

COMPANY REGISTRATION NUMBER: 02458666

**I.B.R.S GROUP LTD**

**Financial Statements**

**31 December 2016**

# **I.B.R.S GROUP LTD**

## **Financial Statements**

**Year ended 31st December 2016**

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# **I.B.R.S GROUP LTD**

## **Strategic Report**

### **Year ended 31st December 2016**

The principal activity of the company during the year was that of computer consultants and dealers. The company experienced difficult trading conditions due to the saturation of the computer hardware market. The directors have diversified into consultancy and other value added services. This has been successful and has improved profitability. The business has consistent in past years and it is likely to remain the same in coming years.

This report was approved by the board of directors on 29th June 2017 and signed on behalf of the board by:

R K Lodhi

Director

# **I.B.R.S GROUP LTD**

## **Directors' Report**

### **Year ended 31st December 2016**

The directors present their report and the financial statements of the company for the year ended 31 December 2016 .

#### **Directors**

The directors who served the company during the year were as follows:

R K Lodhi

S K Lodhi

#### **Dividends**

Particulars of recommended dividends are detailed in note 10 to the financial statements.

#### **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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period. In preparing these financial statements, the directors are required to: - select suitable accounting policies and then apply them consistently; - make judgments and accounting estimates that are reasonable and prudent; - state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; - 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.

**Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and - they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 29 June 2017 and signed on behalf of the board by:

R K Lodhi

Director

# **I.B.R.S GROUP LTD**

## **Independent Auditor's Report to the Members of I.B.R.S GROUP LTD**

### **Year ended 31st December 2016**

We have audited the financial statements of I.B.R.S GROUP LTD for the year ended 31st December 2016 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report and the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements: - give a true and fair view of the state of the company's affairs as at 31st December 2016 and of its profit 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where 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 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.

Mohammad Saleemi

(Senior Statutory Auditor)

For and on behalf of

Saleemi Associates

Chartered accountant & statutory auditor

792 Wickham Road

Croydon CR0 8EA

29 June 2017

# I.B.R.S GROUP LTD

## Statement of Comprehensive Income

Year ended 31st December 2016

		2016	2015
	Note	£	£
Turnover	4	189,300	152,000
Cost of sales		5,520	4,064
		-----	-----
Gross profit		183,780	147,936
Administrative expenses		96,119	95,493
Other operating income		6,506	5,726
		-----	-----
Operating profit	5	94,167	58,169
		-----	-----
Profit before taxation		94,167	58,169
Tax on profit	9	19,250	12,085
		-----	-----
Profit for the financial year		74,917	46,084
		-----	-----
Revaluation of tangible assets		3,350	98,209
		-----	-----
Total comprehensive income for the year		78,267	144,293
		-----	-----

All the activities of the company are from continuing operations.

# I.B.R.S GROUP LTD

## Statement of Financial Position

31 December 2016

		2016	2015
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	11	9,978	12,016
Investments	12	129,000	125,650
		-----	-----
		138,978	137,666
<b>Current assets</b>			
Stocks	13	976	1,578
Debtors	14	374,633	413,082
Cash at bank and in hand		10,194	14,133
		-----	-----
		385,803	428,793
<b>Creditors: amounts falling due within one year</b>	15	53,033	147,978
		-----	-----
<b>Net current assets</b>		332,770	280,815
		-----	-----
<b>Total assets less current liabilities</b>		471,748	418,481
		-----	-----
<b>Net assets</b>		471,748	418,481
		-----	-----
<b>Capital and reserves</b>			
Called up share capital	16	50,000	50,000
Revaluation reserve	17	101,559	98,209
Profit and loss account	17	320,189	270,272
		-----	-----
<b>Members funds</b>		471,748	418,481
		-----	-----

These financial statements were approved by the board of directors and authorised for issue on 29 June 2017 , and are signed on behalf of the board by:

