

ELY PORTA LANGUAGE SCHOOL LIMITED

**FILLETED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019**

ELY PORTA LANGUAGE SCHOOL LIMITED
REGISTERED NUMBER: 07590659

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	1,759	1,780
		<u>1,759</u>	<u>1,780</u>
Current assets			
Debtors: amounts falling due within one year	6	8,540	7,821
Cash at bank and in hand	7	1,089	14,650
		<u>9,629</u>	<u>22,471</u>
Creditors: amounts falling due within one year	8	(53,485)	(62,602)
Net current liabilities		<u>(43,856)</u>	<u>(40,131)</u>
Total assets less current liabilities		<u>(42,097)</u>	<u>(38,351)</u>
Net liabilities		<u><u>(42,097)</u></u>	<u><u>(38,351)</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		(42,197)	(38,451)
		<u><u>(42,097)</u></u>	<u><u>(38,351)</u></u>

ELY PORTA LANGUAGE SCHOOL LIMITED
REGISTERED NUMBER: 07590659

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 APRIL 2019

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:

Mrs M L McKechnie
Director

Date: 27 January 2020

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019**

1. General information

Ely Porta Language School Limited is a private limited company incorporated in England.

Registered Office:

George Court

Bartholomew's Walk

Ely

Cambridgeshire

CB7 4JW

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

These accounts are prepared on a going concern basis which assures the continued support of its directors and shareholders.

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 the Statement of income and retained earnings using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019

2. Accounting policies (continued)

2.5 Finance costs

Finance costs are charged to the Statement of income and retained earnings 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 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019

2. Accounting policies (continued)

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, on a reducing balance basis.

Depreciation is provided on the following basis:

Office equipment	- 25% reducing balance
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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 the Statement of income and retained earnings.

2.9 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.

2.10 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.

2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019

2. Accounting policies (continued)

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 non-puttable ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 1 (2018 - 1).

4. Taxation

	2019 £	2018 £
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(3)	229
Losses and other deductions	(716)	884
Total deferred tax	(719)	1,113
Taxation on (loss)/profit on ordinary activities	(719)	1,113

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2018 - 19%).

Factors that may affect future tax charges

There are tax losses of £51,993 (2018 - £47,783) being carried forward to future use.

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NOTES TO THE FINANCIAL STATEMENTS
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5. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 May 2018	2,975
Additions	567
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At 30 April 2019	3,542
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Depreciation	
At 1 May 2018	1,195
Charge for the year on owned assets	588
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At 30 April 2019	1,783
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Net book value	
At 30 April 2019	<u>1,759</u>
<i>At 30 April 2018</i>	<u>1,780</u>

6. Debtors

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	1,089	14,650
Less: bank overdrafts	(2,456)	-
	<hr/>	<hr/>
	<u>(1,367)</u>	<u>14,650</u>

ELY PORTA LANGUAGE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	2,456	-
Other creditors	19,696	17,590
Accruals and deferred income	31,333	45,012
	<u>53,485</u>	<u>62,602</u>

9. Deferred taxation

	2019 £
At beginning of year	7,821
Charged to profit or loss	719
At end of year	<u><u>8,540</u></u>

The deferred tax asset is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	8,540	7,821
	<u>8,540</u>	<u>7,821</u>

10. Related party transactions

At the financial position date, the company owes the director £16,981 (2018 - the company owed the director £17,589), by way on an interest free loan.

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