

**E R ASSOCIATES (EUROPE) LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

TUESDAY



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## **E R ASSOCIATES (EUROPE) LIMITED**

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### **COMPANY INFORMATION**

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<b>Directors</b>	Ronnie Clucas Henry Marfleet F Marfleet C Henthorn
<b>Registered number</b>	08258451
<b>Registered office</b>	40 Churchill Square Kings Hill West Malling Kent ME19 4YU
<b>Independent auditors</b>	MHA MacIntyre Hudson Statutory Auditors 31 St George's Place Canterbury Kent CT1 1XD

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**E R ASSOCIATES (EUROPE) LIMITED**

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## **E R ASSOCIATES (EUROPE) LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015**

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The directors present their report and the financial statements for the year ended 31 December 2015.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; 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.

#### **Principal activity**

The principal activity of the company continued to be that of management services to fellow group undertakings.

#### **Directors**

The directors who served during the year were:

Ronnie Clucas  
Henry Marfleet  
F Marfleet  
C Henthorn

#### **Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Auditors**

The auditors, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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**E R ASSOCIATES (EUROPE) LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**Small Companies Note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



.....  
**Ronnie Clucas**  
Director

Date: 28 July 2016

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## **E R ASSOCIATES (EUROPE) LIMITED**

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### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF E R ASSOCIATES (EUROPE) LIMITED**

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We have audited the financial statements of E R Associates (Europe) Limited for the year ended 31 December 2015, set out on pages 5 to 18. 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 Financial Reporting Standard 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 Auditors' 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 Auditors**

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 Financial Reporting Council'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 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 31 December 2015 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.

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

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements and the directors' report has been prepared in accordance with applicable legal requirements.

#### **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

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**E R ASSOCIATES (EUROPE) LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF E R ASSOCIATES (EUROPE) LIMITED**

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- 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; or
  - the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

  
Duncan Cochrane-Dyet (Senior Statutory Auditor)

for and on behalf of  
**MHA MacIntyre Hudson**

Statutory Auditors

31 St George's Place  
Canterbury  
Kent

CT1 1XD

Date: 20 July 2016

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**E R ASSOCIATES (EUROPE) LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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	Note	2015 £	2014 £
Turnover	4	<u>1,884,434</u>	<u>883,529</u>
<b>Gross profit</b>		<b>1,884,434</b>	<b>883,529</b>
Distribution costs		<u>(90,133)</u>	<u>10,168</u>
Administrative expenses		<u>(2,324,969)</u>	<u>(1,024,695)</u>
<b>Operating loss</b>	5	<b>(530,668)</b>	<b>(130,998)</b>
Interest payable and expenses	6	<u>(1,118)</u>	<u>-</u>
<b>Loss before tax</b>		<b>(531,786)</b>	<b>(130,998)</b>
Tax on loss	7	<u>-</u>	<u>7,193</u>
<b>Loss for the year</b>		<b><u>(531,786)</u></b>	<b><u>(123,805)</u></b>

There was no recognised gains and losses for 2015 or 2014 other than those included in the income statement.

There was no other comprehensive income for 2015 (2014:£NIL).

The notes on pages 9 to 18 form part of these financial statements.




**E R ASSOCIATES (EUROPE) LIMITED**  
**REGISTERED NUMBER:08258451**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2015**

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Intangible assets	8	124,977	197,333
Investments	9	35,840	35,840
		<u>160,817</u>	<u>233,173</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	3,564,000	2,362,116
Cash at bank and in hand	11	118,087	161,711
		<u>3,682,087</u>	<u>2,523,827</u>
Creditors: amounts falling due within one year	12	(4,488,181)	(2,870,491)
<b>Net current liabilities</b>		<u>(806,094)</u>	<u>(346,664)</u>
<b>Total assets less current liabilities</b>		<u>(645,277)</u>	<u>(113,491)</u>
<b>Net assets</b>		<u>(645,277)</u>	<u>(113,491)</u>
<b>Capital and reserves</b>			
Called up share capital	13	100	100
Profit and loss account	14	(645,377)	(113,591)
		<u>(645,277)</u>	<u>(113,491)</u>

The company's financial statements have been delivered in accordance with the 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:

  
 .....  
**Ronnie Clucas**  
 Director

Date: 28 July 2016

The notes on pages 9 to 18 form part of these financial statements.

