Annual Financial Report

Please find attached the below Announcement.

Attachment:

1. **Announcement**

Non Regulated

Publication Date: 30/09/2020

Company Registration No. 08508070 (England and Wales)

JUST BRIDGING LOANS PLC

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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

JUST BRIDGING LOANS PLC

COMPANY INFORMATION

Directors:	Mr John Davies Mr John McLellan Mr George Robert Boot
Secretary	Mr George Robert Boot
Registered number:	08508070 (England & Wales)
Registered office:	1 Charterhouse Mews London EC1M 6BB
Auditors:	Jeffreys Henry LLP Finsgate 5-7 Cranwood Street London EC1V 9EE
Bankers:	Santander Bank Plc 4th Floor 100 Ludgate Hill London EC4M 7RE
Solicitors:	DWF LLP 20 Fenchurch Street London EC3M 3AG
	John Morse Solicitors St.Helen's House 156, Helens Road Swansea SA1 4DG

JUST BRIDGING LOANS PLC

CONTENTS

JUST BRIDGING LOANS PLC

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

Principal activities and fair review of the business
Just Bridging Loans PLC ("the company") provides specialist bridging finance for commercial businesses. During the year it achieved a revenue of £187,458 (2018 - £407,996) and incurred a loss of £335,431 before intercompany impairment of £899,000. (2018 - loss £224,288) for the year to 31 December 2019, in line with expectations. The loans were novated to other JLG Group entities.

Principal risks and uncertainties
The principal risk to the business is that the borrowers will default on their interest payments or capital repayments. The company closely monitors 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 but the directors are confident that they will continue to be able to successfully manage such risks as far as it is possible to do so.

Whilst the directors realise that there has been cash burn in building the process and platforms of the business, they consider that the company has adequate resources for ongoing operating expenses due to the revenues now been generated from the operations. Further discussion on risk and sensitivity analysis is discussed in Note 4.

Key performance indicators
The performance indicators relative to revenue and gross margin follows. There was no significant capital expenditure in the period. There are no non-financial performance indicators being used at present. Salient points are:

	2019	**2018**
	£	**£**
Turnover	187,458	407,996
Gross Profit	135,846	332,766
Loss for the period	(1,240,830)	(224,288)
Cash and cash equivalents	84,918	277,508

This year the Company's turnover has decreased as a number of its loans were novated to other Group entities.

Dependence on key personnel
Whilst the company is able to rely on the continuing support of the executive team of its parent , the retention of the services of the executive directors cannot be guaranteed.

Future developments
The use of technology as a brand builder via Fintech will allow the Company to grow the brand and the company will continue to provide specialist bridging facilities for UK property businesses.It is intended to develop other products under its portfolio.

On behalf of the board

Mr George Robert Boot

Director
30/09/2020

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and financial statements for the year ended 31 December 2019.

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

Fair review of business
The company incurred a loss of £1,240,830 (2018 - £224,288) for the year ended 31 December 2019. During the year the Loans were novated to other Group Companies.

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 period. Further discussion on risk and sensitivity analysis is discussed in Note 4.

Key performance indicators
The company is a dormant company at this time. The company's KPIs for prior periods are discussed in the Strategic Report.

Results and dividends
The results for the period are set out on page 12.

Future developments
There are no plans at this moment for future fund raising.

Directors
The following directors have held office during the financial year:

Mr George Robert Boot
Mr John Davies
Mr John McLellan

Auditors
Jeffreys Henry LLP were re-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.

Due to the change in the nature and structure of the Group, advantage has been taken of Section 3.15 of the 2016 Ethical Standards, allowing the audit engagement partner to continue in his role for the audit for the year ending 31 December 2019.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

directors have elected to prepare the financial statements in accordance with International Financial Reporting

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the Company and 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; 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

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 George Robert Boot
Director
30/09/2020

JUST BRIDGING LOANS PLC

CORPORATE GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019

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 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.

