Registration number: 07616521

Absolute Partnership Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2017

Redshield Business Solutions Limited
Chartered Accountants
Suite 3, 1 - 3 Warren Court
Park Road
Crowborough
East Sussex
TN6 2QX

Absolute Partnership Limited

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Absolute Partnership Limited

Company Information

Directors	D Beardsworth C Hawes T Attwood J M Carruthers
Company secretary	D Beardsworth
Registered office	Oakhurst House 77 Mount Ephraim Tunbridge Wells Kent TN4 8BS
Accountants	Redshield Business Solutions Limited Chartered Accountants Suite 3, 1 - 3 Warren Court Park Road Crowborough East Sussex TN6 2QX

Absolute Partnership Limited

(Registration number: 07616521)
Balance Sheet as at 31 March 2017

	Note	2017 £	(As restated) 2016 £
Fixed assets			
Intangible assets	4	225,000	795,575
Tangible assets	5	38,849	59,192
Investments	6	-	99,180
		263,849	953,947
Current assets			
Debtors	7	469,597	586,853
Cash at bank and in hand		85,628	177,427
		555,225	764,280
Creditors: Amounts falling due within one year	8	(528,944)	(988,006)
Net current assets/(liabilities)		26,281	(223,726)
Total assets less current liabilities		290,130	730,221
Creditors: Amounts falling due after more than one year	8	(820,503)	(234,584)
Net (liabilities)/assets		(530,373)	495,637
Capital and reserves			
Called up share capital		2,317	1,561
Share premium reserve		2,435,535	1,835,360
Profit and loss account		(2,968,225)	(1,341,284)
Total equity		(530,373)	495,637

For the financial year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 29 December 2017 and signed on its behalf by:

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J M Carruthers

Director

Absolute Partnership Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
Oakhurst House
77 Mount Ephraim
Tunbridge Wells
Kent
TN4 8BS
United Kingdom

These financial statements were authorised for issue by the Board on 29 December 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The company intends to sell the major portion of its business after the year end and the Directors are seeking to launch a company voluntary arrangement. The company is therefore not a going concern and all assets have been written down to their net realisable value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.
The company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

2 Accounting policies (continued)

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.
The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold improvements	5 years straight line
Plant and machinery	25% reducing balacne
Motor vehicles	25% reducing balance

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

2 Accounting policies (continued)

Asset class	Amortisation method and rate
Goodwill	10 years straight line
Thirdeye Project development costs	5 years straight line

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.
Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.
Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.
Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

2 Accounting policies (continued)

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.
Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.
Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.
Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.
Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.
Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 29 (2016 - 43).

4 Intangible assets

	Goodwill £	Internally generated software development costs £	Total £
Cost or valuation			
At 1 April 2016	1,200,000	253,871	1,453,871
Additions internally developed	-	64,986	64,986
At 31 March 2017	1,200,000	318,857	1,518,857
Amortisation			
At 1 April 2016	560,000	98,296	658,296
Amortisation charge	120,000	31,495	151,495
Impairment	295,000	189,066	484,066
At 31 March 2017	975,000	318,857	1,293,857
Carrying amount			
At 31 March 2017	225,000	-	225,000
At 31 March 2016	640,000	155,575	795,575

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2016 - £Nil).

Impairment

Goodwill

The company intends to sell the major portion of its business after the year end and the Directors are seeking to launch a company voluntary arrangement. The company is therefore not a going concern and all assets have been written down to their net realisable value. The amount of impairment loss included in profit or loss is £295,000 (2016 - £Nil).

4 Intangible assets (continued)

Internally generated software development costs

The company intends to sell the major portion of its business after the year end and the Directors are seeking to launch a company voluntary arrangement. The company is therefore not a going concern and all assets have been written down to their net realisable value. The amount of impairment loss included in profit or loss is £189,066 (2016 - £Nil).

5 Tangible assets

	Land and buildings £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 April 2016	42,918	88,104	17,966	148,988
Additions	-	-	323	323
Disposals	-	(1,149)	-	(1,149)
At 31 March 2017	42,918	86,955	18,289	148,162
Depreciation				
At 1 April 2016	37,374	40,281	12,141	89,796
Charge for the year	5,544	11,956	2,017	19,517
At 31 March 2017	42,918	52,237	14,158	109,313
Carrying amount				
At 31 March 2017	-	34,718	4,131	38,849
At 31 March 2016	5,544	47,823	5,825	59,192

Included within the net book value of land and buildings above is £Nil (2016 - £5,544) in respect of short leasehold land and buildings.