R K Lodhi

Director

Company registration number: 02458666

# I.B.R.S GROUP LTD

## Statement of Changes in Equity

Year ended 31st December 2016

	Note	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total £
<b>At 1st January 2015</b>		50,000	–	244,188	294,188
Profit for the year				46,084	46,084
Other comprehensive income for the year:					
Revaluation of tangible assets	11	–	98,209	–	98,209
		-----	-----	-----	-----
<b>Total comprehensive income for the year</b>		–	98,209	46,084	144,293
Dividends paid and payable	10	–	–	( 20,000)	( 20,000)
		-----	-----	-----	-----
<b>Total investments by and distributions to owners</b>		–	–	( 20,000)	( 20,000)
<b>At 31st December 2015</b>		50,000	98,209	270,272	<b>418,481</b>
Profit for the year				74,917	<b>74,917</b>
Other comprehensive income for the year:					
Revaluation of tangible assets	11	–	3,350	–	<b>3,350</b>
		-----	-----	-----	-----
<b>Total comprehensive income for the year</b>		–	3,350	74,917	<b>78,267</b>
Dividends paid and payable	10	–	–	( 25,000)	<b>( 25,000)</b>
		-----	-----	-----	-----
<b>Total investments by and distributions to owners</b>		–	–	( 25,000)	<b>( 25,000)</b>
		-----	-----	-----	-----
<b>At 31st December 2016</b>		50,000	101,559	320,189	<b>471,748</b>
		-----	-----	-----	-----

# I.B.R.S GROUP LTD

## Statement of Cash Flows

Year ended 31st December 2016

	2016	2015
	£	£
<b>Cash flows from operating activities</b>		
Profit for the financial year	<b>74,917</b>	46,084
<i>Adjustments for:</i>		
Depreciation of tangible assets	<b>2,038</b>	2,467
Tax on profit	<b>19,250</b>	12,085
<i>Changes in:</i>		
Stocks	<b>602</b>	32
Trade and other debtors	<b>38,449</b>	( 25,969)
Trade and other creditors	<b>( 24,052)</b>	7,276
	-----	-----
Cash generated from operations	<b>111,204</b>	41,975
Tax paid	<b>( 17,505)</b>	( 20,000)
	-----	-----
Net cash from operating activities	<b>93,699</b>	21,975
	-----	-----
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	<b>( 72,638)</b>	9,049
Dividends paid	<b>( 25,000)</b>	( 20,000)
	-----	-----
Net cash used in financing activities	<b>( 97,638)</b>	( 10,951)
	-----	-----
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>( 3,939)</b>	11,024
<b>Cash and cash equivalents at beginning of year</b>	<b>14,133</b>	3,109
	-----	-----
<b>Cash and cash equivalents at end of year</b>	<b>10,194</b>	14,133
	-----	-----

# **I.B.R.S GROUP LTD**

## **Notes to the Financial Statements**

### **Year ended 31st December 2016**

#### **1. General information**

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is Silicon House, 35 Brigstock Road, Thornton Heath, Surrey, CR7 7JH.

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

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

#### **3. 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.

##### **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. Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

##### **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.

**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:

Fixtures and fittings	-	20% reducing balance
Motor vehicles	-	15% reducing balance
Equipment	-	15% reducing balance

**Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

### 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.

### 4. Turnover

Turnover arises from:

	2016	2015
	£	£
Rendering of services	189,300	152,000
	-----	-----

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

### 5. Operating profit

Operating profit or loss is stated after charging:

	2016	2015
	£	£
Depreciation of tangible assets	2,038	2,467
	-----	-----

### 6. Auditor's remuneration

	2016	2015
	£	£
Fees payable for the audit of the financial statements	1,000	1,000
	-----	-----

### 7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2016	2015
	No.	No.
Management staff	3	3
	----	----

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016	2015
	£	£
Wages and salaries	49,500	49,500
Social security costs	1,302	—
	50,802	49,500

#### 8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2016	2015
	£	£
Remuneration	40,655	39,600

#### 9. Tax on profit

##### Major components of tax expense

	2016	2015
	£	£
<b>Current tax:</b>		
UK current tax expense	19,250	12,085
<b>Tax on profit</b>	<b>19,250</b>	<b>12,085</b>

#### 10. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2016	2015
	£	£
Dividends on equity shares relating to line 1 in the shares issued page of cdb	25,000	20,000

#### 11. Tangible assets

	Fixtures and fittings	Motor vehicles	Equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 Jan 2016 and 31 Dec 2016	21,074	5,250	55,605	81,929
<b>Depreciation</b>				
At 1st January 2016	16,363	3,537	50,013	69,913
Charge for the year	942	257	839	2,038
At 31st December 2016	17,305	3,794	50,852	71,951
<b>Carrying amount</b>				
At 31st December 2016	3,769	1,456	4,753	9,978
At 31st December 2015	4,711	1,713	5,592	12,016