Audit Committee

The directors have formed an Audit Committee. The Chairman of the committee is John McLellan. The other members of the Audit Committee are John Davies and George Robert Boot. 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 operates within the following terms of reference:

- 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 company assets. The directors monitor the operation of internal controls. The objective of the system is to safeguard company 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.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

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.

UK Corporate Governance Code

The directors have adopted the principles set out 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.

JUST BRIDGING LOANS PLC

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF JUST BRIDGING LOANS PLC

Opinion

We have audited the financial statements of Just Bridging Loans Plc for the year ended 31 December 2019 which comprise of the statement of comprehensive income, the statement of financial position, the statement of cash flow, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and in accordance with the provisions of the Companies Act 2006

In our opinion

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of the loss for the year then ended;
- the Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements which explains that the Company's ability to continue as a going concern is reliant on the Company being able to refinance its current borrowings and the continuing financial support of the parent company, JLG Group Plc so that the Company can pay its debt as and when they fall due. These events or conditions, along with other matters as set out in note 2 indicate that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF JUST BRIDGING LOANS PLC

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Revenue recognition The Company had total revenues of £187,458 (2018 - £407,996) relating to interest income. Per the IFRS standards applied interest income is to be recognised using the effective interest rate method. The calculation of interest income using this method can be complex and needs to account for the varying details of each and every facility. Managements' accounting policy for revenue recognition can be found in note 2.4. The key audit matter was determined to be the accuracy of the effective interest rate applied in each loan portfolio.	We first understood management's process and key controls around revenue recognition by reviewing the processes in place and enquired about any changes to this process implemented during the year. We tested a sample of facilities for accuracy and completeness of revenue by agreeing the details in the Company's loan processing system to the underlying agreements with customers. For this sample we then recalculated interest to ensure the correct amount of revenue is being recognised. We traced the total revenue charged per Company's loan processing system to the accounts to ensure information is being accurately transferred. We performed an analytical review of interest income charged on the Company's loan portfolio in total on a month by month basis and compared the effective interest in total to expectations based on the facilities sampled.
Going concern assumption The Company is dependent upon the continued support from the Parent Company, JLG Group Plc, to meet continued operational costs and hence continue trading. The going concern assumption is dependent on the future growth of the Group which requires additional funding to grow the scale of the business.	Management's going concern forecasts include a number of assumptions related to future cash flows and associated risks- notably the repayment of debentures maturing within 12 months. Our audit work has focused on evaluating and challenging the reasonableness of these assumptions and their impact on the forecast period. Specifically we obtained, challenged and assessed management's going concern forecast and performed procedures including: • Verifying the consistency of key inputs relating to future costs and production to other financial and operational information obtained during the audit;

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF JUST BRIDGING LOANS PLC

Key audit matters (continued)

	• Performing sensitivity analysis on managements "base case", including applying downside scenarios such as slower and restricted revenue growth and higher finance costs whilst considering the mitigating actions highlighted by management in the event that they were required. • Obtaining written assurances from the Parent Company concerning its continued support.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

Overall materiality	£6,000 (31 December 2018: £16,000).
How we determined it	3% revenue (2018 5% of loss before tax).
Rationale for benchmark applied	We believe that revenue is the primary measure used by the shareholders in assessing the performance of the Company and is a generally accepted auditing benchmark.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £300 (31 December 2018: £800) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF JUST BRIDGING LOANS PLC

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF JUST BRIDGING LOANS PLC

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

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.

