

Company Registration No. 05027747 (England and Wales)

ABSOLUTE FINANCIAL MANAGEMENT LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017
PAGES FOR FILING WITH REGISTRAR

ABSOLUTE FINANCIAL MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	Mr M Eaton Mr S R Watt Mrs H Broad	(Appointed 25 August 2016)
Secretary	Mr S R Watt	
Company number	05027747	
Registered office	The Bull Yard r/o 75 High Street Ashford Kent TN24 8SN	
Accountants	McPhersons CFG Limited The Creative Media Centre 45 Robertson Street Hastings East Sussex TN34 1HL	
Business address	The Bull Yard r/o 75 High Street Ashford Kent TN24 8SN	

ABSOLUTE FINANCIAL MANAGEMENT LIMITED

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ABSOLUTE FINANCIAL MANAGEMENT LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 JANUARY 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Intangible assets			473,912		72,236
Tangible assets	4		165,529		173,941
Current assets					
Debtors	5	109,775		41,173	
Cash at bank and in hand		129,606		15,161	
		<u>239,381</u>		<u>56,334</u>	
Creditors: amounts falling due within one year	6	<u>(277,489)</u>		<u>(87,818)</u>	
Net current liabilities			<u>(38,108)</u>		<u>(31,484)</u>
Total assets less current liabilities			601,333		214,693
Creditors: amounts falling due after more than one year	7		(362,988)		(106,564)
Provisions for liabilities			<u>(4,134)</u>		<u>(5,985)</u>
Net assets			<u>234,211</u>		<u>102,144</u>
Capital and reserves					
Called up share capital	8		200		110
Revaluation reserve			44,957		44,957
Profit and loss reserves			189,054		57,077
Total equity			<u>234,211</u>		<u>102,144</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

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

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

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.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

ABSOLUTE FINANCIAL MANAGEMENT LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 JANUARY 2017

The financial statements were approved by the board of directors and authorised for issue on 18 September 2017 and are signed on its behalf by:

Mr S R Watt
Director

Company Registration No. 05027747

ABSOLUTE FINANCIAL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2017

1 Accounting policies

Company information

Absolute Financial Management Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Bull Yard, r/o 75 High Street, Ashford, Kent, TN24 8SN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 January 2017 are the first financial statements of Absolute Financial Management Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 February 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 10.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

ABSOLUTE FINANCIAL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings freehold	2% on cost (buildings only)
Fixtures and fittings	15% on a reducing balance basis
Computer equipment	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets 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. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes 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 an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ABSOLUTE FINANCIAL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

1 Accounting policies

(Continued)

Basic financial assets

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, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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 of its liabilities.

Basic financial 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 payments 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.

1.8 Equity instruments

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.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

ABSOLUTE FINANCIAL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 11 (2016 - 11).

ABSOLUTE FINANCIAL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 February 2016	160,524
Additions	455,265
At 31 January 2017	615,789
Amortisation and impairment	
At 1 February 2016	88,288
Amortisation charged for the year	53,589
At 31 January 2017	141,877
Carrying amount	
At 31 January 2017	473,912
At 31 January 2016	72,236

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 February 2016	165,000	55,060	220,060
Additions	-	965	965
At 31 January 2017	165,000	56,025	221,025
Depreciation and impairment			
At 1 February 2016	9,892	36,227	46,119
Depreciation charged in the year	2,473	6,904	9,377
At 31 January 2017	12,365	43,131	55,496
Carrying amount			
At 31 January 2017	152,635	12,894	165,529
At 31 January 2016	155,108	18,833	173,941

5 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Other debtors	109,775	41,173

ABSOLUTE FINANCIAL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

6 Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	5,638	5,504
Trade creditors	7,405	4,123
Corporation tax	52,524	38,133
Other taxation and social security	3,201	2,268
Other creditors	208,721	37,790
	<u>277,489</u>	<u>87,818</u>

7 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	100,672	106,564
Other creditors	262,316	-
	<u>362,988</u>	<u>106,564</u>

8 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
89 Ordinary A shares of £1 each	89	100
10 Ordinary B shares of £1 each	10	5
10 Ordinary C shares of £1 each	10	5
2 Ordinary D shares of £1 each	2	-
89 Ordinary E shares of £1 each	89	-
	<u>200</u>	<u>110</u>

During the year 39 Ordinary A & E shares each of £1 each, 5 Ordinary B & C shares each of £1 each and 2 Ordinary D shares of £1 each were issued.

ABSOLUTE FINANCIAL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

9 Directors' transactions

Loans have been granted by the company to its directors as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Interest charged £	Amounts repaid £	Closing balance £
Mr M Eaton	3.00	18,004	54,326	1,068	(27,713)	45,685
Mr S R Watt	3.00	17,370	54,325	1,063	(27,593)	45,165
		<u>35,374</u>	<u>108,651</u>	<u>2,131</u>	<u>(55,306)</u>	<u>90,850</u>

10 Reconciliations on adoption of FRS 102

Reconciliation of equity

	Notes	1 February 2015 £	31 January 2016 £
Equity as reported under previous UK GAAP		73,765	105,011
Adjustments arising from transition to FRS 102:			
Deferred tax on revaluation	1	-	(2,867)
Equity reported under FRS 102		<u>73,765</u>	<u>102,144</u>

Notes to reconciliations on adoption of FRS 102

1. Deferred tax on revaluation

Deferred tax has been provided on the property revaluation.

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.