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**E R ASSOCIATES (EUROPE) LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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	Share capital £	Retained earnings £	Total equity £
At 1 January 2015	100	(113,591)	(113,491)
<b>Comprehensive income for the year</b>			
Loss for the year	-	(531,786)	(531,786)
<b>At 31 December 2015</b>	<b>100</b>	<b>(645,377)</b>	<b>(645,277)</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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	Share capital £	Retained earnings £	Total equity £
At 1 January 2014	100	10,214	10,314
Loss for the year	-	(123,805)	(123,805)
<b>At 31 December 2014</b>	<b>100</b>	<b>(113,591)</b>	<b>(113,491)</b>

The notes on pages 9 to 18 form part of these financial statements.

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**E R ASSOCIATES (EUROPE) LIMITED**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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	2015 £	2014 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	(531,786)	(123,805)
<b>Adjustments for:</b>		
Amortisation of intangible assets	72,356	-
Interest paid	1,118	-
Taxation	-	(7,193)
Increase in debtors	(244,383)	136,258
Decrease in amounts owed by groups	(957,501)	(1,454,806)
Increase in creditors	(52,722)	(395,998)
Increase in amounts owed to groups	1,670,412	1,620,710
Corporation tax	-	7,193
<b>Net cash generated from operating activities</b>	<b>(42,506)</b>	<b>(217,641)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(1,118)	-
<b>Net cash used in financing activities</b>	<b>(1,118)</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(43,624)</b>	<b>(217,641)</b>
Cash and cash equivalents at beginning of year	161,711	379,352
<b>Cash and cash equivalents at the end of year</b>	<b>118,087</b>	<b>161,711</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	118,087	161,711
	<b>118,087</b>	<b>161,711</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**1. General information**

E R Associates (Europe) Limited is a company limited by shares incorporated in England within the United Kingdom. The address of the registered office is given on the Company Information page of these financial statements.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest pound.

The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 16.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Going concern**

Although the company has net liabilities in the year; the directors have prepared the financial statements on a going concern basis due to the availability of group support. A letter of support is in place from the parent undertaking as evidence of this.

**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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**2. Accounting policies (continued)**

**2.4 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

**2.5 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Income statement for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**2.6 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.

**2.7 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.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

**2.8 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**2. Accounting policies (continued)**

**2.9 Foreign currency translation**

**Functional and presentation currency**

The company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Income statement within 'other operating income'.

**2.10 Finance costs**

Finance costs are charged to the Income statement 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.

**2.11 Taxation**

Tax is recognised in the Income statement, except that a change 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.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

No judgements have been made in the process of applying the above accounting policies that have had a significant effect on amounts recognised in the financial statements.

No key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year have been made.

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## E R ASSOCIATES (EUROPE) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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#### 4. Analysis of turnover

An analysis of turnover by class of business is as follows:

	2015 £	2014 £
Other income	9,375	3,125
Royalty income minimums	-	(800)
Inter-company royalty fees	1,875,059	881,204
	<u>1,884,434</u>	<u>883,529</u>

Analysis of turnover by country of destination:

	2015 £	2014 £
United Kingdom	1,884,434	883,529
	<u>1,884,434</u>	<u>883,529</u>

#### 5. Operating loss

The operating loss is stated after charging:

	2015 £	2014 £
Amortisation of intangible assets, including goodwill	72,356	-
Exchange differences	101,009	72,841
	<u>173,365</u>	<u>72,841</u>

During the year, no director received any emoluments (2014 - £NIL).

#### 6. Interest payable and similar charges

	2015 £	2014 £
Bank interest payable	1,118	-
	<u>1,118</u>	<u>-</u>

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**E R ASSOCIATES (EUROPE) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**7. Taxation**

	2015 £	2014 £
<b>Corporation tax</b>		
Adjustments in respect of previous periods	-	(7,193)
	-	(7,193)
<b>Total current tax</b>	-	(7,193)

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 20% (2014 - 20%). The differences are explained below:

	2015 £	2014 £
Loss on ordinary activities before tax	<b>(531,786)</b>	(130,998)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%)	<b>(106,357)</b>	(26,200)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	<b>235</b>	741
Adjustments to tax charge in respect of prior periods	-	(7,193)
Group relief	<b>106,122</b>	25,459
<b>Total tax charge for the year</b>	-	(7,193)



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**E R ASSOCIATES (EUROPE) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**8. Intangible assets**

	Licensed rights £
<b>Cost</b>	
At 1 January 2015	197,333
At 31 December 2015	197,333
<b>Amortisation</b>	
Charge for the year	72,356
At 31 December 2015	72,356
<b>Net book value</b>	
At 31 December 2015	124,977
At 31 December 2014	197,333