Sanjay Parmar (Senior Statutory Auditor)

For and on behalf of Jeffreys Henry LLP, Statutory Auditor

Finsgate
5-7 Cranwood Street
London EC1V 9EE
30/09/2020

JUST BRIDGING LOANS PLC

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Continuing operations			
Revenue	5	187,458	407,996
Cost of sales		(51,612)	(75,230)
Gross Profit		**135,846**	**332,766**
Administrative Expenses		(1,016,756)	(179,667)
Operating profit/(loss)	8	**(880,910)**	**153,099**
Finance costs		(359,920)	(377,387)
Loss on ordinary activities before taxation		**(1,240,830)**	**(224,288)**
Income tax (charge) / credit	6	-	-
Loss for the year		**(1,240,830)**	**(224,288)**
Loss per share (expressed in pence per share)	10	(2,481.66p)	(448.58p)

The notes on pages 15 to 25 form part of these financial statements.

JUST BRIDGING LOANS PLC

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Notes	As at 31 December 2019 £	As at 31 December 2018 £
Non-current assets			
Loans and advances to customers	11	-	-
Other receivables	12	-	812,000
		-	812,000
Current assets			
Loans and advances to customers	11	-	379,761
Other receivables	12	10,165,654	8,811,391
Cash and cash equivalents	13	84,918	277,508
		10,250,572	**9,468,660**
Total assets		**10,250,572**	**10,280,660**
Equity and liabilities			
Equity attributable to owners of the parent			
Ordinary shares	14	50,000	50,000
Accumulated losses	15	(2,210,744)	(969,914)
Total equity		**(2,160,744)**	**(919,914)**
Non-current liabilities			
Borrowings	16	-	3,491,063
		-	**3,491,063**
Current liabilities			
Borrowings	16	3,660,185	-
Trade and other payables	17	8,751,131	7,709,511
		12,411,316	**7,709,511**
Total liabilities		**12,411,316**	**11,200,574**
Total equity and liabilities		**10,250,572**	**10,280,660**

The notes on pages 15 to 25 form part of these financial statements.

Approved by the Board and authorised for issue on 30/09/2020

Mr George Robert Boot

Director

Company Registration No. 08508070

JUST BRIDGING LOANS PLC

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Ordinary Shares £	Accumulated Losses £	Total £
At 1 January 2018	50,000	(745,626)	(695,626)
Loss for the year	-	(224,288)	(224,288)
At 31 December 2018	**50,000**	**(969,914)**	**(919,914)**
Loss for the year	-	(1,240,830)	(1,240,830)
At 31 December 2019	**50,000**	**(2,210,744)**	**(2,160,744)**

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

Accumulated losses represent the cumulative loss of the company attributable to equity shareholders.

The notes on pages 15 to 25 form part of these financial statements.

JUST BRIDGING LOANS PLC

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Cash flows from operating activities			
Cash generated from operations	**21**	12,390	13,305
Finance costs paid		(204,980)	(40,449)
Net cash generated from operating activities		**(192,590)**	**(27,144)**
Cash flows from financing activities			
Loan repayment		-	(39,632)
Net cash flow from financing activities		**-**	**(39,632)**
Net Increase in cash and equivalents		(192,590)	(66,776)
Cash and cash equivalents at beginning of the year		277,508	344,284
Cash and cash equivalents at end of period		**84,918**	**277,508**

The notes on pages 15 to 25 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Just Bridging Loans Plc 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.

Going concern

The parent company, JLG Company Plc has undertaken to provide continuing financial support for the foreseeable future and in any event for the next 12 months following the date of approval of the financial statements, so that the Company can pay its debts as and when they fall due. Such financial support is also pursuant to the Company obtaining additional long-term funding.

As disclosed in the group's consolidated accounts, the group is in discussion with a number of new funders at a significantly lower cost and the directors are confident that new funds will be obtained for the parent to be able to provide the continuing financial support the Company requires

However, as at the date of this report the directors acknowledge that there is material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial statements do not include any adjustments that would result if the necessary financing was not secured by the company or if the above support was withdrawn.

In the light of the current COVID-19 outbreak the directors have been prudent in protecting its cash. Its further development, duration and impact cannot be predicted but JLG Group Plc is well placed to meet the challenges.

