

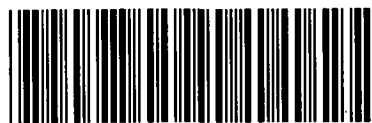
Currie & Brown (Japan) Limited

AMENDED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR

ENDED 31 DECEMBER 2017

TUESDAY



L7K2IQQG

LD2

04/12/2018

#108

COMPANIES HOUSE

Currie & Brown (Japan) Limited
Financial statements for the year ended 31 December 2017

Company Information

Directors	D A Broomer R Fuller E Tan
Company Secretary	S Hogg
Registered Number	01593542
Registered Office	40 Holborn Viaduct London EC1N 2PB
Auditors	Ernst & Young LLP 1 More London Place London SE1 2AF
Bankers	Citibank 2F Hiroo Plaza 5-6-6 Hiroo Shibuya-ku Tokyo 150-0012

Currie & Brown (Japan) Limited
Financial statements for the year ended 31 December 2017

Contents

	Page
Strategic report	1
Directors' report	3
Directors' responsibilities statement	5
Independent auditor's report	6
Income statement and statement of other comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11

Strategic report

The directors present their strategic report for Currie & Brown (Japan) Limited (the "Company") for the year ended 31 December 2017.

Principal activities

The principal activities of the Company continue to be that of carrying on the business of Quantity Surveyors, Cost Consultants and Project Managers in Japan and the Far East.

Results for the year and business review

The loss for the year after taxation is £46,418 (2016: profit of £329,713). The business continues to benefit from strengthened relationships with major blue chip technical sector clients, achieving a gross profit margin of 18% compared with 20% in 2016. Administrative expenses are significantly higher due to the adverse effect of exchange rates, resulting in reduced profit before tax of £19,417, compared with £352,044 in 2016. As a result, net assets have reduced to £273,742 (2016: £339,652).

Key performance indicators

Key performance measures have been identified to bring focus to the delivery of the Company's objectives, including the following:

- Turnover growth;
- Gross and net margins;
- Cash generation and working capital control; and
- Training delivery and uptake.

The long-term objective continues to be to grow profits, margins and cash. The Board continues to monitor performance and to take action wherever necessary.

Principal risks and uncertainties

During the year, the Company operated as part of the Currie & Brown group of companies, and the directors identified the following risks and uncertainties:

Delivery risk

The Company manages the delivery of its services to its clients by implementing controls to monitor project progress and profitability.

Credit risk

In order to manage credit risk, all significant new clients are required to be referred to the Company's credit control function for a financial reference. In addition, credit control also reviews overdue balances regularly with the Board.

Currency risk

The Company is exposed to foreign exchange risk. Transaction exposures, including those associated with forecast transactions, are hedged when known by holding designated foreign currency cash balances against future known commitments.

Strategic report (continued)

Liquidity risk

The Company seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet foreseeable needs.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'D A Broome', with a long horizontal flourish extending to the left.

D A Broome
Director
20 November 2018

Directors' report

The directors present their report and the financial statements for the year ended 31 December 2017. These financial statements are amended and replace the original financial statements previously filed on 28 August 2018. These are now the statutory accounts and are prepared as they were at the date of the original financial statements.

Directors

The directors who served the Company during the year and up to the date of this report are set out below.

D A Broomer
R Fuller
E Tan

Dividends

The directors do not recommend payment of a dividend (2016: £nil).

Going concern

The Company has net assets as at 31 December 2017 of £273,742 (2016: £339,652). No material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern have been identified by the directors. In making this assessment the directors note that the Company also has access to the financial resources of its intermediate parent undertaking, Currie & Brown Holdings Limited ("CBH"). CBH has confirmed its ongoing financial support in writing for a period of at least twelve months from the date of approval of the financial statements. On the basis of their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Indemnity insurance

The group has purchased insurance for the directors and officers of the Company against liability arising for wrongful acts in relation to the Company, subject to the conditions set out in s234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Employee involvement

During the year, the policy of providing employees with information about the company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the company's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

Disabled employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Directors' report (continued)

Disclosure of information to auditors

The Directors who were members of the board at the time of approving the directors' report are listed above. Having made enquiries of fellow directors and the Company's auditors, each of these directors confirms that:

- So far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- They have taken all the steps that ought to have been taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditor

In accordance with s.485 of the Companies Act 2006, a resolution is to be proposed at the meeting of the Board of Directors for reappointment of Ernst & Young LLP as auditors of the company.

