

REGISTERED NUMBER: 05575310 (England and Wales)

Essential Consulting Group Limited

Unaudited Financial Statements for the Year Ended 31 December 2017

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for the Year Ended 31 December 2017**

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Essential Consulting Group Limited

**Company Information
for the Year Ended 31 December 2017**

DIRECTOR:	J M Pipe-Wolferstan
REGISTERED OFFICE:	Regus Building 53 Fountain Street Manchester M2 2AN
REGISTERED NUMBER:	05575510 (England and Wales)

Essential Consulting Group Limited (Registered number: 05575310)

Balance Sheet
31 December 2017

	Notes	31.12.17 £	31.12.16 £
FIXED ASSETS			
Tangible assets	4	1,304	2,474
CURRENT ASSETS			
Debtors	5	2,174,155	1,499,271
Cash at bank		<u>5,265</u>	<u>107,719</u>
		2,179,420	1,606,990
CREDITORS			
Amounts falling due within one year	6	<u>(1,170,324)</u>	<u>(924,628)</u>
NET CURRENT ASSETS		1,009,096	682,362
TOTAL ASSETS LESS CURRENT LIABILITIES		1,010,400	684,836
CREDITORS			
Amounts falling due after more than one year	7	<u>(360,579)</u>	<u>-</u>
NET ASSETS		649,821	684,836
CAPITAL AND RESERVES			
Called up share capital		200	200
Retained earnings		<u>649,621</u>	<u>684,636</u>
		649,821	684,836

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2017 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director on 31 August 2018 and were signed by:

J M Pipe-Wolferstan - Director

**Notes to the Financial Statements
for the Year Ended 31 December 2017**

1. STATUTORY INFORMATION

Essential Consulting Group Limited is a private company, limited by shares and registered in England. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and the Companies Act 2006. The presentational and functional currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

Going concern

The company's financial statements have been prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the company's needs. In assessing going concern, the director has a reasonable expectation that the company will continue as a going concern and is able to meet all of its obligations as they fall due for a minimum of 12 months from the date of approval of these financial statements.

Turnover

Revenue is recognised to the extent that it is probable 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.

Revenue from a contract to provide services is recognised in the period in which the services are provided.

Interest receivable and payable

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

Tangible fixed assets

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

Depreciation is charged to profit or loss over the estimated useful economic lives, as follows -

- Computer equipment - Over 3 years on a straight line basis.

The assets' residual value, 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.

Repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

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

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined, which is the higher of its fair value less costs to sell and its value in use. Any impairment loss is recognised immediately as an expense within the profit or loss.

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Impairment of financial assets

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 within profit or loss.

For financial assets that are measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

2. ACCOUNTING POLICIES - continued

Current and deferred taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Transactions in foreign currencies are translated to the company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Leases

Leases in which the company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases.

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred.

Pensions

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 in the periods during which services are rendered by employees.

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.

3. STAFF NUMBERS

The average number of employees during the year was 10 (2016 - 12).

4. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 January 2017	61,815
Additions	1,727
At 31 December 2017	<u>63,542</u>
DEPRECIATION	
At 1 January 2017	59,341
Charge for year	2,897
At 31 December 2017	<u>62,238</u>
NET BOOK VALUE	
At 31 December 2017	<u>1,304</u>
At 31 December 2016	<u>2,474</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17	31.12.16
	£	£
Trade debtors	1,084,599	1,044,281
Amounts owed by group undertakings	1,067,670	316,950
Other debtors	119	42,501
Prepayments and accrued income	21,767	95,539
	<u>2,174,155</u>	<u>1,499,271</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17	31.12.16
	£	£
Bank loans and overdrafts	186,876	-
Trade creditors	212,823	375,385
Corporation tax	195,660	126,000
Social security and other taxes	53,746	78,095
Other creditors	174,239	171,607
Accruals and deferred income	346,980	173,541
	<u>1,170,324</u>	<u>924,628</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.17	31.12.16
	£	£
Bank loans - 1-2 years	186,876	-
Bank loans - 2-5 years	173,703	-
	<u>360,579</u>	<u>-</u>

8. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.17	31.12.16
	£	£
Bank Loan	<u>547,455</u>	<u>-</u>

Bank loans and other creditors being invoice discounting are secured by a debenture between HSBC Bank PLC and the company.

Bank loans and other creditors being invoice discounting are secured by fixed and floating charge over the property of the company.

9. OPERATING LEASE COMMITMENTS

At 31 December 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	31.12.17	31.12.16
	£	£
Within one year	64,092	-
Between one and five years	-	-
	<u>64,092</u>	<u>-</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**

10. RELATED PARTY DISCLOSURES

During the year the company made loans totalling £750,720 (2016: £316,950) to EPW Holdings Limited its' parent company. During the year, the company received repayments from the said company of £nil (2016: £nil). As at 31 Dec 2017 Essential Consulting Group Limited was owed £1,067,670 (2016: £316,950) from the said company. All balances attract a nil rate of interest, and are repayable on demand.

During the year the company made loans totalling £nil (2016: £62,500) to Essential Recruitment Limited a company in which E J Zywicki is a director. During the year, the company received repayments from the said company of £7,434 (2016: £54,947). As at 31 Dec 2017 Essential Consulting Group Limited was owed £119 (2016: £7,523) from the said company. All balances attract a nil rate of interest, and are repayable on demand.

During the year the company received loans from a director of £417,171 (2016: £392,307) and repaid £260,171 (2016: £241,772). As at 31 Dec 2017 Essential Consulting Group Limited owed £7,952 (2016: £149,048) to the director. All balances attract a nil rate of interest, and are repayable on demand.

The company is a subsidiary of EPW Holdings Limited whose registered office is Regis Building, 53 Fountain Street, Manchester, M2 2AN.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.