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

New and amended standards adopted by the Company

The company has adopted the following new and amended IFRSs as of 1 January 2019:

IFRS 16 Leases
IFRIC23 Uncertainty over income tax treatments

The company has applied IFRS 16 using the modified retrospective approach with the cumulative effect of adopting IFRS 16 being recognuised as an adjustment to th eopening balance of Right of Use assets and lease liabilities for the current period. Prior periods are not required to be restated.

(a) Impact of the new definition of a lease
No leases held by the company.

Following consideration of the company's operating model, it has been concluded that there has been no material impact from the adoption of these standards.

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 January 2019 and have not been early adopted:

The new standards include:

IFRS 3	Business Combinations 1
IFRS 17	Insurance Contracts 2
IAS 1	Presentation of Financial Statements 1
IAS 8	Accounting policies, Changes in Accounting Estimates and Errors 1
Improvements to IFRSs	Annual Improvements 2015-2017 Cycle1: Amendments to 2 IFRSs and 2 IASs

Revised conceptual framework for Financial reporting
1 Effective for annual periods beginning on or after 1 January 2020
2 Effective for annual periods beginning on or after 1 January 2021

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 Instruments

i. Recognition and initial measurement

The Company initially recognises loans and advances, trade and other receivables/payables and borrowings plus or minus transaction costs when and only when the Company becomes party to the contractual provisions of the instrument.

2 Summary of significant accounting policies (continued)

2.3 Financial Instruments (continued)

Financial assets at amortised cost

The Company's financial assets at amortised cost comprise trade and other receivables and loans to customers. These represent debt instruments with fixed or determinable payments that represent principal or interest and where the intention is to hold to collect these contractual cash flows.

They are initially recognised at fair value, included in current and non-current assets, depending on the nature of the transaction, and are subsequently measured at amortised cost using the effective interest method less any provision for impairment.

Financial liabilities at amortised cost

Financial liabilities at amortised cost comprise trade and other payables and debentures. They are classified as current and non-current liabilities depending on the nature of the transaction, are subsequently measured at amortised cost using the effective interest method.

The following table provides reconciliation between line items in the statement of financial position and categories of financial instruments.

31 December 2019	**Amortised cost**	**Total carrying amount**
	£	**£**
Cash and cash equivalents	84,918	84,918
Loans and advances to customers	-	-
Trade and other receivables	10,165,654	10,165,654
Total financial assets	**10,250,572**	**10,250,572**
Borrowings	3,660,185	3,660,185
Trade and other payables	8,751,131	8,751,131
Total financial liabilities	**12,411,316**	**12,411,316**

31 December 2018	**Amortised cost**	**Total carrying amount**
	£	**£**
Cash and cash equivalents	277,508	277,508
Loans and advances to customers	379,761	379,761
Trade and other receivables	9,623,391	9,623,391
Total financial assets	**10,280,660**	**10,280,660**
Borrowings	3,491,063	3,491,063
Trade and other payables	7,709,511	7,709,511
Total financial liabilities	**11,200,574**	**11,200,574**

2 Summary of significant accounting policies (continued)

2.3 Financial Instruments (continued)

ii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

iii. Impairment

In accordance with IFRS 9 an expected loss provisioning model is used to calculate an impairment provision. We have implemented the IFRS 9 approach to measuring expected credit losses ('ECL') arising from loans and advances to customers, being a lifetime expected credit loss. In the previous year the incurred loss model is used to calculate the impairment provision. Full details of the calculation of the ECL can be found in Note 3.1.

2.4 Revenue

Revenue comprises of interest income, arrangement and management fees on financial assets. Interest income is recognised using the effective interest method. Arrangement and management fees are generally recognised on the accruals basis when the service has been provided.

The effective interest method calculates the amortised cost of a financial asset and allocated the interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset. When calculating the effective interest rate, the company takes into account all contractual terms of the financial instrument but does not consider future credit losses.