ON BEHALF OF THE BOARD



D A Broome
Director
20 November 2018

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and Applicable Laws) including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). Under company law the directors must not approve the financial statements until they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS101 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of Currie & Brown (Japan) Limited

Opinion

We have audited the revised financial statements of Currie & Brown (Japan) Limited for the year ended 31 December 2017 which comprise the income statement and statement of other comprehensive income, the statement of financial position, the statement of changes in equity, and the related notes 1 to 14 including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

The revised financial statements have been prepared under The Companies (Revision of Defective Accounts and Reports) Regulations 2008 and accordingly do not take account of events which have taken place after the date on which the original financial statements were approved.

In our opinion, the revised financial statements:

- give a true and fair view, seen as at the date of the original financial statements were approved, of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as they have effect under The Companies (Revision of Defective Accounts and Reports) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the revised financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the revised financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

In forming our opinion on the revised financial statements, which is not qualified, we have considered the adequacy of the disclosures made in notes 1 and 10 to these revised financial statements concerning the need to revise the disclosure of the value of accruals in order to agree the total of trade and other payables as disclosed in note 10 to the statement of financial position, which remains unchanged. The original financial statements were approved on 9 August 2018 and our previous report was signed on that date. We have not performed a subsequent events review for the period from the date of our previous report to the date of this report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent auditor's report to the members of Currie & Brown (Japan) Limited (continued)

Other information

The other information comprises the information included in the annual report, other than the revised financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the revised financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the revised financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the revised financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the revised financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the original financial statements for the year ended 31 December 2017 failed to comply with the requirements of the Companies Act 2006 in the respects identified by the directors in notes 1 and 10 to the revised financial statements;
- the information given in the strategic report and the directors' report for the financial year for which the revised financial statements are prepared is consistent with the revised financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the revised financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the revised financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the revised financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of Currie & Brown (Japan) Limited (continued)

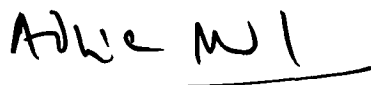
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the revised financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these revised financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Adrian Mulea
Senior Statutory Auditor
for and on behalf of Ernst & Young LLP
Statutory Auditor
London

22 November 2018

Income statement and statement of other comprehensive income

	Notes	2017 £	2016 £
Turnover	3	2,690,321	2,331,610
Cost of sales		(2,206,507)	(1,859,450)
Gross profit		483,814	472,160
Administrative expenses		(464,460)	(120,176)
Operating profit	4	19,354	351,984
Interest receivable and similar income		63	60
Profit before income tax		19,417	352,044
Income tax expense	7	(65,835)	(22,331)
(Loss) / profit for the year		(46,418)	329,713
All of the activities of the Company are classed as continuing.			
Other comprehensive income			
Foreign exchange translation difference		(19,492)	8,554
Other comprehensive income for the year		(19,492)	8,554
Total comprehensive (expense) / income for the year		(65,910)	338,267

Statement of financial position

	Notes	2017 £	2016 £
Non-current assets			
Tangible assets	8	32,289	18,147
Deferred tax	7	5,519	7,085
		<u>37,808</u>	<u>25,232</u>
Current assets			
Trade and other receivables	9	911,047	661,933
Cash at bank and in hand		193,169	337,357
		<u>1,104,216</u>	<u>999,290</u>
Current liabilities			
Trade and other payables	10	(823,531)	(684,870)
Income tax payable		(44,752)	-
		<u>(868,283)</u>	<u>(684,870)</u>
Net current assets		<u>235,933</u>	<u>314,420</u>
Total assets less current liabilities		<u>273,742</u>	<u>339,652</u>
Net assets		<u>273,742</u>	<u>339,652</u>
Capital and reserves			
Called up share capital	12	25,000	25,000
Retained earnings		244,894	291,312
Foreign currency translation reserve		3,848	23,340
Equity shareholders' funds		<u>273,742</u>	<u>339,652</u>

The financial statements were originally authorised for issue by the board of directors on 9 August 2018 and the revised financial statements were authorised for issue by the board of directors on 7 November 2018 and signed on its behalf.



David Broomer
Director
20 November 2018

Statement of changes in equity

	Share capital	Retained earnings	Foreign currency translation reserve	Total
	£	£	£	£
As at 1 January 2016	25,000	(23,615)	-	1,385
Prior year currency exchange adjustment	-	(14,786)	14,786	-
Profit for the year	-	329,713	-	329,713
Other comprehensive income	-	-	8,554	8,554
As at 31 December 2016	25,000	291,312	23,340	339,652
As at 1 January 2017	25,000	291,312	23,340	339,652
(Loss) / profit for the year	-	(46,418)	-	(46,418)
Other comprehensive income	-	-	(19,492)	(19,492)
As at 31 December 2017	25,000	244,894	3,848	273,742

Notes to the financial statements

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Currie & Brown (Japan) Limited (the "Company") for the year ended 31 December 2017 were authorised for issue by the board of directors on 9 August 2018 and the statement of financial position was signed on the board's behalf by David Broomer. Currie & Brown (Japan) Limited is incorporated and domiciled in England and Wales.

