
Focal Point Services Limited

Unaudited

Financial statements

Information for filing with the registrar

For the Year Ended 31 August 2021

Focal Point Services Limited
Registered number: 03612211

Statement of financial position
As at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	1,567	3,133
		<u>1,567</u>	<u>3,133</u>
Current assets			
Debtors: amounts falling due within one year	5	13,749	107,094
Cash at bank and in hand	6	747	11,121
		<u>14,496</u>	<u>118,215</u>
Creditors: amounts falling due within one year	7	(21,416)	(115,678)
Net current (liabilities)/assets		<u>(6,920)</u>	<u>2,537</u>
Total assets less current liabilities		<u>(5,353)</u>	<u>5,670</u>
Net (liabilities)/assets		<u><u>(5,353)</u></u>	<u><u>5,670</u></u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		(5,355)	5,668
		<u><u>(5,353)</u></u>	<u><u>5,670</u></u>

Statement of financial position (continued)
As at 31 August 2021

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 the Companies Act 2006.

The director acknowledges her 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 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 statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

K Flanagan
Director

Date: 20 October 2022

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

**Notes to the financial statements
For the Year Ended 31 August 2021**

1. General information

The principal activity of Focal Point Services Ltd ("the Company") is that of the provision of services and media to teach English as a foreign language.

The Company is a private company limited by shares and is incorporated in England and Wales. The

Registered Office address is 35 Ballards Lane, London N3 1XW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies 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 following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis even though the company's

liabilities exceed its net assets on the basis that the director has confirmed continued financial

support for the foreseeable future in order for the company to meet its debts as they fall due.

Management has considered the consequences of COVID-19 and other events and conditions, and it has been determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.

2.3 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 discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

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 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;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

**Notes to the financial statements
For the Year Ended 31 August 2021**

2. Accounting policies (continued)

2.5 Finance costs

Finance costs are charged to profit or loss 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.

2.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Taxation

Tax is recognised in profit or loss except that a charge 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 reporting date in the countries where the Company operates and generates income.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model 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.

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:

Fixtures & fittings	- 25% straight line method
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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 profit or loss.

**Notes to the financial statements
For the Year Ended 31 August 2021**

2. Accounting policies (continued)

2.9 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.

2.10 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.

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in 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 debtors and creditors, 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of income and retained earnings if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are 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 Statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a 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.

Notes to the financial statements
For the Year Ended 31 August 2021

2. Accounting policies (continued)

2.12 Financial instruments (continued)

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

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 16 (2020 - 45).

Notes to the financial statements
For the Year Ended 31 August 2021

4. Tangible fixed assets

	Fixtures & fittings £
Cost or valuation	
At 1 September 2020	10,738
At 31 August 2021	10,738
Depreciation	
At 1 September 2020	7,604
Charge for the year on owned assets	1,567
At 31 August 2021	9,171
Net book value	
At 31 August 2021	1,567
At 31 August 2020	3,133

Focal Point Services Limited

Notes to the financial statements
For the Year Ended 31 August 2021

5. Debtors

	2021 £	2020 £
Trade debtors	4,192	78,151
Other debtors	9,557	28,943
	<u>13,749</u>	<u>107,094</u>

6. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	747	11,121
	<u>747</u>	<u>11,121</u>

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	6,488	4,113
Corporation tax	687	679
Other taxation and social security	-	15,459
Other creditors	5,341	9,882
Accruals and deferred income	8,900	85,545
	<u>21,416</u>	<u>115,678</u>

8. Pension commitments

At the balance sheet date £176 (2020 - £2,891) remained payable to the pension scheme.

9. Related party transactions

At the the balance sheet date £9,118 (2020 - £19,090) was owed by the director to the company.

Interest has been charged at HMRC rates on the loan until the date of repayment.

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.