

**Registered Number 06815821**

**ERC ACCOUNTANTS & BUSINESS ADVISERS LIMITED**

**Abbreviated Accounts**

**31 July 2016**

## Abbreviated Balance Sheet as at 31 July 2016

|                                                                | Notes | 2016<br>£          | 2015<br>£          |
|----------------------------------------------------------------|-------|--------------------|--------------------|
| <b>Fixed assets</b>                                            |       |                    |                    |
| Intangible assets                                              | 2     | 1,490,402          | 1,490,402          |
| Tangible assets                                                | 3     | 805,705            | 809,951            |
|                                                                |       | <u>2,296,107</u>   | <u>2,300,353</u>   |
| <b>Current assets</b>                                          |       |                    |                    |
| Stocks                                                         |       | 46,325             | 41,673             |
| Debtors                                                        |       | 296,883            | 325,862            |
| Cash at bank and in hand                                       |       | 91                 | 35                 |
|                                                                |       | <u>343,299</u>     | <u>367,570</u>     |
| <b>Creditors: amounts falling due within one year</b>          | 4     | (1,452,925)        | (1,565,911)        |
| <b>Net current assets (liabilities)</b>                        |       | <u>(1,109,626)</u> | <u>(1,198,341)</u> |
| <b>Total assets less current liabilities</b>                   |       | <u>1,186,481</u>   | <u>1,102,012</u>   |
| <b>Creditors: amounts falling due after more than one year</b> | 4     | (381,681)          | (490,831)          |
| <b>Total net assets (liabilities)</b>                          |       | <u>804,800</u>     | <u>611,181</u>     |
| <b>Capital and reserves</b>                                    |       |                    |                    |
| Called up share capital                                        | 5     | 100                | 100                |
| Profit and loss account                                        |       | 804,700            | 611,081            |
| <b>Shareholders' funds</b>                                     |       | <u>804,800</u>     | <u>611,181</u>     |

- For the year ending 31 July 2016 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 24 April 2017

And signed on their behalf by:

**M Wrigglesworth, Director**

**Notes to the Abbreviated Accounts for the period ended 31 July 2016****1 Accounting Policies****Basis of measurement and preparation of accounts**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

**Turnover policy**

Turnover is the total amount estimated to be receivable for services rendered and disbursements charged to clients during the period, excluding Value Added Tax.

Turnover is recognised when a right to consideration has been obtained through performance under each contract and reflects the contract activity during the year having regard to the stage of completion of each contract and the relative uncertainty of predicting ultimate profitability on long term assignments.

**Tangible assets depreciation policy**

All fixed assets are initially recorded at cost.

**Depreciation**

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

Leasehold Property - over the term of the lease  
Fixtures & Fittings - 15-33% Reducing Balance

**Intangible assets amortisation policy**

Positive purchased goodwill arising on acquisition is capitalised and classified as an asset on the Balance Sheet.

In accordance with FRS 10, Goodwill and Intangible Assets in circumstances where goodwill is considered to have an indefinite economic life amortisation is not charged.

The directors consider that the durability of the goodwill acquired has an indefinite economic life due to the nature of the business, the stability of the industry in which the acquired business operates and the expected future impact of competition on the business is considered to be minimal.

The adopted policy for goodwill departs from the specific requirement of company legislation to amortise goodwill over a finite period. The departure was considered appropriate for the overriding purpose of giving a true and fair view.

If this departure from the Act had not been made, the profit for the year would have been reduced

by amortisation. However, the amount of amortisation cannot be reasonably quantified, because amortisation is one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

## **Other accounting policies**

### **Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. An element of profit is included in the valuation of work in progress, in line with UITF 40.

### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

### **Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

## **2 Intangible fixed assets**

|                        | £                |
|------------------------|------------------|
| <b>Cost</b>            |                  |
| At 1 August 2015       | 1,490,402        |
| Additions              | -                |
| Disposals              | -                |
| Revaluations           | -                |
| Transfers              | -                |
| At 31 July 2016        | <u>1,490,402</u> |
| <b>Amortisation</b>    |                  |
| At 1 August 2015       | -                |
| Charge for the year    | -                |
| On disposals           | -                |
| At 31 July 2016        | <u>-</u>         |
| <b>Net book values</b> |                  |

|                 |                  |
|-----------------|------------------|
| At 31 July 2016 | <u>1,490,402</u> |
| At 31 July 2015 | <u>1,490,402</u> |

### 3 Tangible fixed assets

|                        |                |
|------------------------|----------------|
|                        | £              |
| <b>Cost</b>            |                |
| At 1 August 2015       | 853,181        |
| Additions              | 5,800          |
| Disposals              | (960)          |
| Revaluations           | -              |
| Transfers              | -              |
| At 31 July 2016        | <u>858,021</u> |
| <b>Depreciation</b>    |                |
| At 1 August 2015       | 43,230         |
| Charge for the year    | 9,761          |
| On disposals           | (675)          |
| At 31 July 2016        | <u>52,316</u>  |
| <b>Net book values</b> |                |
| At 31 July 2016        | <u>805,705</u> |
| At 31 July 2015        | <u>809,951</u> |

### 4 Creditors

|               |             |             |
|---------------|-------------|-------------|
|               | <i>2016</i> | <i>2015</i> |
|               | £           | £           |
| Secured Debts | 520,187     | 709,753     |

### 5 Called Up Share Capital

Allotted, called up and fully paid:

|                                |             |             |
|--------------------------------|-------------|-------------|
|                                | <i>2016</i> | <i>2015</i> |
|                                | £           | £           |
| 100 Ordinary shares of £1 each | 100         | 100         |

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