

MYJAR LIMITED

**Directors' report and financial
statements**

**For the 9 month period ended 28 February
2015**

Registered number 08518406

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COMPANIES HOUSE

Director and advisers

Directors

Ellis Sher- Appointed 3 June 2015
Andrew Dellow- Appointed 1 June 2015
Ricky Crafford- Appointed 21 April 2015
Gareth Gumbley- Resigned 21 April 2015

Company secretary

Ellis Sher

Company number

08518406

Registered office

2nd Floor Moss House
15-16 Brook's Mews
London
W1K 4DS
United Kingdom

Independent auditor

KPMG LLP
15 Canada Square
London
E14 5GL

Bank

Barclays Bank
Level 11
Churchill Place
London
E14 5HP

Directors' report

The directors present their directors' report and audited financial statements of MYJAR Limited (the 'Company') for the 9 month period ended 28 February 2015.

Principal activities

The principal activity of the Company is the processing of small short-term loans which are arranged through the internet and mobile phone.

Business review

During the period, the Company shortened its accounting reference period and therefore these financial statements have been prepared for a 9 month period.

The business performed in accordance with management forecasts over the period. The profit after taxation for the period was £104,543, resulting in shareholders' funds of £104,643 at the end of the period.

Our simple registration process and unique loan delivery and repayment gateway has met with wide acceptance from our target market. We continue to make excellent progress in using technologically enabled solutions to automate and enhance the quality of our processing platform with the ultimate objective of improving the customer experience.

The Company has access to sufficient group resources to continue to invest in its technology platform.

Key risks and uncertainties

We are exposed to technology redundancy risk, system outages and data security risk. We manage these risks by investing in modular best of breed solutions which allow for cost effective upgrades and replacement as technology develops.

The ability to provide a continuous and seamless service is critical to the success of the business and we are investing heavily in a duplicate power supply, additional back up servers and establishing 3rd party relationships to protect against failure of data supplies that are needed to process transactions.

The protection of client data and proprietary intellectual property are fundamental cornerstones of our business and we regularly test the vulnerability of our systems and procedures to identify weaknesses including conducting attacks on our own platform to identify areas requiring strengthening.

Key performance indicators

The Company monitors its performance and growth through a number of key performance indicators, including:

- Number of loans processed for the period – 65,128
- Value of loans processed for the period – £13,139,052

Directors' report (continued)

Future outlook

The company continues to invest in its technology platform allowing the business to scale. We continue to make improvements to our platform which will allow for the processing of a wider range of products in more than one territory. Like many sectors of the financial services industry, our sector faces more regulatory oversight with the Financial Conduct Authority (FCA) assuming regulatory responsibility. We are of the opinion that the cost and disciplines involved in a tighter regulatory regime will cause consolidation in the sector going forward. We are well placed for these regulatory changes since the business has been built with customer fairness, transparency and compliance at the core of how we deliver our service.

Proposed dividend

The directors do not recommend the payment of a dividend.

Going Concern

Having reviewed the Company's cash requirements for the next twelve months, the directors confirm that they have a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its liabilities as and when they fall due for the foreseeable future. For this reason the accounts have been prepared on a going concern basis.

Policy and practice on payment of creditors

The Company is well capitalised and uses best endeavours to meet all creditors' payments with the contractual terms set by the respective suppliers.

Directors

The directors who held office during the period was as follows:

Gareth Gumbley- Resigned 21 April 2015

Andrew Dellow- Appointed 1 June 2015

Ricky Crafford- Appointed 21 April 2015

Ellis Sher- Appointed 3 June 2015

Political and charitable contributions

The Company made no political or charitable donations or incurred any political expenditure during the period.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' report *(continued)*

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board.



Ellis Sher
Director
2nd Floor Moss House
15-16 Brook's Mews
London
W1K 4DS
United Kingdom

10th February 2016

Statement of directors' responsibilities in respect of the Director's Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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. They have general responsibility for taking such steps as are reasonably open to them to safeguard the asset of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

15 Canada Square
London
E14 5GL
United Kingdom

Independent Auditor's Report to the Members of MYJAR Limited

We have audited the financial statements of MYJAR Limited for the 9 month period ended 28 February 2015 set out on pages 9 to 18. The financial reporting framework that has been applied in their presentation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 auditor's 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 auditor

As explained more fully in the Director's Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 28 February 2015 and of its profit for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent Auditor's Report to the Members of MYJAR Limited (continued)

Other matter – Prior period financial statements

In forming our opinion on the financial statements, which is not modified, we note that the prior period financial statements were not audited. Consequently, International Standards on Auditing (UK and Ireland) require the auditor to state that the corresponding figures contained within these financial statements are unaudited

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the Directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Ashley Rees (Senior Statutory Auditor)

**For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants**

15 Canada Square

London

E14 5GL

United Kingdom

16 February 2016

Profit and Loss Account

For the 9 month period ended 28 February 2015

	Note	9 month period ending 28.02.2015	Unaudited 12 month period ending 31.05.2014
		£	£
Turnover	2	216,225	-
Cost of sales		<u>(73,095)</u>	<u>-</u>
Gross Profit		143,130	-
Administrative expenses		<u>(10,797)</u>	<u>-</u>
Operating Profit and Profit Before Tax	3	132,333	-
Tax on profit on ordinary activities	6	<u>(27,790)</u>	<u>-</u>
Profit for the period		<u>104,543</u>	<u>-</u>

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

None of the company's activities were acquired or discontinued during the current period.

