REGISTERED NUMBER: 04547277

# UNAUDITED FINANCIAL STATEMENTS

# FOR THE YEAR ENDED 31 MARCH 2017

# FOR

# ROCHESTERS AUDIT SERVICES LIMITED

# CONTENTS OF THE FINANCIAL STATEMENTS
## For The Year Ended 31 March 2017

# ROCHESTERS AUDIT SERVICES LIMITED

## COMPANY INFORMATION
## For The Year Ended 31 March 2017

| | |
|---|---|
| **DIRECTORS:** | S G Rochester<br>P K Hewston |
| **SECRETARY:** | Mrs G M Rochester |
| **REGISTERED OFFICE:** | 13 Caroline Street<br>St. Paul's Square<br>Birmingham<br>West Midlands<br>B3 1TR |
| **REGISTERED NUMBER:** | 04547277 |

## BALANCE SHEET
## 31 March 2017

| | Notes | 2017 £ | 2017 £ | 2016 £ | 2016 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Intangible assets | 4 | | 315,000 | | 360,000 |
| Tangible assets | 5 | | 26,867 | | 41,342 |
| | | | 341,867 | | 401,342 |
| **CURRENT ASSETS** | | | | | |
| Stocks | | 32,850 | | 54,500 | |
| Debtors | 6 | 326,967 | | 339,450 | |
| Cash at bank and in hand | | 83,160 | | 103 | |
| | | 442,977 | | 394,053 | |
| **CREDITORS** | | | | | |
| Amounts falling due within one year | 7 | 332,680 | | 360,207 | |
| **NET CURRENT ASSETS** | | | 110,297 | | 33,846 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | 452,164 | | 435,188 |
| **CREDITORS** | | | | | |
| Amounts falling due after more than one year | 8 | | (142,851) | | (219,413) |
| **PROVISIONS FOR LIABILITIES** | | | (7,000) | | (7,000) |
| **NET ASSETS** | | | 302,313 | | 208,775 |
| **CAPITAL AND RESERVES** | | | | | |
| Called up share capital | | | 50,000 | | 50,000 |
| Retained earnings | | | 252,313 | | 158,775 |
| **SHAREHOLDERS' FUNDS** | | | 302,313 | | 208,775 |

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

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

The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) 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.



continued...

**BALANCE SHEET - continued**
**31 March 2017**

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 Board of Directors on 19 December 2017 and were signed on its behalf by:

S G Rochester - Director

## NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 March 2017

### 1. STATUTORY INFORMATION

Rochesters Audit Services Limited is a private company, limited by shares , registered in Not specified/Other. 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**
These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Significant judgements and estimates**
In the application of the company's accounting policies the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period, or in the period of revision and future periods if the revision effects both current and future periods.

In preparing these financial statements, the directors have made the following judgements:

The company reviews the carrying value of all assets for indications of impairment at each period. If indicators of impairment exist, the carrying value of the asset is subject to further testing to determine whether its carrying value exceeds it recoverable amount. This process will usually involve the estimation of future cash flows which are likely to be generated by the asset.

A provision is recognised when the company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a rate that reflects the time value of money and the risk specific to the liability.

Whether a present obligation is probable or not requires judgement. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

The directors have reviewed the asset lives and associated residual values of all fixed assets classes. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projects disposal values.

The directors do not believe there to be any significant estimates made in the preparation of these financial statements other than the consideration of provisions for potential bad debts.

**Turnover**
Turnover represents net invoiced sales of services, excluding value added tax, except in respect of service contracts where turnover is recognised when the company obtains the right to consideration.

**Goodwill**
Goodwill, being the amount paid in connection with the acquisition of a business in 2010, is being amortised over the estimated useful life which is now considered to be until 2024.

**Intangible assets**
Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.



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## 2. ACCOUNTING POLICIES - continued

**Tangible fixed assets**
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|---|---|
| Improvements to property | - 10% on cost |
| Fixtures and fittings | - 10% on cost |
| Computer equipment | - 25% on cost |

**Work in progress**
Work in progress is valued on the estimated completeness of a contract for service in accordance with UITF 40.

**Financial instruments**
(i) Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

(ii) Financial assets and liabilities

All financial assets and liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

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 company after deducting all its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit and loss, which are initially measured at fair value unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset at the balance sheet date when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments that have no stated interest rate and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. Other debt instruments not meeting these conditions are measure at fair value through profit and loss.

Commitments to make or receive loans which meet the conditions mentioned above are measure at cost less impairment.

Financial assets are derecognised when and only when the contractual rights to the cash flows for the financial asset expire or are settled, when the company transfers to another party substantially all the risks and rewards of ownership of the financial asset, or the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.



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2. **ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss.

For non-financial assets, the asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of the asset is the higher of its fair value less costs to sell and its value in use.

For financial assets carried at amortised costs, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for the decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 20 .



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## 4. INTANGIBLE FIXED ASSETS

| | Goodwill |
|---|---|
| | £ |
| **COST** | |
| At 1 April 2016 | |
| and 31 March 2017 | 1,000,000 |
| **AMORTISATION** | |
| At 1 April 2016 | 640,000 |
| Amortisation for year | 45,000 |
| At 31 March 2017 | 685,000 |
| **NET BOOK VALUE** | |
| At 31 March 2017 | 315,000 |
| At 31 March 2016 | 360,000 |

## 5. TANGIBLE FIXED ASSETS

| | Improvements to property | Fixtures and fittings | Computer equipment | Totals |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **COST** | | | | |
| At 1 April 2016 | 9,812 | 82,371 | 54,966 | 147,149 |
| Additions | - | - | 2,986 | 2,986 |
| At 31 March 2017 | 9,812 | 82,371 | 57,952 | 150,135 |
| **DEPRECIATION** | | | | |
| At 1 April 2016 | 9,205 | 50,050 | 46,552 | 105,807 |
| Charge for year | 607 | 8,237 | 8,617 | 17,461 |
| At 31 March 2017 | 9,812 | 58,287 | 55,169 | 123,268 |
| **NET BOOK VALUE** | | | | |
| At 31 March 2017 | - | 24,084 | 2,783 | 26,867 |
| At 31 March 2016 | 607 | 32,321 | 8,414 | 41,342 |

## 6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| Trade debtors | 274,352 | 294,534 |
| Other debtors | 52,615 | 44,916 |
| | 326,967 | 339,450 |



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## 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts | 12,814 | 39,048 |
| Trade creditors | 44,672 | 50,223 |
| Taxation and social security | 146,947 | 131,906 |
| Other creditors | 128,247 | 139,030 |
| | 332,680 | 360,207 |

## 8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| Bank loans | 57,499 | 134,061 |
| Other creditors | 85,352 | 85,352 |
| | 142,851 | 219,413 |

## 9. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| Within one year | 44,109 | 39,969 |
| Between one and five years | 25,382 | 5,325 |
| | 69,491 | 45,294 |

## 10. SECURED DEBTS

The following secured debts are included within creditors:

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| Bank overdraft | - | 21,546 |
| Bank loans | 70,313 | 151,563 |
| | 70,313 | 173,109 |

## 11. FIRST YEAR ADOPTION

This is the first year that the Company has presented its financial statements under the Financial Reporting Standard 102 Section 1A (FRS 102 Section 1A) issued by the Financial Reporting Council. The last financial statements under previous UK GAAP were for the year ended 31 March 2016 and the date of transition was therefore 1 April 2015. As a consequence of adopting FRS 102 Section 1A the directors do not consider the transitional adjustments to have had any material effect on the financial statements and therefore no transitional adjustments have been made to equity or the profit and loss.