

COMPANY REGISTRATION NUMBER: 05575310

Essential Consulting Group Limited
Filleted Unaudited Financial Statements
31 December 2023

Essential Consulting Group Limited

Statement of Financial Position

31 December 2023

		2023		2022	
	Note	£	£	£	£
Fixed assets					
Tangible assets	5		10,624		18,649
Current assets					
Debtors	6	1,478,958		1,602,554	
Cash at bank and in hand		5,542		218,633	
		1,484,500		1,821,187	
Creditors: amounts falling due within one year	7	362,006		516,856	
Net current assets			1,122,494		1,304,331
Total assets less current liabilities			1,133,118		1,322,980
Provisions			2,337		—
Net assets			1,130,781		1,322,980
Capital and reserves					
Called up share capital	8		200		200
Profit and loss account			1,130,581		1,322,780
Shareholders funds			1,130,781		1,322,980

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31st December 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

Essential Consulting Group Limited

Statement of Financial Position *(continued)*

31 December 2023

These financial statements were approved by the board of directors and authorised for issue on 24 September 2024 , and are signed on behalf of the board by:

Mr J Pipe-Wolferstan

Director

Company registration number: 05575310

Essential Consulting Group Limited

Notes to the Financial Statements

Year ended 31st December 2023

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 13-14 Park Place, Leeds, West Yorkshire, LS1 2SJ.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss. The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. When the outcome of a transaction involving the rendering of services can be reliably estimated, revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period. When the outcome of a transaction involving the rendering of services cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Short leasehold property	-	33% straight line
Fixtures and fittings	-	33% straight line
Equipment	-	33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is intention to settle on a net basis or to realise the asset and settle the liability simultaneously. Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, which the transaction is measured at the present value of the future receipts discounted at market rate of interest. Financial assets classified as receivable within one year are not amortised. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangement entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payment discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 6 (2022: 5).

5. Tangible assets

	Short leasehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1st January 2023	6,626	9,294	58,738	74,658
Additions	—	363	2,600	2,963
Disposals	—	—	(12,270)	(12,270)
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At 31st December 2023	6,626	9,657	49,068	65,351
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Depreciation				
At 1st January 2023	2,209	3,613	50,187	56,009
Charge for the year	2,208	2,978	5,803	10,989
Disposals	—	—	(12,271)	(12,271)
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At 31st December 2023	4,417	6,591	43,719	54,727
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Carrying amount				
At 31st December 2023	2,209	3,066	5,349	10,624
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At 31st December 2022	4,417	5,681	8,551	18,649

6. Debtors

	2023 £	2022 £
Trade debtors	319,268	434,103
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,069,970	1,069,970
Other debtors	89,720	98,481
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	1,478,958	1,602,554
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7. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	71,258	167,891
Social security and other taxes	38,799	16,453
Other creditors	251,949	332,512
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	362,006	516,856
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8. Called up share capital

Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
Ordinary shares of £ 1 each	200	200	200	200
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9. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than 1 year	20,503	15,504
Later than 1 year and not later than 5 years	30,755	32,811
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	51,258	48,315
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10. Director's advances, credits and guarantees

During the year the director entered into the following advances and credits with the company:

	2023			
	Balance brought forward	Advances/ (credits) to the director	Amounts repaid	Balance outstanding
	£	£	£	£
Mr J Pipe-Wolferstan	86,932	213,836	(227,025)	73,743
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	2022			
	Balance brought forward	Advances/ (credits) to the director	Amounts repaid	Balance outstanding
	£	£	£	£
Mr J Pipe-Wolferstan	8,324	398,608	(320,000)	86,932
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Interest is charged on any period the loan is overdrawn at a rate of 2% until March 2023 and 2.25% thereafter. The loan is repayable on demand.

11. Related party transactions

Included within debtors is an interfirm loan of £1,069,970 (2022 - £1,069,970) to a company under common control of the director. The interest free loan is repayable on demand.

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.