The company has no recognised gains or losses other than the profits for the current period.

Balance sheet

As at 28 February 2015

	Note	As at 28.02.2015	Unaudited as at 31.05.2014
		£	£
Current assets:			
Debtors	7	16,138	100
Cash at bank and in hand		<u>2,545,649</u>	<u>-</u>
		2,561,787	100
Creditors: amounts falling due within one year	8	<u>(2,457,144)</u>	<u>-</u>
Net current assets		104,643	100
Total assets less current liabilities		104,643	100
Net assets		104,643	100
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account	10	<u>104,543</u>	<u>-</u>
Shareholders' funds	10	104,643	100

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

These financial statements were approved by the board of directors on 10th February 2016 and were signed on its behalf by:



Ellis Sher
Director

Company registration number: 08518406

Notes to the Financial Statements
For the 9 month period ended 28 February 2015

1. Accounting policies

i. Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom ('UK GAAP'). The principal accounting policies are set out below and have been consistently applied, unless stated otherwise.

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement following the Directors taking advantage of the small companies' exemption.

ii. Going concern

Having reviewed the Company's cash requirements for the next twelve months, the directors confirm that they have a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its liabilities as and when they fall due for the foreseeable future. For this reason the accounts have been prepared on a going concern basis.

iii. Turnover

Turnover represents the loan processing fee to MYJAR Treasury Ltd. Turnover is recognised as loan processing services are performed.

iv. Leases

Where applicable, any amounts payable under operating leases are charged to the profit and loss account in the period to which they relate.

v. Cash and cash equivalents

Cash in the balance sheet comprises cash in hand and current balances with banks and similar institutions.

vi. Current taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Notes to the Financial Statements (continued)

2. Turnover

Turnover is derived from the principal activity of the company in the United Kingdom.

Turnover may be analysed as follows:

	9 month period ending 28.02.2015	Unaudited 12 month period ending 31.05.2014
	£	£
Loan processing fees	<u>216,225</u>	<u>-</u>

3. Profit on ordinary activities before taxation.

	9 month period ending 28.02.2015	Unaudited 12 month period ending 31.05.2014
	£	£
<i>Auditor's remuneration:</i>		
Audit of these financial statements	9,333	-
Amounts receivable by the auditors and their associates in respect of other services relating to taxation	<u>-</u>	<u>-</u>

Notes to the Financial Statements (continued)

4. Remuneration of directors

The directors did not receive any emoluments in respect of their services to the company.

There were no company pension contributions made on the directors' behalf during the year.

5. Staff numbers and costs

No wages and salaries were paid in the year. The company does not employ any staff and is reliant on administrative services provided by other group companies.

6. Taxation

	9 month period ending 28.02.2015	Unaudited 12 month period ending 31.05.2014
	£	£
<i>Current tax</i>		
Current tax on income for the period	27,790	-
Adjustment in respect to prior period	<u>27,790</u>	<u>-</u>
<i>Deferred tax</i>		
Deferred tax	-	-
Total tax charge	<u>27,790</u>	<u>-</u>

Notes to the Financial Statements (continued)

6. Taxation (continued)

Factors affecting the tax charge for the current period

	9 month period ending 28.02.2015 £	Unaudited 12 month period ending 31.05.2014 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	132,333	-
Current tax at 21%	27,790	-
Tax on profit on ordinary activities	27,790	-

A reduction in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) was substantively enacted on 3 July 2012. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly.

7. Debtors

	As at 28.02.2015 £	As at 31.03.2014 £
Amounts receivable from group undertakings	1,038	-
Short term prepayments	15,000	-
Amounts due to group undertakings	100	100
	16,138	100

8. Creditors: amounts falling due within one year

	As at 28.02.2015 £	As at 31.03.2014 £
Accruals and deferred income	19,078	-
Corporation tax	27,790	-
Amounts owed to group undertaking	2,410,276	-
	2,457,144	-

Notes to the Financial Statements (continued)

9. Called up share capital

	2015 £	2014 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

10. Reconciliation of movement in shareholders' funds

	Called up share capital £	Profit and loss account £	Shareholders' funds £
At 31 May 2014 (unaudited)	100	-	100
Profit for the period	-	104,543	104,543
At 28 February 2015	<u>100</u>	<u>104,543</u>	<u>104,643</u>

11. Financial commitments

As at 28 February 2015 the Company had no commitments under non-cancellable operating leases.

12. Contingent liabilities

The Directors do not consider there to be any contingent liabilities.

Notes to the Financial Statements (continued)

13. Related party transactions

The company entered into the following material transactions with related parties:

At the balance sheet date the Company owed £6,034 to MYJAR Holdings Limited, the holding company.

At the balance sheet date the Company owed £15,701 to MYJAR IT OU, subsidiary company of MYJAR Holdings Limited.

At the balance sheet date the Company owed £2,388,112 to MYJAR Treasury Limited, subsidiary company of MYJAR Holdings Limited.

At the balance sheet date the Company owed £429 to TXT Services Limited, subsidiary company of MYJAR Holdings Limited.

At the balance sheet date, Secure Recoveries Limited, the subsidiary company of MYJAR Holdings Limited, owed £1,038 to the company.

During the financial year, the Company generated £216,225 in processing fees from MYJAR Treasury Limited.

14. Ultimate parent undertaking and controlling party

The Company is a subsidiary undertaking of MYJAR Holdings Limited, a Jersey registered company.

15. Post balance sheet events

There are no significant events after the balance sheet date.