2.5 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

2.6 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.

2 Summary of significant accounting policies (continued)

2.7 Income tax expense

Current income tax which is payable on taxable profits is recognised as an expense in the period in which the profits arise.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

3 Critical accounting estimates and judgments

The company 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. There are no key estimates in the period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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 company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

a) Credit risk

The company take 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 company was as follows:

Credit risk exposure relating to on-balance sheet assets are as follows:	**2019**	**2018**
	£	**£**
Loans and advances to customers	-	379,761
Other receivables	10,165,654	9,623,391
At 31 December	**10,165,654**	**10,003,152**

b) Cash flow and Interest rate risk
The company does not have any borrowings other than its loans which are at a fixed rate of interest exposing the company to fair value interest rate risk. The company does not manage any cash flow interest rate risk.

c) Liquidity risk
The company is careful to ensure that its loans and investments can be realised prior to the due date for the repayment of the debentures. This applies equally to the underlying investments of the companies or projects in which the company invests.

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

e) 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.

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

4.2 Capital risk management

The company's objectives when managing capital are to safeguard the company'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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

5 Segment information

The company's single line of business is the provision of loans. All of the company's revenue arises in the UK and all of the company's non-current assets are held in the UK.

6 Taxation

	2019	2018
	£	£
Current tax	-	-
Total tax credit for the year	-	-

6 Taxation (continued)

Factors affecting the tax charge for the year		
Loss on ordinary activities before taxation	(1,240,830)	(224,288)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19% (2018 – 19%)	(235,758)	(42,615)
Tax losses carried forward	170,810	42,615
Previously unrecognised tax losses brought forward	(90,218)	-
Group relief surrendered	155,166	-
Current tax charge for the year	-	-

The company has estimated tax losses of £235,758 (2018 - £965,382) available for carry forward against future trading profits.

Deferred tax assets at 31 December 2019 of £235,758 (2018 - £164,115) have not been recognised in the financial statements at future tax rate of 19% (2018- 17%) due to the uncertainty of the recoverability of the amount.

7 Dividends

No dividends were paid or proposed for the year to 31 December 2019 (2018 - £nil).

8 Operating profit/(loss)

	2019	2018
	£	£
Operating profit/(loss) is stated after charging:		
Audit fees	4,750	4,750
	4,750	4,750

Audit fees for the period have been borne by the ultimate parent company, JLG Group Plc.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

9 Employee benefit expense

Employees and Directors	2019 £	2018 £
Wages and salaries	-	-
Social security costs	-	-
Directors fees	-	-
	-	-

The average monthly number of employees (including directors) during the year was:

	2019 No.	2018 No.
Directors	2	2
Staff	-	-
	2	2

10 Earnings per share

Basic loss per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of ordinary shares in issue during the period:	2019	2018
Loss after tax attributable to equity holders of the company	(1,240,830)	(224,288)
Weighted average number of ordinary shares	50,000	50,000
Basic and diluted loss per share	(2,481.66p)	(448.58p)

11 Loans and advances to customers

	2019 £	2018 £
Non-current		
Loans and advance to customers	-	-
Current		
Loans and advance to customers	-	379,761
	-	**379,761**

Loans and advances to customers relates to provision of revolving credit facilities to small and medium enterprises.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

12 Other receivables

	2019	2018
	£	£
Non-current		
Amounts owed from group undertakings	-	812,000
	-	**812,000**
Current		
Prepayments and accrued income	-	458
Amounts owed from group undertakings	10,163,714	8,810,933
Other receivables	1,940	-
	10,165,654	**8,811,391**
	10,165,654	**9,623,391**

13 Cash and cash equivalents

	2019	2018
	£	£
Cash and cash equivalents	84,918	277,508
	84,918	**277,508**

14 Ordinary share Capital

	2019	2018
	£	£
Allotted, called up and fully paid		
5,000,000 Ordinary shares of £0.01 each	50,000	50,000
	50,000	**50,000**