Amendment of the Financial Statements

Subsequent to the approval of the financial statements the Directors identified that the accruals value as at 31 December 2017 included in note 10 of the original accounts of £66,893 required to be restated to £74,206. This is required for the total trade and other payables of £823,751 to agree to the balance shown on the statement of financial position (which is unchanged from the original financial statements). To correct this the Directors deem it appropriate to restate the disclosure in the original note 10 as follows:

	2017 £ (as restated)	2017 £ (as originally stated)	Effect £
Trade payables	45,469	45,469	-
Amounts owed to group undertakings	577,188	577,188	-
Other taxes and social security	66,586	66,586	-
Other payables	60,082	60,082	-
Accruals	74,206	66,893	7,313
	823,531	816,218	7,313

2. Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosures Framework' (FRS 101). The financial statements have also been prepared under the historical cost convention and in accordance with the Companies Act 2006 as applicable to FRS 101.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2017.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) *the requirements of IFRS 7 Financial Instruments: Disclosures; and*
- (b) *the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;*
- (c) *the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;*
- (d) *the requirements of IAS 7 Statement of Cash Flows;*
- (e) *the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;*

Notes to the financial statements (continued)

- (f) *the requirements of paragraph 17 of IAS 24 Related Party Disclosures; and*
- (g) *the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and*
- (h) *the requirements of paragraphs 134(d) - 134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.*

The Company's results and the relevant equivalent disclosures have been included in the consolidated financial statements of Currie & Brown Holdings Limited. Copies of the consolidated financial statements can be obtained from the address in Note 13 to these financial statements.

Going Concern

The Company has net assets as at 31 December 2017 of £273,742 (2016: £339,652). No material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern have been identified by the directors. In making this assessment the directors note that the Company also has access to the financial resources of its intermediate parent undertaking, Currie & Brown Holdings Limited ("CBH"). CBH has confirmed its ongoing financial support in writing for a period of at least twelve months from the date of approval of the financial statements. On the basis of their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.2 Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements:

Deferred tax assets

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained at Note 7.

The following estimates are dependent upon assumptions that could change in the next financial year and have a material effect on the carrying amounts of assets and liabilities recognised at the balance sheet date:

Carrying value of trade and other receivables

Assumptions have been made with regard to the appropriateness of the carrying value of trade and other receivables and the need for any allowance for doubtful debts. Any future changes in the circumstances surrounding individual debtors may cause the carrying amount and any related allowance for doubtful debts to require adjustment.

Accruals

Assumptions have been made with regard to the calculation of accruals. Any future changes in the circumstances surrounding the calculation of accruals may cause the carrying amount to be adjusted.

Notes to the financial statements (continued)

2.3 Significant accounting policies

a) Foreign currency translation

The Company's financial statements are presented in pounds sterling. The company's functional currency is Japanese yen.

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the date of the statement of financial position. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. A foreign currency translation reserve is used to record exchange differences arising from the retranslation of non-monetary items measured at historical costs in a foreign currency to the entity's functional currency. The effect of retranslation from transactional to reporting currency is shown as part of equity. Exchange rate differences on non-monetary items, measured at fair value through profit and loss, are reported as part of the fair value gain or loss. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Exchange rate differences on non-monetary items measured at fair value through the revaluation reserve are included in the revaluation reserve in equity.

b) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets on a straight-line basis over their expected useful lives as follows:

Furniture and equipment	– over 2 to 10 years
Computer and machinery	– over 3 years

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

Tangible fixed assets are derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset is included in the income statement in the period of derecognition.

c) Leases

Company as a lessee

Leases where the lessor retains a significant portion of the risks and benefits of ownership of the asset are classified as operating leases and rentals payable are charged in the income statement on a straight line basis over the lease term.

Notes to the financial statements (continued)

d) Financial Instruments

i) Financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. Currently the Company's financial assets include cash and short-term deposits and trade and other receivables.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IAS 39. The Company has not designated any financial assets upon initial recognition as at fair value through profit or loss.

Financial assets at fair value through profit and loss are carried in the balance sheet at fair value with changes in fair value recognised in finance revenue or finance expense in the statement of profit and loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance revenue in the income statement. Losses arising from impairment are recognised in the statement of profit and loss in other operating expenses.

