

EXPENSE REDUCTION ANALYSTS (UK) LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE PERIOD ENDED 31 DECEMBER 2018



EXPENSE REDUCTION ANALYSTS (UK) LIMITED
REGISTERED NUMBER: 03225310

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	31 December 2018 £	31 March 2018 £
Fixed assets			
Tangible assets	6	-	12,188
		-	12,188
Current assets			
Debtors: amounts falling due within one year	7	789,321	836,074
Cash at bank and in hand		232,972	410,895
		1,022,293	1,246,969
Creditors: amounts falling due within one year	8	(909,657)	(403,898)
Net current assets		112,636	843,071
Total assets less current liabilities		112,636	855,259
Provisions for liabilities			
Deferred tax		(347)	(1,430)
		(347)	(1,430)
Net assets		112,289	853,829
Capital and reserves			
Called up share capital		100	100
Profit and loss account		112,189	853,729
		112,289	853,829

EXPENSE REDUCTION ANALYSTS (UK) LIMITED
REGISTERED NUMBER: 03225310

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2018

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


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R Clucas

Director

20 September 2019

The notes on pages 3 to 9 form part of these financial statements.

EXPENSE REDUCTION ANALYSTS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

1. General information

Expense Reduction Analysts (UK) Limited is a private company limited by shares incorporated in England and Wales within the United Kingdom. The address of the registered office is 40 Churchill Square, Kings Hill, West Malling, Kent, ME19 4YU.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest pound.

The financial statements have been prepared on a going concern basis which is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt upon the ability of the company to continue as a going concern.

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 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.

EXPENSE REDUCTION ANALYSTS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.3 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:

Fixtures and fittings	- 25%
Computer equipment	- at varying rates 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 the Statement of comprehensive income.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 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.

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.7 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.8 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.9 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge 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.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

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.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.12 Pensions

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Defined contribution pension plan

The company operated a defined contribution plan for its employees until the company was acquired in April 2018. 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 the Statement of comprehensive income 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.

2.13 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 non-puttable ordinary shares.

2.14 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. Judgments in applying accounting policies and key sources of estimation uncertainty

No judgments have been made in the process of applying the above accounting policies that have had a significant effect on the amounts recognised in the financial statements.

No key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date which have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year have been made.

4. Employees

The average monthly number of employees, including directors, during the period was 4 (2018 - 17).

EXPENSE REDUCTION ANALYSTS (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

5. Directors' remuneration

	Period ended 31 December 2018 £	Year ended 31 March 2018 £
Directors' emoluments	-	130,170
	<u>-</u>	<u>130,170</u>

6. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2018	94,383	192,194	286,577
Disposals	(94,383)	(192,177)	(286,560)
At 31 December 2018	<u>-</u>	<u>17</u>	<u>17</u>
Depreciation			
At 1 April 2018	93,735	180,654	274,389
Charge for the period on owned assets	87	1,299	1,386
Disposals	(93,822)	(181,936)	(275,758)
At 31 December 2018	<u>-</u>	<u>17</u>	<u>17</u>
Net book value			
At 31 December 2018	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2018	<u>648</u>	<u>11,540</u>	<u>12,188</u>

EXPENSE REDUCTION ANALYSTS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

7. Debtors

	31 December 2018 £	31 March 2018 £
Trade debtors	32,995	234,883
Amounts owed by group undertakings	519,777	546,812
Other debtors	-	1,500
Prepayments and accrued income	236,549	52,879
	<u>789,321</u>	<u>836,074</u>

8. Creditors: Amounts falling due within one year

	31 December 2018 £	31 March 2018 £
Trade creditors	68,002	101,086
Amounts owed to group undertakings	420,000	-
Corporation tax	105,983	98,430
Other taxation and social security	102,814	126,860
Other creditors	-	24,325
Accruals and deferred income	212,858	53,197
	<u>909,657</u>	<u>403,898</u>

9. Pension commitments

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

10. Controlling party

On 27 April 2018 the company was acquired by what is now the immediate parent company is E R Associates (UK) Ltd, registered in England and Wales. No parent undertaking is required to produce group accounts.

The ultimate controlling undertaking is Vancouver Trust, a trust registered in Guernsey, over which no individual exercises control. The ultimate controlling party is deemed to be Mr C F Marfleet by virtue of his interest in Vancouver Trust and his ability to direct the financial and operating policies of Expense Reduction Analysts (UK) Limited.

EXPENSE REDUCTION ANALYSTS (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

11. Auditors' information

The auditors' report on the financial statements for the period ended 31 December 2018 was unqualified.

The audit report was signed by Duncan Cochrane-Dyet FCA (Senior statutory auditor) on behalf of MHA MacIntyre Hudson.