15 Accumulated losses

	£
At 1 January 2018	(745,626)
Loss for the year	(224,288)
At 31 December 2018	**(969,914)**
Loss for the year	(1,240,830)
At 31 December 2019	**(2,210,744)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

16 Borrowings

	2019	2018
	£	£
Non-current		
Debentures and other loans	-	3,491,063
Current		
Debentures and other loans	3,660,185	-
	3,660,185	**3,491,063**

All commissions paid have been included within borrowings. All non-current borrowings are wholly repayable within five

The loans are secured by first floating charge over all of the assets of the company which bears interest at a rate of

Included within debentures is capitalized commission of £79,541 (2018 - £79,323) which is being released to the

17 Trade and other payables

	£	£
Current		
Trade payables	141,724	173,660
Amounts owed to group undertakings	8,609,407	7,535,851
	8,751,131	7,709,511

Accruals principally comprise amounts outstanding for ongoing expenses and accrued interest on issued debentures. The carrying amount of other payables approximates to its fair value.

18 Control

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

19 Contingent liabilities

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

20 Capital commitments

The company has no capital commitments

21 Cash generated in operations

	2019	2018
	£	£
Reconciliation to cash consumed in operations		
Loss before taxation	(1,240,830)	(224,288)
Adjustments for:		
Finance costs	359,920	377,387
Changes in working capital:		
- Increase in loans and other receivables	(162,502)	(2,903,356)
- Increase/(decrease) in trade and other payables	1,055,802	2,527,137
	12,390	(223,120)

22 Related party transactions

The Company was charged a management fee £29,259 (2018 - £107,183) and £6,847 (2018 - £66,739) by its fellow subsidiaries, Just Loans Group Operations Limited and Just Cash Flow (Agency) Limited respectively, those amounts were outstanding as at 31st December 2019.

£611,189 (2018: £177,771) of the Company's 2020 Debentures were held by the Parent Company, JLG Group Plc.

The Company made advances to fellow group companies and as at 31 December 2019 was owed;

£3,852,973 (2018: £1,296,545) from JLG Group Plc
£4,937,646 (2018: £5,710,540) from Just Cash Flow Plc
£nil (2018: £812,000) from Just Finance Loans & Investments Plc
£781,754 (2018: £942,853) from JCF (SQN) Limited
£270,592 (2018: £270,592) from Just Capital (Europe) Limited
£320,748 (2018: £791,615) from JCF (SQN2) Limited

The Company owes;

£669,035 (2018: £639,482) to Just Loans Group Operations
£481,667 (2018: £481,667) to Just ABL1 Limited
£5,552,501 (2018: £4,297,655) to JBL (SQN) Limited
£494,356 (2018: £487,510) to Just Cash Flow (Agency) Limited
£224,620 (2018: £302,867) to JCF (SSIF) Limited
£1,187,227 (2018 £1,250,000) to JCF-PWE Limited

These loans are all repayable on demand, carry no interest and are included within current asses/liabilities. During 2019 the balance due from JLFI has been written off to reflect the view of the Directors. During 2018 the amount due from Just Finance Loans & Investments Plc was held as non-current and was accruing interest at 12% per annum. The interest charged during the year was £nil (2018 - £87,000).

23 Events after the reporting period

As at 31 December 2019, China had alerted the World Health organisation (WHO) of several cases of an unusual form of pneumonia in Wuhan. However, substantive information about what has now been identified as COVID 19 only came to light in early 2020.
In response to COVID 19, the company designed a proactive customer engagement strategy which entailed a series of questionnaires. This allowed the business to understand the customer's needs at this time. Based upon this the company have followed a number of remedies, those wishing of deferring the interest payment and of extending the facility amount and term. This coupled with the Government offering of deferral of VAT payments and loans via CBIL (Coronavirus Business interruption loan scheme) has given the customers support.