**9. Fixed asset investments**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2015	35,840
At 31 December 2015	35,840
At 31 December 2015	-
<b>Net book value</b>	
At 31 December 2015	35,840
At 31 December 2014	35,840

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**E R ASSOCIATES (EUROPE) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**9. Fixed asset investments (continued)****Subsidiary undertakings**

The following were subsidiary undertakings of the company:

<b>Name</b>	<b>Country of incorporation</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Principal activity</b>
E R Associates (Austria) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Belgium) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Croatia) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Czech) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Denmark) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Finland) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (France) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Germany) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Hungary) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Italy) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Luxembourg) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Netherlands) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Norway) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Poland) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Portugal) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Romania) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Slovakia) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Slovenia) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services
E R Associates (Spain) Ltd	United Kingdom	Ordinary	100 %	Franchisee management services

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## E R ASSOCIATES (EUROPE) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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#### 9. Fixed asset investments (continued)

E R Associates (Sweden) Ltd	United Kingdom	Ordinary	100 % Franchisee management services
E R Associates (Switzerland) Ltd	United Kingdom	Ordinary	100 % Franchisee management services
Expense Reduction Analysts GmbH	United Kingdom	Ordinary	100 % Franchisee management services
Expense Reduction Analysts (Spain) SL	United Kingdom	Ordinary	100 % Franchisee management services
ERA Global Management Srl	United Kingdom	Ordinary	100 % Franchisee management services

The aggregate of the share capital and reserves as at 31 December 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
E R Associates (Austria) Ltd	6,201	3,014
E R Associates (Belgium) Ltd	(42,745)	(27,019)
E R Associates (Croatia) Ltd	(2,200)	(2,202)
E R Associates (Czech) Ltd	9,846	497
E R Associates (Denmark) Ltd	70,493	7,485
E R Associates (Finland) Ltd	(40,580)	(12,526)
E R Associates (France) Ltd	2	-
E R Associates (Germany) Ltd	525,659	337,356
E R Associates (Hungary) Ltd	(10,201)	(6,327)
E R Associates (Italy) Ltd	86,120	42,255
E R Associates (Luxembourg) Ltd	(9,998)	(5,000)
E R Associates (Netherlands) Ltd	103,823	12,668
E R Associates (Norway) Ltd	2,223	(1,372)
E R Associates (Poland) Ltd	1,715	1,761
E R Associates (Portugal) Ltd	33,205	11,161
E R Associates (Romania) Ltd	33,981	26,605
E R Associates (Slovakia) Ltd	3,664	9,641
E R Associates (Slovenia) Ltd	(10,432)	(5,000)
E R Associates (Spain) Ltd	96,607	109,708
E R Associates (Sweden) Ltd	(6,140)	2,489
E R Associates (Switzerland) Ltd	37,302	22,127

#### 10. Debtors

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**E R ASSOCIATES (EUROPE) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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	2015 £	2014 £
Trade debtors	473,235	228,143
Amounts owed by group undertakings	3,023,052	2,065,551
Other debtors	61,155	22,479
Prepayments and accrued income	6,558	45,943
	<u>3,564,000</u>	<u>2,362,116</u>

**11. Cash and cash equivalents**

	2015 £	2014 £
Cash at bank and in hand	118,087	161,711
	<u>118,087</u>	<u>161,711</u>

**12. Creditors: Amounts falling due within one year**

	2015 £	2014 £
Trade creditors	142,698	92,115
Amounts owed to group undertakings	4,343,127	2,672,715
Other creditors	2,356	6,454
Accruals and deferred income	-	99,207
	<u>4,488,181</u>	<u>2,870,491</u>

**13. Share capital**

	2015 £	2014 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

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**E R ASSOCIATES (EUROPE) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**14. Reserves****Profit and loss account**

The profit and loss account represents cumulative profits and losses net of dividends and other adjustments.

**15. ULTIMATE PARENT ENTITY AND CONTROLLING ENTITY**

The immediate parent company is Montgomery Investment Company SA, registered in Luxembourg. The ultimate parent undertaking is Vancouver Trust, a trust registered in Guernsey, over which no individual exercises control. The ultimate controlling party is deemed to be Mr C F Marfleet by virtue of his interest in Vancouver Trust and his ability to direct the financial and operating policies of E R Associates (Europe) Limited.

**16. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.