6 Investments

	2017 £	2016 £
Investments in subsidiaries	-	99,180

6 Investments (continued)

Subsidiaries	£
Cost or valuation	
At 1 April 2016	99,180
Disposals	(99,180)
At 31 March 2017	-
Provision	
Carrying amount	
At 31 March 2017	-
At 31 March 2016	99,180

7 Debtors

	2017 £	2016 £
Trade debtors	299,484	348,855
Prepayments	100,796	40,092
Other debtors	69,317	197,906
	469,597	586,853

8 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	10	185,040	256,553
Trade creditors		216,519	265,677
Taxation and social security		52,862	143,051
Accruals and deferred income		44,983	257,647
Other creditors		29,540	65,078
		528,944	988,006

Creditors: amounts falling due after more than one year

	Note	2017 £	2016 £
Due after one year			
Loans and borrowings	10	820,503	234,584

9 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £0.10 each	21,732	2,173.20	14,732	1,473.20
Growth shares of £0.10 each	881	88.10	881	88.10
B Growth shares of £0.10 (2016 - £0) each	560	56.00	-	-
	23,173	2,317	15,613	1,561

10 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Finance lease liabilities	20,503	34,584
Other borrowings	800,000	200,000
	820,503	234,584

	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	-	3,390
Finance lease liabilities	14,080	14,220
Other borrowings	170,960	238,943
	185,040	256,553

11 Related party transactions

Transactions with directors

2017	At 1 April 2016 £	Advances to directors £	Repayments by director £	At 31 March 2017 £
D Beardsworth				
Director's loan	103,541	2,849	(40,283)	66,107

Directors' remuneration

The directors' remuneration for the year was as follows:

	2017 £	2016 £
Remuneration	134,400	254,704
Contributions paid to money purchase schemes	61	-
	134,461	254,704

12 Non adjusting events after the financial period

The company has agreed to sell its investigation services business to a third party, with an effective date of 1 January 2018. This comprises a large part of its business. Most of the proceeds will be on lengthy deferred terms and as a consequence the Directors have decided to launch a company voluntary arrangement.

13 Transition to FRS 102

Recalculation of Goodwill Amortisation.

Balance Sheet at 1 April 2015

	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Intangible assets	1,068,456	-	(220,000)	848,456
Tangible assets	109,150	-	-	109,150
Investments	99,180	-	-	99,180
	1,276,786	-	(220,000)	1,056,786
Current assets				
Debtors	315,903	-	-	315,903
Cash at bank and in hand	31,660	-	-	31,660
	347,563	-	-	347,563
Creditors: Amounts falling due within one year	(810,861)	-	-	(810,861)
Net current liabilities	(463,298)	-	-	(463,298)
Total assets less current liabilities	813,488	-	(220,000)	593,488
Creditors: Amounts falling due after more than one year	(256,373)	-	-	(256,373)
Net assets/(liabilities)	557,115	-	(220,000)	337,115
Capital and reserves				
Called up share capital	(1,213)	-	-	(1,213)
Share premium reserve	(1,335,620)	-	-	(1,335,620)
Profit and loss account	779,718	-	220,000	999,718
Total equity	(557,115)	-	220,000	(337,115)

13 Transition to FRS 102 (continued)

Balance Sheet at 31 March 2016

	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Intangible assets	1,075,576	-	(280,000)	795,576
Tangible assets	59,191	-	-	59,191
Investments	99,180	-	-	99,180
	1,233,947	-	(280,000)	953,947
Current assets				
Debtors	586,853	-	-	586,853
Cash at bank and in hand	177,427	-	-	177,427
	764,280	-	-	764,280
Creditors: Amounts falling due within one year	(988,006)	-	-	(988,006)
Net current liabilities	(223,726)	-	-	(223,726)
Total assets less current liabilities	1,010,221	-	(280,000)	730,221
Creditors: Amounts falling due after more than one year	(234,584)	-	-	(234,584)
Net assets/(liabilities)	775,637	-	(280,000)	495,637
Capital and reserves				
Called up share capital	(1,561)	-	-	(1,561)
Share premium reserve	(1,835,360)	-	-	(1,835,360)
Profit and loss account	1,061,284	-	280,000	1,341,284
Total equity	(775,637)	-	280,000	(495,637)

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.