

Company registration number 09266041 (England and Wales)

ELMBRIDGE BUILDING CONTROL SERVICES LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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ELMBRIDGE BUILDING CONTROL SERVICES LTD

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ELMBRIDGE BUILDING CONTROL SERVICES LTD

BALANCE SHEET

AS AT 31 MARCH 2022

		2022	2021
	Notes	£	£
Fixed assets			
Tangible assets	5	526	4,647
Current assets			
Debtors	6	49,901	56,885
Cash at bank and in hand		455,391	381,855
		<u>505,292</u>	<u>438,740</u>
Creditors: amounts falling due within one year	7	<u>(707,658)</u>	<u>(613,476)</u>
Net current liabilities		<u>(202,366)</u>	<u>(174,736)</u>
Total assets less current liabilities		<u>(201,840)</u>	<u>(170,089)</u>
Provisions for liabilities	9	<u>(342,100)</u>	<u>(505,777)</u>
Net liabilities		<u>(543,940)</u>	<u>(675,866)</u>
Capital and reserves			
Called up share capital	12	1	1
Profit and loss reserves		<u>(543,941)</u>	<u>(675,867)</u>
Total equity		<u>(543,940)</u>	<u>(675,866)</u>

ELMBRIDGE BUILDING CONTROL SERVICES LTD

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2022

In accordance with section 444 of the Companies Act 2006, all of the members of the company have consented to the preparation of abridged financial statements pursuant to paragraph 1A of Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations (SI 2008/409)(b).

The directors of the company have elected not to include a copy of the profit and loss account 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 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 members have 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.

The financial statements were approved by the board of directors and authorised for issue on 25 August 2022 and are signed on its behalf by:

M Webb
Director

Company Registration No. 09266041

ELMBRIDGE BUILDING CONTROL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Elmbridge Building Control Services Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 53/57 High Street, Cobham, Surrey, United Kingdom, KT11 3DP.

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, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis. The net current liability position of £202,366 is primarily represented by deferred income of £644,063. This income will be recognised as the company completes the building inspection work this represents.

The cash flow cycle of the company is such that the company will be able to meet its liabilities as they fall due.

It is on this basis that the Directors have considered going concern and believe it to be appropriate.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and 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, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

ELMBRIDGE BUILDING CONTROL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Tangible fixed assets

Tangible fixed assets 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, fittings & equipment	25% Straight line
Computer equipment	25% 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 profit or loss.

1.5 Impairment of fixed 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.

ELMBRIDGE BUILDING CONTROL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.6 Cash at bank and in hand

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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 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 balance sheet 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 debtors 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.

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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 creditors 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 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.

ELMBRIDGE BUILDING CONTROL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.10 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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 profit and loss account, 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.

ELMBRIDGE BUILDING CONTROL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.13 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.

ELMBRIDGE BUILDING CONTROL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Post employment benefits

The company is a participating member of the multi-employer Surrey Pension fund defined benefit pension scheme which is part of the national Local Government Pension Scheme. All postemployment benefits associated with this schemes have been accounted for in accordance with IAS 19 "Employee Benefits".

All actuarial gains and losses have been recognised immediately through the Statement of Comprehensive Income.

For this defined benefit pension scheme, pension valuations have been performed using specialist advice obtained from independent qualified actuaries. In performing these valuations, significant actuarial assumptions and judgments have been made to determine the defined benefit obligation, in particular with regard to discount rate, inflation and mortality.

Appropriate sensitivities have been performed and disclosed in Note 10.

Deferred Income

Deferred income represents the value of fees received in respect of planning and inspection work, where the work has not been fully completed. At the point the work is completed and inspections are signed off, the income will then be recognised in full. If inspections are in progress at the year end, the amount of income deferred is calculated by reference to the total number of inspections required for the work compared to the expected number of inspections left before the work will be complete. The judgement of the Directors is required when determining the expected number of inspections left before the work can be regarded as complete. When making the judgement the Directors draw in historical information involving numbers of inspections as well as the type of inspection being completed.