Notes to the financial statements (continued)

d) Financial Instruments (continued)

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

Derecognition of financial liabilities

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Notes to the financial statements (continued)

e) Trade and other receivables

Trade debtors, which generally have 30 day terms, are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision for impairment is made through profit or loss when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

f) Cash at bank and in hand

Cash and short term deposits in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity of three months or less.

g) Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

Notes to the financial statements (continued)

h) Revenue recognition

Revenue from the delivery of professional services on fixed price contracts is recognised by reference to the stage of completion. Stage of completion is measured by reference to cost incurred to date as a percentage of total estimated cost for each contract. Revenue on time and fee based contracts is recognised as work progresses.

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. When the company anticipates losses in the delivery of services, these are recognised in full in the accounting period in which they are foreseen. Revenue is measured at the fair value of the consideration received, net of discounts, rebates, value added tax and other sales taxes.

Revenue recognised in excess of amounts billed is shown as amounts recoverable on contracts and included in debtors; amounts received in excess of revenue recognised are included in creditors as payments on account.

3. Turnover

	<u>2017</u> £	<u>2016</u> £
Professional services rendered	<u>2,690,321</u>	<u>2,331,610</u>

4. Operating Profit

Operating profit is stated after charging/(crediting):

	<u>2017</u> £	<u>2016</u> £
Depreciation of tangible fixed assets (Note 8)	17,986	6,089
Operating lease rentals - land and buildings	66,479	40,494
Foreign exchange losses / (gains)	<u>85,081</u>	<u>(161,594)</u>

5. Auditor's Remuneration

| Services provided by the Company's auditors

	<u>2017</u> £	<u>2016</u> £
Auditors' remuneration in respect of the statutory audit of the Company	<u>8,350</u>	<u>5,200</u>

There were no non-audit fees payable to the auditors (2016: £nil).

Notes to the financial statements (continued)

6. Staff costs and directors' emoluments

(a) Staff Costs

	<u>2017</u>	<u>2016</u>
	£	£
Wages and salaries	1,268,494	1,161,673
Other payroll taxes	136,132	89,191
	<u>1,404,626</u>	<u>1,250,864</u>

The average monthly number of employees during the year was made up as follows:

	<u>2017</u>	<u>2016</u>
	No.	No.
Fee earning staff	14	10
Administrative staff	2	2
	<u>16</u>	<u>12</u>

The employee numbers disclosed above are for employees that are employed by Currie & Brown International Limited whose costs are borne by the Company via recharges and are therefore disclosed here.

(b) Directors' emoluments

	<u>2017</u>	<u>2016</u>
	£	£
Directors' emoluments	<u>281,165</u>	<u>308,767</u>
In respect of the highest paid director:		
Aggregate emoluments	<u>178,672</u>	<u>198,711</u>

None of the directors accrued benefits under a company pension scheme (2016: none).

Notes to the financial statements (continued)

7. Taxation

(a) Tax charged in the income statement

	<u>2017</u> £	<u>2016</u> £
Current income tax:		
UK corporation tax	-	-
Adjustment to prior year	(229)	2,870
Foreign tax	64,498	26,546
Current income tax charge	<u>64,269</u>	<u>29,416</u>
Total current income tax	<u>64,269</u>	<u>29,416</u>
Deferred tax		
Current year	1,566	33,508
Recognition of deferred tax asset not recognised in previous years	-	(40,593)
Total tax expense in the income statement	<u>65,835</u>	<u>22,331</u>
The tax expense in the income statement is disclosed as follows:		
Income tax expense on continuing operations	<u>65,835</u>	<u>22,331</u>

(b) Reconciliation of the total tax charge

The tax expense in the income statement for the year is lower than the standard rate of corporation tax in the UK of 19.25% (2016: 20%). The differences are reconciled below:

	<u>2017</u> £	<u>2016</u> £
Profit from continuing operations before taxation	19,417	352,044
Tax calculated at UK standard rate of corporation tax of 19.25% (2016: 20%)	3,738	70,409
Expenses not deductible for tax purposes	530	492
Foreign tax taken as a deduction	(3,279)	(5,937)
Group relief not paid for	-	(11,861)
Prior year adjustment - current tax	(229)	2,870
Irrecoverable foreign tax	64,498	26,546
Recognition of deferred tax asset not recognised in previous years	-	(47,735)
Change in tax laws and rates	577	(12,453)
Total tax expense reported in the income statement	<u>65,835</u>	<u>22,331</u>

