

MONSCIERGE LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

SATURDAY



A7EK9NTU

A13

15/09/2018

#413

COMPANIES HOUSE

MONSCIERGE LIMITED
REGISTERED NUMBER: 08433184

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	3,979	5,796
		<u>3,979</u>	<u>5,796</u>
Current assets			
Debtors: amounts falling due within one year	5	683,779	711,475
Cash at bank and in hand	6	3,652	41,712
		<u>687,431</u>	<u>753,187</u>
Creditors: amounts falling due within one year	7	(664,505)	(737,312)
Net current assets		<u>22,926</u>	<u>15,875</u>
Total assets less current liabilities		<u>26,905</u>	<u>21,671</u>
Provisions for liabilities			
Deferred tax	8	(756)	(1,100)
		<u>(756)</u>	<u>(1,100)</u>
Net assets		<u>26,149</u>	<u>20,571</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		26,148	20,570
		<u>26,149</u>	<u>20,571</u>

MONSCIERGE LIMITED
REGISTERED NUMBER: 08433184

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2017

The directors consider 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 Companies Act 2006.

The directors acknowledge their 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:

DocuSigned by:

EF0791788BD54D7...
Mr M Davison
Director

Date: 13 September 2018

The notes on pages 3 to 10 form part of these financial statements.

MONSCIERGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. General information

Monscierge Limited is a private company limited by share capital, incorporated in England and Wales, registration number 08433184. The address of the registered office is: Digital World, 1 Lowry Plaza, The Quays, Salford, M50 3UB.

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 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:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

2.3 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.

MONSCIERGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)**2.3 Tangible fixed assets (continued)**

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:

Office equipment	- 20%
Computer equipment	- 20% to 33.33%

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.

2.4 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.

2.5 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.

2.6 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.

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.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

2.7 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.

MONSICERGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)**2.8 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 Statement of income and retained earnings 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 Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of income and retained earnings within 'other operating income'.

2.9 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.10 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 the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

MONSIEGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)**2.11 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 balance sheet 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 Balance sheet 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 balance sheet date.

3. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	2,538	3,953
	<u>2,538</u>	<u>3,953</u>
Total current tax	<u>2,538</u>	<u>3,953</u>
Deferred tax		
Origination and reversal of timing differences	(344)	1,100
Total deferred tax	<u>(344)</u>	<u>1,100</u>
Taxation on profit on ordinary activities	<u>2,194</u>	<u>5,053</u>

MONSCIERGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

3. Taxation (continued)**Factors affecting tax charge for the year**

The tax charge during the year was affected by differences in the accounting and taxation treatment of capital assets along with disallowable expenses

Factors that may affect future tax charges

The future tax charges will be affected by differences in the accounting and taxation treatment of capital assets.

4. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2017	6,229	7,115	13,344
Additions	-	1,332	1,332
At 31 December 2017	<u>6,229</u>	<u>8,447</u>	<u>14,676</u>
Depreciation			
At 1 January 2017	2,903	4,644	7,547
Charge for the year on owned assets	1,246	1,904	3,150
At 31 December 2017	<u>4,149</u>	<u>6,548</u>	<u>10,697</u>
Net book value			
At 31 December 2017	<u>2,080</u>	<u>1,899</u>	<u>3,979</u>
At 31 December 2016	<u>3,326</u>	<u>2,471</u>	<u>5,797</u>

MONSCIERGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. Debtors

	2017 £	2016 £
Trade debtors	273,630	117,763
Amounts owed by group undertakings	372,909	560,618
Other debtors	4,577	5,288
Prepayments and accrued income	32,663	27,806
	<u>683,779</u>	<u>711,475</u>

6. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	3,652	41,712
Less: bank overdrafts	(42,013)	(12,737)
	<u>(38,361)</u>	<u>28,975</u>

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	42,013	12,737
Trade creditors	133,780	132,819
Corporation tax	2,108	3,108
Other taxation and social security	39,210	39,454
Other creditors	282	-
Accruals and deferred income	447,112	549,194
	<u>664,505</u>	<u>737,312</u>

The above overdraft is secured by a fixed and floating charge over all the company assets registered 31 December 2013.

MONSCIERGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

8. Deferred taxation

	2017 £
At beginning of year	(1,100)
Charged to profit or loss	344
At end of year	(756)

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(756)	(1,100)
	(756)	(1,100)

9. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £922 (2016 - £Nil). Contributions totalling £282 (2016 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

MONSCIERGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

10. Related party transactions

During the period the company loaned amounts to entities which have the same ultimate beneficial shareholders. The amounts outstanding and included in Debtors at 31 December 2016 amount to:-

	2017 £	2016 £
Monscierge LLC	372,908	560,618
	<u>372,908</u>	<u>560,618</u>

The company received a management charge amounting to £124,656 (2016:Nil) from Monscierge LLC in respect of shared overhead costs.

The company paid a licence fee of £338,563 (2016:Nil) to Monscierge LLC for the use of software and property owned by Monscierge LLC.

There is a balance included in trade creditors of £29,981 (2016 £36,418) that relates to 4D Financials Ltd, a consultancy company owned by Mr M Davison, one of the directors. During the year the company received no consultancy services (2015 £nil) from 4D Financials Ltd.

11. Controlling party

The ultimate parent undertaking is Monscierge Inc a US Company by way of their 100% shareholding in the company. The address of Monscierge Inc is 14701 Hertz Quail Springs Parkway, Oklahoma City, Oklahoma, 73134. There is no ultimate controlling party.