

**Elliott Reeve Hairdressing Limited**  
**Filleted Unaudited Abridged Financial Statements**  
**31 March 2017**

**MURAS BAKER JONES LIMITED**

Chartered accountant  
Regent House  
Bath Avenue  
Wolverhampton  
West Midlands  
WV1 4EG



# **Elliott Reeve Hairdressing Limited**

## **Abridged Financial Statements**

**Year ended 31 March 2017**

<b>Contents</b>	<b>Pages</b>
Abridged statement of financial position	<b>1 to 2</b>
Notes to the abridged financial statements	<b>3 to 8</b>

# Elliott Reeve Hairdressing Limited

## Abridged Statement of Financial Position

31 March 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets	5	259,000	296,000
Tangible assets	6	256,232	279,767
		<u>515,232</u>	<u>575,767</u>
<b>Current assets</b>			
Stocks		65,250	61,317
Debtors		268,325	223,880
Cash at bank and in hand		15,814	504
		<u>349,389</u>	<u>285,701</u>
<b>Creditors: amounts falling due within one year</b>		<u>424,065</u>	<u>400,446</u>
<b>Net current liabilities</b>		<u>74,676</u>	<u>114,745</u>
<b>Total assets less current liabilities</b>		<u>440,556</u>	<u>461,022</u>
<b>Creditors: amounts falling due after more than one year</b>		200,000	200,000
<b>Provisions</b>			
Taxation including deferred tax		45,000	16,600
<b>Net assets</b>		<u>195,556</u>	<u>244,422</u>
<b>Capital and reserves</b>			
Called up share capital		2	2
Profit and loss account		195,554	244,420
<b>Shareholders funds</b>		<u>195,556</u>	<u>244,422</u>

These abridged 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 income and retained earnings 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 abridged 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 abridged financial statements.

The abridged statement of financial position  
continues on the following page.

The notes on pages 3 to 8 form part of these abridged financial statements.

# Elliott Reeve Hairdressing Limited

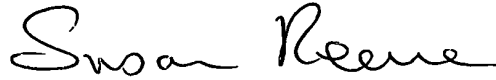
## Abridged Statement of Financial Position *(continued)*

31 March 2017

These abridged financial statements were approved by the board of directors and authorised for issue on 21 December 2017, and are signed on behalf of the board by:



Paul Elliott  
Director



Susan Reeve  
Director

Company registration number: 06549785

The notes on pages 3 to 8 form part of these abridged financial statements.

# **Elliott Reeve Hairdressing Limited**

## **Notes to the Abridged 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 9 The Courtyard, Buntsford Drive, Bromsgrove, B60 3DJ.

### **2. Statement of compliance**

These abridged financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **3. Accounting policies**

#### **Basis of preparation**

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

#### **Abridged financial statements**

All of the members of Elliott Reeve Hairdressing Limited have consented to the preparation of the abridged statement of financial position for the year ending 31 March 2017 in accordance with Section 444(2A) of the Companies Act 2006.

#### **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.

#### **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.

**Elliott Reeve Hairdressing Limited**

## Notes to the Abridged Financial Statements (continued)

Year ended 31 March 2017

### 3. Accounting policies (continued)

**Income tax (continued)**

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.

## Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

## Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

## 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:

Goodwill - - Straight line 10 years

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.

# Elliott Reeve Hairdressing Limited

## Notes to the Abridged Financial Statements *(continued)*

Year ended 31 March 2017

### 3. Accounting policies *(continued)*

#### **Tangible assets *(continued)***

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:

Fixtures and fittings                      -     5% 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.

#### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### **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 abridged statement of financial position and the amount of the provision as an expense.

# Elliott Reeve Hairdressing Limited

## Notes to the Abridged Financial Statements *(continued)*

Year ended 31 March 2017

### 3. Accounting policies *(continued)*

#### Provisions *(continued)*

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.

### 4. Employee numbers

The average number of persons employed by the company during the year amounted to 107 (2016: 127).

### 5. Intangible assets

	£
<b>Cost</b>	
At 1 April 2016 and 31 March 2017	<u>370,000</u>
<b>Amortisation</b>	
At 1 April 2016	74,000
Charge for the year	<u>37,000</u>
At 31 March 2017	<u>111,000</u>
<b>Carrying amount</b>	
At 31 March 2017	<u>259,000</u>
At 31 March 2016	<u>296,000</u>

### 6. Tangible assets

	£
<b>Cost</b>	
At 1 April 2016	355,195
Additions	6,980
Disposals	<u>(20,395)</u>
At 31 March 2017	<u>341,780</u>
<b>Depreciation</b>	
At 1 April 2016	75,428
Charge for the year	13,981
Disposals	<u>(3,861)</u>
At 31 March 2017	<u>85,548</u>
<b>Carrying amount</b>	
At 31 March 2017	<u>256,232</u>
At 31 March 2016	<u>279,767</u>

# Elliott Reeve Hairdressing Limited

## Notes to the Abridged Financial Statements *(continued)*

Year ended 31 March 2017

### 7. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 £	2016 £
Not later than 1 year	221,895	239,038
Later than 1 year and not later than 5 years	340,972	501,316
Later than 5 years	131,322	183,822
	<u>694,189</u>	<u>924,176</u>

### 8. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2017			
	Balance brought forward £	Advances/ (credits) to the directors £	Amounts repaid £	Balance outstanding £
Paul Elliott	35,392	36,000	(36,000)	35,392
Susan Reeve	35,239	36,053	(36,000)	35,292
	<u>70,631</u>	<u>72,053</u>	<u>(72,000)</u>	<u>70,684</u>

	2016			
	Balance brought forward £	Advances/ (credits) to the directors £	Amounts repaid £	Balance outstanding £
Paul Elliott	–	35,392	–	35,392
Susan Reeve	–	35,239	–	35,239
	<u>–</u>	<u>70,631</u>	<u>–</u>	<u>70,631</u>

The balance outstanding from Paul Elliott will be repaid during the financial year ended 31 March 2018.

The balance outstanding from Susan Reeve is to be set off against a loan of £200,000 she has made to the company, which is disclosed in creditors amounts falling due after more than one year.

### 9. Related party transactions

Creditors falling due after more than one year include a loan to the company of £200,000 from Susan Reeve. Interest on the loan is charged at 3% per annum and the accounts include £12,000 (2016 - £nil) payable to Susan Reeve in this respect.

# **Elliott Reeve Hairdressing Limited**

## **Notes to the Abridged Financial Statements *(continued)***

**Year ended 31 March 2017**

### **10. Transition to FRS 102**

These are the first abridged 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.