Notes to the financial statements (continued)

(c) Recognised tax losses

The Company has tax losses in the UK of £8,000 (2016: £51,000) that are available indefinitely for offset against future taxable profits of the company. A deferred tax asset has been recognised in respect of these losses in 2017 as the company is expected to have taxable profits over the next two years.

d) Other factors that may affect future tax changes

The UK corporation tax rate was reduced from 20% to 19% effective 1 April 2017. With effect from 1 April 2020 the rate of corporation tax will decrease by a further 2% to 17%.

e) Deferred tax asset

The movement in deferred income tax assets and liabilities during the year, without taking into account the offsetting of balances within the same tax jurisdiction, is as follows:

	2017	2016
	£	£
Deferred tax asset		
At 1 January	7,085	-
(Debited)to income statement - current year	(1,566)	(33,508)
Recognition of deferred tax asset not recognised in previous years	-	40,593
At 31 December	<u>5,519</u>	<u>7,085</u>
 Deferred tax provided in the financial statements is as follows:		
Capital allowances in advance of depreciation	3,423	2,585
Losses	1,446	-
Other timing differences	650	4,500
	<u>5,519</u>	<u>7,085</u>

Notes to the financial statements (continued)

Deferred tax assets	Accelerated Depreciation	Corporation tax losses	Other timing differences	Total
	£	£	£	£
At 1 January 2016	-	-	-	-
Credited/(debited) to the income statement	1,284	(33,323)	(1,469)	(33,508)
Recognition of deferred tax asset not recognised in previous years	1,301	33,323	5,969	40,593
At 31 December 2016	2,585	-	4,500	7,085
Credited/(debited) to the income statement	838	1,446	(3,850)	(1,566)
Recognition of deferred tax asset not recognised in previous years	-	-	-	-
At 31 December 2017	<u>3,423</u>	<u>1,446</u>	<u>650</u>	<u>5,519</u>

Deferred tax estimated to be recoverable within one year is £1,446 (31 December 2016: £13,000). There are no unrecognised deferred tax assets. The deferred tax asset in respect of capital allowances in advance of depreciation is expected to be recovered based on the company's current expected pattern of capital expenditure. The deferred tax asset in respect of other timing differences relates to bonus and other provisions which are expected to reverse within one year.

8. Tangible fixed assets

	Furniture & Equipment	Computer & Machinery	Total
	£	£	£
Cost or valuation			
At 1 January 2017	27,211	13,812	41,023
Additions	17,289	16,563	33,852
Foreign exchange	(2,270)	(1,503)	(3,773)
At 31 December 2017	<u>42,230</u>	<u>28,872</u>	<u>71,102</u>
Depreciation and impairment			
At 1 January 2017	19,641	3,235	22,876
Depreciation charge for the period	11,258	6,728	17,986
Foreign exchange	(1,574)	(475)	(2,049)
At 31 December 2017	<u>29,325</u>	<u>9,488</u>	<u>38,813</u>
Carrying amount			
At 31 December 2016	<u>7,570</u>	<u>10,577</u>	<u>18,147</u>
At 31 December 2017	<u>12,905</u>	<u>19,384</u>	<u>32,289</u>

Notes to the financial statements (continued)

9. Debtors

	<u>2017</u>	<u>2016</u>
	£	£
Trade receivables	558,329	247,855
Amounts recoverable on long term contracts	139,183	235,227
Amounts owed by group undertakings	133,991	115,567
Other receivables	79,544	63,284
	<u>911,047</u>	<u>661,933</u>

10. Trade and other payables

	<u>2017</u>	<u>2016</u>
	£	£
Trade payables	45,469	-
Amounts owed to group undertakings	577,188	419,814
Other taxes and social security	66,586	45,768
Other payables	60,082	18,543
Accruals	74,206	200,745
	<u>823,531</u>	<u>684,870</u>

The accruals value for 2017 of £74,206 has been restated from the original disclosure (£66,893). Total trade and other payables of £823,751 now agree to the balance shown on the statement of financial position (which is unchanged from the original financial statements).

11. Obligations under leases and hire purchase contracts

Future minimum rental payments under non cancellable operating leases in respect of land and buildings are set out below;

	<u>2017</u>	<u>2016</u>
	£	£
Amounts payable:		
Within one year	57,079	57,579
In two to five years	23,445	32,708
	<u>80,524</u>	<u>90,287</u>

	<u>2017</u>		<u>2016</u>	
	<u>No.</u>	<u>£</u>	<u>No.</u>	<u>£</u>
Authorised				
Ordinary shares of £1 each	50,000	50,000	50,000	50,000