

Registered number: 08986653

**BRITISH EAST ASIAN COUNCIL
UNAUDITED FINANCIAL STATEMENTS
30 APRIL 2017**

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BRITISH EAST ASIAN COUNCIL

REGISTERED NUMBER:08986653

**BALANCE SHEET
AS AT 30 APRIL 2017**

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	470,721	529,634
Current assets			
Debtors: amounts falling due after one year	6	274,622	274,622
Debtors: amounts falling due within one year	6	55,273	177,207
Cash at bank and in hand		26,289	543,250
		<u>356,184</u>	<u>995,079</u>
Creditors: amounts falling due within one year	7	(878,440)	(38,984)
Net current (liabilities)/assets		<u>(522,256)</u>	<u>956,095</u>
Total assets less current liabilities		<u>(51,535)</u>	<u>1,485,729</u>
Creditors: amounts falling due after more than one year	8	(737,530)	(1,768,655)
Net liabilities		<u><u>(789,065)</u></u>	<u><u>(282,926)</u></u>

BRITISH EAST ASIAN COUNCIL

REGISTERED NUMBER:08986653

**BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2017**

	Note	2017 £	2016 £
Capital and reserves			
Other reserves		158,240	-
Profit and loss account		(947,305)	(282,926)
Total equity		<u>(789,065)</u>	<u>(282,926)</u>

The director considers that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and in accordance with Section 1A of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the sole director and were signed by:

R Dennis CBE
Director

Date:

16-1-2018

The notes on pages 4 to 10 form part of these financial statements.

BRITISH EAST ASIAN COUNCIL
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2017

	Other reserves £	Profit and loss account £	Total equity £
Comprehensive income for the year			
Loss for the year	-	(282,926)	(282,926)
Total comprehensive income for the year	-	(282,926)	(282,926)
At 1 May 2016	-	(282,926)	(282,926)
Comprehensive income for the year			
Loss for the year	-	(664,379)	(664,379)
Total comprehensive income for the year	-	(664,379)	(664,379)
Capital contribution	158,240	-	158,240
Total transactions with owners	158,240	-	158,240
At 30 April 2017	158,240	(947,305)	(789,065)

BRITISH EAST ASIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

1. General information

British East Asian Council is a private company limited by guarantee registered in England and Wales. Its principal place of business is 2nd floor, 6 Grosvenor Street, Mayfair, London, W1K 4PZ.

The financial statements are presented in Sterling (£).

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 United Kingdom and the Republic of Ireland ("FRS 102") and the Companies Act 2006.

This is the first year that the financial statements have been prepared under FRS 102. Information on the impact of the first-time adoption of FRS 102 is given in note .

The following principal accounting policies have been applied:

2.2 Going concern

At 30 April 2017 the company had net liabilities of £947,305. The company continues to trade with the support of its member who has confirmed that such support will be forthcoming for the foreseeable future, being a period of not less than twelve months from the date that these financial statements are approved. Consequently the going concern basis remains appropriate.

2.3 Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short term leasehold improvements	- 5 years straight line basis
Fixtures and fittings	- 5 years straight line basis
Computer equipment	- 3 years straight line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account.

BRITISH EAST ASIAN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017

2. Accounting policies (continued)

2.4 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial 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 of its liabilities.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances, intercompany working capital balances, and intercompany financing are initially recognised at transaction price, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade and other 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

BRITISH EAST ASIAN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017

2. Accounting policies (continued)

2.4 Financial instruments (continued)

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

2.5 Operating leases

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.8 Finance costs

Finance costs are charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

BRITISH EAST ASIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

3. Employees

The average monthly number of employees, including the director, during the year was 1 (2016 - 1).

4. Tangible fixed assets

	Short term leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 May 2016	371,355	68,293	92,890	532,538
Additions	2,745	72,229	-	74,974
At 30 April 2017	374,100	140,522	92,890	607,512
Depreciation				
At 1 May 2016	1,804	337	763	2,904
Charge for the year	74,820	28,104	30,963	133,887
At 30 April 2017	76,624	28,441	31,726	136,791
Net book value				
At 30 April 2017	297,476	112,081	61,164	470,721
At 30 April 2016	369,551	67,956	92,127	529,634

5. Taxation

Factors affecting tax charge for the year

The company is a not for profit entity and as such is not liable to corporation tax.

BRITISH EAST ASIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

6. Debtors

	2017 £	2016 £
Due after more than one year		
Other debtors	274,622	274,622
Due within one year		
Other debtors	14,392	143,927
Prepayments and accrued income	40,881	33,280
	<u>329,895</u>	<u>451,829</u>

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	850,000	-
Other creditors	22,885	22,885
Accruals	5,555	16,099
	<u>878,440</u>	<u>38,984</u>

The bank loan is unsecured and bears interest at bank base rate plus 0.6%.

8. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	-	850,000
Other loans	691,760	850,000
Other creditors	45,770	68,655
	<u>737,530</u>	<u>1,768,655</u>

The bank loan is unsecured and bears interest at bank base rate plus 0.6%.

9. Company status

The company is a private company limited by guarantee and consequently does not have a share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation in the period they are a member or within twelve months of ceasing to be a member.

BRITISH EAST ASIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

10. Commitments under operating leases

At 30 April 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	228,852	228,852
Later than 1 year and not later than 5 years	457,703	686,555
	<u>686,555</u>	<u>915,407</u>

11. Controlling party

The ultimate controlling party is R Dennis CBE.

BRITISH EAST ASIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

12. Related party transactions

Transactions with related parties are as follows:

Name (relationship)	Transaction	Amount		Amount due (to)/from related parties	
		2017	2016	2017	2016
		£	£	£	£
Logically Applied Solutions Limited (Common control)	Loan	-	850,000	(850,000)	(850,000)

Amounts owed to related parties are unsecured, interest free and due for repayment on demand by the lender at any time at which the borrower has the funds available to do so.