## 12. Investments

	Other investments other than loans £
<b>Cost</b>	
At 1st January 2016	125,650
Revaluations	3,350
	-----
<b>At 31st December 2016</b>	<b>129,000</b>
	-----
<b>Impairment</b>	
At 1 Jan 2016 and 31 Dec 2016	—
	-----
<b>Carrying amount</b>	
<b>At 31st December 2016</b>	<b>129,000</b>
	-----
At 31st December 2015	125,650
	-----

## 13. Stocks

	2016	2015
	£	£
Raw materials and consumables	976	1,578
	---	-----

## 14. Debtors

	2016	2015
	£	£
Other debtors	374,633	413,082
	-----	-----

## 15. Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	1,495	2,963
Accruals and deferred income	2,000	2,000
Corporation tax	31,573	29,828
Social security and other taxes	16,730	39,314
Director loan accounts	1,235	73,873
	-----	-----
	<b>53,033</b>	<b>147,978</b>
	-----	-----

## 16. Called up share capital

### Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £ 1 each	50,000	50,000	50,000	50,000
	-----	-----	-----	-----

## 17. Reserves

2016	2015	Called up share capital	50,000	50,000	Revaluation reserve	101,559	98,209	Profit and loss account	
320,189	270,272	-----	-----	-----	Members funds	471,748	418,481	=====	
=====	=====								

## 18. Directors' advances, credits and guarantees

Included in creditors is an amount owing to the directors by the company.

## 19. Related party transactions

The company was under the control of Mr R K Lodhi throughout the current and previous year. Mr Lodhi is the managing director and majority shareholder. The company trades with and rents its trading premises from Lords Associates Limited, a company under common control and regards these transactions as related party transactions: Rent payable in the year: £18,000 (2015 - £18,000) Balance due from at year end: £374,633 (2015 - £413,082)

## 20. Other spare note 99 heading

# **I.B.R.S GROUP LTD**

## **Management Information**

**Year ended 31st December 2016**

**The following pages do not form part of the financial statements.**

# I.B.R.S GROUP LTD

## Detailed Income Statement

Year ended 31st December 2016

	2016	2015
	£	£
<b>Turnover</b>	<b>189,300</b>	152,000
<b>Cost of sales</b>		
Opening stock - raw materials	<b>1,578</b>	1,610
Purchases	<b>4,918</b>	4,032
	-----	-----
	<b>6,496</b>	5,642
Closing stock - resale	<b>976</b>	1,578
	-----	-----
	<b>5,520</b>	4,064
	-----	-----
<b>Gross profit</b>	<b>183,780</b>	147,936
<b>Overheads</b>		
Administrative expenses	<b>96,119</b>	95,493
<b>Other operating income</b>	<b>6,506</b>	5,726
	-----	-----
<b>Operating profit</b>	<b>94,167</b>	58,169
	-----	-----
<b>Profit before taxation</b>	<b>94,167</b>	58,169
	-----	-----

# I.B.R.S GROUP LTD

## Notes to the Detailed Income Statement

Year ended 31st December 2016

	2016	2015
	£	£
<b>Administrative expenses</b>		
Directors salaries	39,600	39,600
Directors national insurance contributions	1,055	—
Wages and salaries	9,900	9,900
Staff national insurance contributions	247	—
Rent rates and water	22,941	22,812
Light and heat	1,843	1,668
Insurance	712	809
Repairs and maintenance (allowable)	1,971	2,743
Premises maintenance & cleaning	1,440	1,125
Travel and subsistence	4,992	5,446
Telephone	4,525	4,541
Printing postage and stationery	326	319
Books & courses	1,696	1,153
Staff welfare	497	580
Sundry expenses	13	—
Accountancy fees	1,000	1,000
Auditors remuneration	1,000	1,000
Depreciation of tangible assets	2,038	2,467
Credit card charges	323	330
	-----	-----
	96,119	95,493
	-----	-----
<b>Other operating income</b>		
Operating lease rental income (non-contingent)	5,700	5,700
Other operating income	806	26
	-----	-----
	6,506	5,726
	-----	-----

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.