

Company registration number 05906221 (England and Wales)

**SMART CO CONSULTING LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**  
**PAGES FOR FILING WITH REGISTRAR**

**SMART CO CONSULTING LIMITED**

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# SMART CO CONSULTING LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

		2022		2021	
	Notes	£	£	£	£
<b>Non-current assets</b>					
Property, plant and equipment	3		11,662		11,613
Investments	4		1		1
			<u>11,663</u>		<u>11,614</u>
<b>Current assets</b>					
Trade and other receivables	5	5,710,787		2,454,519	
Cash and cash equivalents		159,505		113,074	
		<u>5,870,292</u>		<u>2,567,593</u>	
<b>Current liabilities</b>	6	(5,177,887)		(2,187,033)	
<b>Net current assets</b>			<u>692,405</u>		<u>380,560</u>
<b>Total assets less current liabilities</b>			<u>704,068</u>		<u>392,174</u>
<b>Non-current liabilities</b>	7		(35,000)		(45,276)
<b>Net assets</b>			<u><u>669,068</u></u>		<u><u>346,898</u></u>
<b>Equity</b>					
Called up share capital	8		234		234
Retained earnings			668,834		346,664
<b>Total equity</b>			<u><u>669,068</u></u>		<u><u>346,898</u></u>

The director of the company has elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

**SMART CO CONSULTING LIMITED**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT 31 MARCH 2022**

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The financial statements were approved and signed by the director and authorised for issue on 23 March 2023

R B Hefford  
**Director**

**Company Registration No. 05906221**

# SMART CO CONSULTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

##### Company information

Smart Co Consulting Limited is a private company limited by shares incorporated in England and Wales. The registered office is 10 York Road, London, SE1 7ND.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

##### 1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts and settlement discounts.

Revenue arising from temporary placements is recognised over the period that the temporary staff are provided. Revenue arising from the placement of permanent candidates is recognised at the time the candidate commences full time employment.

##### 1.4 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33.33% straight line
Computer equipment	33.33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the statement of income.

# SMART CO CONSULTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

#### 1.5 Non-current investments

The interest in the subsidiary is initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investment is assessed for impairment at each reporting date and any impairment loss or reversal of impairment loss is recognised immediately in the statement of income.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.6 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

# SMART CO CONSULTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

(Continued)

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through the statement of income, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of income.

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 the statement of income.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

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.

##### ***Basic financial liabilities***

Basic financial liabilities, including trade and other payables, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

# SMART CO CONSULTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

(Continued)

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and 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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Business Interruption Payments made to banks on behalf of the company are treated as a Government grant and recognised in other income and the related interest charge as an expense in the financial statements of the company.

Government grant income relating to Coronavirus Job Retention Scheme is recognised in other operating income over the period when the related costs are incurred.



# SMART CO CONSULTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

#### 1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	15	11

### 3 Property, plant and equipment

Plant and  
machinery etc

£

#### Cost

At 1 April 2021

54,378

Additions

5,284

At 31 March 2022

59,662

#### Depreciation and impairment

At 1 April 2021

42,765

Depreciation charged in the year

5,235

At 31 March 2022

48,000

#### Carrying amount

At 31 March 2022

11,662

At 31 March 2021

11,613

# SMART CO CONSULTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 4 Fixed asset investments

	2022 £	2021 £
Investment in group undertaking	1	1

### Movements in non-current investments

	Shares in group undertaking £
<b>Cost</b>	
At 1 April 2021 & 31 March 2022	1
<b>Carrying amount</b>	
At 31 March 2022	1
At 31 March 2021	1

### 5 Trade and other receivables

	2022 £	2021 £
Amounts falling due within one year:		
Trade receivables	4,222,734	1,673,439
Amounts owed by group undertakings	186,650	186,650
Other receivables	1,301,403	594,430
	5,710,787	2,454,519

An invoice discounting facility was utilised in respect of trade receivables and amounted to £1,095,091 (2021: £449,592) at the year end. There is a fixed and floating charge over the assets of the company in relation to this facility. The liability in respect of this facility is included within other payables (see note 6).

### 6 Current liabilities

	2022 £	2021 £
Bank loans	10,000	4,724
Trade payables	1,341,661	596,359
Corporation tax	127,240	76,800
Other taxation and social security	318,691	271,619
Other payables	3,380,295	1,237,531
	5,177,887	2,187,033

# SMART CO CONSULTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 7 Non-current liabilities

	2022 £	2021 £
Bank loans and overdrafts	35,000	45,276

The bank loan represents amounts loaned to the company under the Bounce Back Loan Scheme. There is a fixed repayment term of 6 year, interest is charged at 2.5% per annum and the loan is fully guaranteed by the UK Government.

Creditors which fall due after five years are as follows:

	2022 £	2021 £
Payable by instalments	-	5,286

#### 8 Called up share capital

	2022 £	2021 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
164 Ordinary shares of £1 each	164	164
70 A Ordinary shares of £1 each	70	70
	234	234

#### 9 Related party transactions

The company has taken advantage of the exemption available in accordance with Section 33.1A of Financial Reporting Standard 102 whereby it has not disclosed transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.

At the reporting date the company is owed £60,000 (2021: £60,000) by L Norman, a director of its subsidiary undertaking, Smart Co Resourcing Ltd. The loan is interest free and repayable on demand.

At the reporting date the company owed £172,800 (2021: £6,100) to a company in which R B Hefford is a director and shareholder.

#### 10 Operating lease commitments

##### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022 £	2021 £
	116,563	87,450

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