	2020	2019
	£	£
Other debtors	164,582	100,429
Prepayments and accrued income	81,619	69,858
	246,201	170,287

8. Current asset investments

	2020	2019
	£	£
Other investments	24,224	-
	24,224	-

9. Cash and cash equivalents

	2020	2019
	£	£
Cash at bank and in hand	45,021	40,283
	45,021	40,283

10. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Other loans	3,333	-
Trade creditors	16,003	5,123
Corporation tax	47,374	37,100
Other taxation and social security	3,043	5,099
Other creditors	175,129	99,244
Accruals and deferred income	5,036	3,988
	249,918	150,554

P K FINANCIAL LIMITED

**Notes to the Financial Statements
For the Year Ended 31 October 2020**

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

	2020	2019
	£	£
Other loans	46,667	-
	46,667	-

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	2020	2019
	£	£
Repayable by instalments	6,667	-
	6,667	-

12. Loans

	2020	2019
	£	£
Amounts falling due within one year		
Other loans	3,333	-
	3,333	-
Amounts falling due after 1 year		
Other loans	46,667	-
	46,667	-
	50,000	-

During the year, the company received a loan for the sum of £50,000 as 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.

P K FINANCIAL LIMITED

**Notes to the Financial Statements
For the Year Ended 31 October 2020**

13. Deferred taxation

	2020 £
At beginning of year	(1,666)
Charged to profit or loss	89
At end of year	(1,577)

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(1,577)	(1,666)
	(1,577)	(1,666)

14. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
6,600 (2019 - 6,600) Ordinary class 'A' shares of £1.00 each	6,600	6,600
2,000 (2019 - 2,000) Ordinary class 'B' shares of £1.00 each	2,000	2,000
900 (2019 - 900) Ordinary class 'C' shares of £1.00 each	900	900
500 (2019 - 500) Ordinary class 'D' shares of £1.00 each	500	500
	10,000	10,000

15. Related party transactions

During the year, the company received a loan for the sum of £111,920 from PK Patel a director and member of the company with a material interest. Included in other creditors is the sum of £65,924 due to PK Patel (2019 - £9,893 due from) .

Included in other debtors is the sum of £61,121 (2019 - £58,848) due from J M Kelly, a director and member of the company.

Included in other creditors is the sum of £93,754 (2019 - £98,023) owed to P K Insurance (Brokers) Ltd, a company in which PK Patel and J M Kelly are both directors and members.