

COMPANY REGISTRATION NUMBER: 05382525

**Mutual Advantage Limited**  
**Filleted Unaudited Financial Statements**  
**31 March 2017**

# **Mutual Advantage Limited**

## **Financial Statements**

**Year ended 31 March 2017**

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# **Mutual Advantage Limited**

## **Chartered Accountant's Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Mutual Advantage Limited**

### **Year ended 31 March 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Mutual Advantage Limited for the year ended 31 March 2017, which comprise the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us. As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [www.icaew.com/en/membership/regulations-standards-and-guidance](http://www.icaew.com/en/membership/regulations-standards-and-guidance). This report is made solely to the Board of Directors of Mutual Advantage Limited, as a body, in accordance with the terms of our engagement letter dated 2 December 2014. Our work has been undertaken solely to prepare for your approval the financial statements of Mutual Advantage Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at [www.icaew.com/compilation](http://www.icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Mutual Advantage Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Mutual Advantage Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Mutual Advantage Limited. You consider that Mutual Advantage Limited is exempt from the statutory audit requirement for the year. We have not been instructed to carry out an audit or a review of the financial statements of Mutual Advantage Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

MOORE GREEN Chartered accountant  
22 Friars Street Sudbury Suffolk CO10 2AA  
7 December 2017

# Mutual Advantage Limited

## Statement of Financial Position

**31 March 2017**

		2017	2016
	Note	£	£
<b>Fixed assets</b>			
Intangible assets	4	22,443	53,108
Tangible assets	5	2,993	3,991
		-----	-----
		25,436	57,099
<b>Current assets</b>			
Debtors	6	447	—
Cash at bank and in hand		9,191	16,657
		-----	-----
		9,638	16,657
<b>Creditors: amounts falling due within one year</b>	7	6,137	56,689
		-----	-----
<b>Net current assets/(liabilities)</b>		3,501	( 40,032)
		-----	-----
<b>Total assets less current liabilities</b>		28,937	17,067
<b>Creditors: amounts falling due after more than one year</b>	8	25,000	25,000
<b>Provisions</b>			
Taxation including deferred tax		327	—
		-----	-----
<b>Net assets/(liabilities)</b>		3,610	( 7,933)
		-----	-----
<b>Capital and reserves</b>			
Called up share capital		200	200
Profit and loss account		3,410	( 8,133)
		-----	-----
<b>Shareholders funds/(deficit)</b>		3,610	( 7,933)
		-----	-----

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the 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 financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

**Mutual Advantage Limited**  
**Statement of Financial Position** *(continued)*

**31 March 2017**

These financial statements were approved by the board of directors and authorised for issue on 24 November 2017  
, and are signed on behalf of the board by:

Mr K D Polley

Director

Company registration number: 05382525

# **Mutual Advantage Limited**

## **Notes to the Financial Statements**

**Year ended 31 March 2017**

### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 22 Friars Street, Sudbury, Suffolk, CO10 2AA. The trading address is Suite 4, Bank Buildings Business Centre, Station Road, Sudbury, Suffolk, CO10 2SP.

### **2. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 10.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

#### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

### **Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

### **Amortisation**

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

Software	-	Straight line over 10 years
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

## **Depreciation**

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

Motor vehicles	-	25% reducing balance
Equipment	-	25% reducing balance

## **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

## **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.



### 3. Employee numbers

The average number of persons employed by the company during the year amounted to 2 (2016: 2 ).

### 4. Intangible assets

	Development costs £
<b>Cost</b>	
At 1 April 2016	66,386
Additions	—
Other movements	( 30,477)
<b>At 31 March 2017</b>	<b>35,909</b>
<b>Amortisation</b>	
At 1 April 2016	13,278
Charge for the year	188
<b>At 31 March 2017</b>	<b>13,466</b>
<b>Carrying amount</b>	
<b>At 31 March 2017</b>	<b>22,443</b>
At 31 March 2016	53,108

The intangible assets were impaired in the current year following the company identifying that the original agreement contained flaws and a number of points have not been delivered or were essentially miss-sold such that the value original charged and included in the accounts was inflated as a result. The outstanding balance owed by the company for the asset will now not be paid and has been removed from liabilities. This amount is the value of the impairment and the residual intangible asset value equates to the actual amount paid by the company to date for the asset.

### 5. Tangible assets

	Motor vehicles £	Equipment £	Total £
<b>Cost</b>			
<b>At 1 April 2016 and 31 March 2017</b>	300	10,499	<b>10,799</b>
<b>Depreciation</b>			
At 1 April 2016	288	6,520	<b>6,808</b>
Charge for the year	3	995	<b>998</b>
<b>At 31 March 2017</b>	291	7,515	<b>7,806</b>
<b>Carrying amount</b>			
<b>At 31 March 2017</b>	9	2,984	<b>2,993</b>
At 31 March 2016	12	3,979	3,991

### 6. Debtors

	2017 £	2016 £
Other debtors	447	—

**7. Creditors: amounts falling due within one year**

	2017	2016
	£	£
Trade creditors	1,130	243
Corporation tax	970	1
Other creditors	4,037	56,445
	-----	-----
	6,137	56,689
	-----	-----

**8. Creditors: amounts falling due after more than one year**

	2017	2016
	£	£
Directors current account > 1 year - K Polley	25,000	25,000
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**9. Directors' advances, credits and guarantees**

There are no such transactions for the accounting period.

**10. Transition to FRS 102**

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2015.

No transitional adjustments were required in equity or profit or loss for the year.

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.