

EXPERTRETURN LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MAY 2017

EXPERTRETURN LIMITED
REGISTERED NUMBER: 02463959

BALANCE SHEET
AS AT 31 MAY 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	2	-	113,456
Tangible assets	3	314,877	359,316
		<u>314,877</u>	<u>472,772</u>
Current assets			
Stocks	4	114,490	122,736
Debtors: amounts falling due within one year	5	228,702	206,740
Cash at bank and in hand		86,577	232,931
		<u>429,769</u>	<u>562,407</u>
Creditors: amounts falling due within one year	6	(255,095)	(290,733)
Net current assets		<u>174,674</u>	<u>271,674</u>
Total assets less current liabilities		<u>489,551</u>	<u>744,446</u>
Creditors: amounts falling due after more than one year	7	(6,290)	(60,667)
Provisions for liabilities			
Deferred tax	8	(30,181)	-
		<u>(30,181)</u>	<u>-</u>
Net assets		<u><u>453,080</u></u>	<u><u>683,779</u></u>
Capital and reserves			
Called up share capital	9	105	105
Profit and loss account		452,975	683,674
		<u><u>453,080</u></u>	<u><u>683,779</u></u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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BALANCE SHEET (CONTINUED)
AS AT 31 MAY 2017

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 by.

Mr A Mangal

Director

Date: 9 January 2018

The notes on pages 3 to 13 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

1. Accounting policies

1.1 Basis of preparation of 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 the Republic of Ireland and the Companies Act 2006.

The members have agreed to the preparation of abridged accounts for this accounting period in accordance with Section 444(2A) of the Companies Act 2006.

The following principal accounting policies have been applied:

1.2 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:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

1. Accounting policies (continued)

1.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of comprehensive income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

1.4 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

S/Term Leasehold Property	- Over the term of the lease
Plant & machinery	- 20% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures & fittings	- 15% reducing balance

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

1. Accounting policies (continued)

1.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

1.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.7 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 June 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

1.8 Pensions

Defined contribution pension plan

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 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

1. Accounting policies (continued)

1.9 Current and deferred taxation

The tax expense for the year 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

2. Intangible assets

	Goodwill £
Cost	
At 1 June 2016	283,640
At 31 May 2017	<u>283,640</u>
Amortisation	
At 1 June 2016	170,184
Charge for the year	113,456
At 31 May 2017	<u>283,640</u>
Net book value	
At 31 May 2017	<u>-</u>
At 31 May 2016	<u><u>113,456</u></u>

EXPERTRETURN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

3. Tangible fixed assets

	Land and buildings £	Other fixed assets £	Total £
Cost or valuation			
At 1 June 2016	180,070	467,922	647,992
At 31 May 2017	180,070	467,922	647,992
Depreciation			
At 1 June 2016	34,842	253,834	288,676
Charge for the year on owned assets	6,574	37,864	44,438
At 31 May 2017	41,416	291,698	333,114
Net book value			
At 31 May 2017	138,654	176,224	314,878
<i>At 31 May 2016</i>	<i>145,227</i>	<i>214,089</i>	<i>359,316</i>

4. Stocks

	2017 £	2016 £
Finished goods and goods for resale	114,490	122,736
	<u>114,490</u>	<u>122,736</u>

5. Debtors

	2017 £	2016 £
Trade debtors	150,888	157,805
VAT repayable	29,099	48,935
Directors' loan account	48,715	-
	<u>228,702</u>	<u>206,740</u>

EXPERTRETURN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

5. Debtors (continued)

Included within other debtors due within one year is a loan to the directors Mrs Urmil Mangal, Mr Alok Mangal and Mrs Alka Rikhi amounting to £48,715 (2016 - £NIL). The maximum amount outstanding during the year was £48,715. The directors will repay the loan by 27 February 2018.

6. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	52,307	50,237
Trade creditors	174,256	209,974
Corporation tax	396	155
Other taxation and social security	1,426	1,939
Directors' loan account	-	366
Other creditors and accruals	26,710	28,062
	<u>255,095</u>	<u>290,733</u>

7. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	6,290	60,667
	<u>6,290</u>	<u>60,667</u>

Secured loans

The bank loan has been secured by fixed and floating charges on the assets of the company.

8. Deferred taxation

	2017 £
Charged to profit or loss	30,181
At end of year	<u>30,181</u>

EXPERTRETURN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

8. Deferred taxation (continued)

The deferred taxation balance is made up as follows:

	2017 £
Accelerated capital allowances	30,181
	<u>30,181</u>

9. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
105 Ordinary shares of £1 each	<u>105</u>	<u>105</u>

10. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £156,065 (2016 - £178,888).

11. Related party transactions

During the year, the company paid dividends to the following directors:

	2017 £	2016 £
Mr A Mangal	18,000	18,000
Mrs A A Rikhi	18,000	18,000
Mrs U Mangal	18,000	18,000
	<u>54,000</u>	<u>54,000</u>

The directors' loan account was £48,715 debit (2016 - £366 credit) at 31 May 2016. Mr A Mangal, Mrs U

Mangal and Mrs A A Rikhi paid the company £1,419 (2015 - £Nil) in interest. The directors will repay the loan by 27 February 2018.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

12. Controlling party

The company was under the control of the directors Mr A Mangal (33.33% share), Mrs U Mangal (33.33% share) and Mrs A A Rikhi (33.33% share), by virtue of the fact that between them they own 100% of the issued share capital.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 June 2015. The impact of the transition to FRS 102 is as follows:

	As previously stated 31 May 2016	Effect of transition 31 May 2016	FRS 102 (as restated) 31 May 2016
Note	£	£	£
Fixed assets	472,772	-	472,772
Current assets	562,409	-	562,409
Creditors: amounts falling due within one year	(290,734)	-	(290,734)
Net current assets	271,675	-	271,675
Total assets less current liabilities	744,447	-	744,447
Creditors: amounts falling due after more than one year	(60,667)	-	(60,667)
Provisions for deferred tax	-	(36,642)	(36,642)
Net assets	683,780	(36,642)	647,138
Capital and reserves	683,780	(36,642)	647,138

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

13. First time adoption of FRS 102 (continued)

	Note	As previously stated 31 May 2016 £	Effect of transition 31 May 2016 £	FRS 102 (as restated) 31 May 2016 £
Turnover		2,126,652	-	2,126,652
Cost of sales		(1,248,095)	-	(1,248,095)
		<hr/>	<hr/>	<hr/>
		878,557	-	878,557
Administrative expenses		(802,277)	-	(802,277)
		20,755	-	20,755
Other operating income		<hr/>	<hr/>	<hr/>
		97,035	-	97,035
Operating profit		(33,174)	-	(33,174)
Amounts written off investments		1,284	-	1,284
Interest receivable and similar income		(5,602)	-	(5,602)
Interest payable and similar charges		(155)	(36,643)	(36,798)
Taxation		<hr/>	<hr/>	<hr/>
		59,388	(36,643)	22,745
Profit on ordinary activities after taxation and for the financial year		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Explanation of changes to previously reported profit and equity:

1 Deferred tax was not calculated for the year ended 31 May 2016.