

Bhatia Best Limited

Report and Financial Statements

Year Ended

31 March 2016

Company Number 07162857

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COMPANIES HOUSE

Bhatia Best Limited

Company Information

Directors	A Bhatia M J Best
Registered number	07162857
Registered office	12 Carrington Street Nottingham Nottinghamshire NG1 7FF
Independent auditor	BDO LLP Regent House Clinton Avenue Nottingham NG5 1AZ

Bhatia Best Limited

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Bhatia Best Limited
Registered number:07162857

Balance Sheet
As at 31 March 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Intangible assets	4		-		757,400
Current assets					
Debtors amounts falling due within one year	5	1,419,941		1,484,229	
Cash at bank and in hand	6	1,640,224		1,082,195	
		<u>3,060,165</u>		<u>2,566,424</u>	
Creditors amounts falling due within one year	7	(809,507)		(1,151,075)	
Net current assets			<u>2,250,658</u>		<u>1,415,349</u>
Total assets less current liabilities			<u>2,250,658</u>		<u>2,172,749</u>
Net assets			<u><u>2,250,658</u></u>		<u><u>2,172,749</u></u>
Capital and reserves					
Called up share capital	9	1,501,000		1,501,000	
Profit and loss account	10	749,658		671,749	
			<u><u>2,250,658</u></u>		<u><u>2,172,749</u></u>

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

The Company has opted not to file the profit and loss account in accordance with the provisions applicable to companies subject to small companies' regime

The report of the auditor on the full financial statements prepared for shareholders was signed by Richard Wilson, Senior Statutory Auditor, for and on behalf of BDO LLP (statutory auditor) and was unqualified

The financial statements were approved and authorised for issue by the board and were signed on its behalf by

.....
A Bhatia
Director
Date

15/12/2016

The notes on pages 2 to 7 form part of these financial statements

Bhatia Best Limited

Notes to the Financial Statements For the Year Ended 31 March 2016

1. General information

Bhatia Best Limited is a company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the company information page.

2 Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention 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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

Information on the impact of the first time adoption of FRS102 is given in note 14.

The following principal accounting policies have been applied:

2.2 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 value added tax.

Long term contracts

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 (by reference to contractual terms) 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, and,
- the stage of completion of the contract at the end of the reporting period can be measured reliably by reference to actual stage completed or the percentage of completion at the reporting date.

Amounts recoverable on long term contracts, included under debtors, comprises any excess of cumulative work done for a contract over cumulative payments on account for that contract and after provision for any losses.

Where cumulative payments on account exceed work done for a contract, the excess is included in creditors as payments received on account.

Bhatia Best Limited

Notes to the Financial Statements For the Year Ended 31 March 2016

2 Accounting policies (continued)

2.3 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.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.6 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.7 Creditors

Creditors are obligation to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

2.8 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest method.

Bhatia Best Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2016**

2. Accounting policies (continued)

2.9 Taxation

Tax is recognised in the Profit and Loss Account, except that a change 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

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the process of applying the company's accounting policies, the company is required to make certain judgements, estimates and assumptions that it believes are reasonable based on the information available. The significant judgments relate to the following

Revenue recognition and valuation of long term contracts

The company uses the percentage of completion method in accounting for its contracts. Use of the percentage of completion method requires the company to estimate the value of work performed to date as a proportion of the total work to be performed. The estimation of the revenue and profit recognition by reference to the stage of completion can involve considerable judgement and the company reviews these estimates and assumptions as each contract progresses.

Bhatia Best Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2016**

4. Intangible assets

	Goodwill
	£
Cost	
At 1 April 2015	4,544,900
At 31 March 2016	<u>4,544,900</u>
Amortisation	
At 1 April 2015	3,787,500
Charge for the year	757,400
At 31 March 2016	<u>4,544,900</u>
Net book value	
At 31 March 2016	<u>-</u>
At 31 March 2015	<u>757,400</u>

5 Debtors

	2016	2015
	£	£
Trade debtors	262,616	191,869
Other debtors	65,660	132,418
Amounts recoverable on long term contracts	1,091,665	1,159,942
	<u>1,419,941</u>	<u>1,484,229</u>

6. Cash and cash equivalents

	2016	2015
	£	£
Cash at bank and in hand	<u>1,640,224</u>	<u>1,082,195</u>

Bhatia Best Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2016**

7. Creditors: Amounts falling due within one year

	2016 £	2015 £
Other loans	189,797	615,863
Trade creditors	1,382	11,412
Corporation tax	208,247	226,410
Taxation and social security	294,479	261,694
Other creditors	115,602	35,696
	<u>809,507</u>	<u>1,151,075</u>

Other loans relate to directors loan accounts

8. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>1,968,500</u>	<u>1,406,482</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(306,781)</u>	<u>(662,971)</u>

Financial assets measured at amortised cost comprise of cash and equivalents , trade debtors and other debtors

Financial Liabilities measured at amortised cost comprise of other loans, trade creditors and other creditors

9. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
900,600 A Ordinary shares of £1 each	900,600	900,600
600,400 B Ordinary shares of £1 each	600,400	600,400
	<u>1,501,000</u>	<u>1,501,000</u>

Bhatia Best Limited

Notes to the Financial Statements For the Year Ended 31 March 2016

10. Reserves

Profit & loss account

All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere

11. Pension commitments

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company in an independently administered fund

12. Related party transactions

The company occupies properties owned by A Bhatia and M J Best, the directors of the company, and operates from these premises. No rent is charged to the company by the directors in respect of these properties.

Included within other loans at the year end is a balance of £14,200 (2015 - £270,302) owed by the company to A Bhatia, a director of the company.

Included within other loans at the year end is a balance of £175,616 (2015 - £345,561) owed by the company to M J Best, a director of the company.

13. Controlling party

The controlling part is A Bhatia, a director of the company, by virtue of his majority shareholding.

14. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.