ELMBRIDGE BUILDING CONTROL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 7 (2021 - 7)

	2022	2021
	Number	Number
Total	7	7
	=====	=====

4 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	(677)	-
	=====	=====
Deferred tax		
Origination and reversal of timing differences	-	(989)
	=====	=====
Total tax credit	(677)	(989)
	=====	=====

5 Tangible fixed assets

	Total
	£
Cost	
At 1 April 2021	20,829
Additions	703

At 31 March 2022	21,532

Depreciation and impairment	
At 1 April 2021	16,182
Depreciation charged in the year	4,824

At 31 March 2022	21,006

Carrying amount	
At 31 March 2022	526
	=====
At 31 March 2021	4,647
	=====

ELMBRIDGE BUILDING CONTROL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	27,406	37,694
Other debtors	22,495	19,191
	<u>49,901</u>	<u>56,885</u>

7 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans	-	50,000
Trade creditors	3,384	12,767
Taxation and social security	51,712	31,691
Deferred income	644,063	509,722
Other creditors	5,499	6,296
Accruals	3,000	3,000
	<u>707,658</u>	<u>613,476</u>

The bank loan of £50,000 represents the Bounce Back loan taken by the company during the year. The loan was repaid in full on 10 May 2021.

8 Deferred income

	2022	2021
	£	£
Deferred income	<u>644,063</u>	<u>509,722</u>

Deferred income represents the value of fees received in respect of planning and inspection work, where the work has not been fully completed. At the point the work is completed and inspections are signed off, the income will then be recognised in full. If inspections are in progress at the year end, the amount of income deferred is calculated by reference to the total number of inspections required for the work compared to the expected number of inspections left before the work will be complete.

ELMBRIDGE BUILDING CONTROL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Provisions for liabilities

		2022	2021
		£	£
Deferred tax liabilities		100	777
Retirement benefit obligations	10	342,000	505,000
		<u>342,100</u>	<u>505,777</u>

10 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Defined benefit schemes

The company operates a defined benefit scheme for qualifying employees. Under the scheme the employees accrue between 1/80th and 1/60th of their final salary for each year of service, to be received per annum upon attainment of a retirement age of 65. No other post retirement benefits are provided.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out in during April 2022 by Hymans Robertson LLP, Fellow of the Institute of Actuaries. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

	2022	2021
<i>Key assumptions</i>	%	%
Discount rate	2.75	2.05
Expected rate of increase of pensions in payment	3.15	2.8
Expected rate of salary increases	4.05	3.7
	<u> </u>	<u> </u>

	2022	2021
<i>Mortality assumptions</i>	Years	Years
Assumed life expectations on retirement at age 65:		
Current Pensioners		
- Males	22.1	22.3
- Females	24.5	24.7
	<u> </u>	<u> </u>
Future Pensioners		
- Males	23.1	23.4
- Females	26.2	26.4
	<u> </u>	<u> </u>

ELMBRIDGE BUILDING CONTROL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Retirement benefit schemes

(Continued)

	2022	2021
<i>Amounts recognised in the profit and loss account</i>	£	£
Current service cost	62,000	50,000
Net interest on net defined benefit liability/(asset)	11,000	8,000
	<hr/>	<hr/>
Total costs	73,000	58,000
	<hr/>	<hr/>

	2022	2021
<i>Amounts taken to other comprehensive income</i>	£	£
Actual return on scheme assets	(107,000)	(316,000)
Less: calculated interest element	28,000	25,000
	<hr/>	<hr/>
Return on scheme assets excluding interest income	(79,000)	(291,000)
Actuarial changes related to obligations	(140,000)	419,000
	<hr/>	<hr/>
Total costs/(income)	(219,000)	128,000
	<hr/>	<hr/>

The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:

	2022	2021
	£	£
Present value of defined benefit obligations	1,834,000	1,892,000
Fair value of plan assets	(1,492,000)	(1,387,000)
	<hr/>	<hr/>
Deficit in scheme	342,000	505,000
	<hr/>	<hr/>

	2022
<i>Movements in the present value of defined benefit obligations</i>	£
Liabilities at 1 April 2021	1,892,000
Current service cost	62,000
Benefits paid	(30,000)
Contributions from scheme members	11,000
Actuarial gains and losses	(140,000)
Interest cost	39,000
	<hr/>
At 31 March 2022	1,834,000
	<hr/>

ELMBRIDGE BUILDING CONTROL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Retirement benefit schemes

(Continued)

The defined benefit obligations arise from plans which are wholly or partly funded.

	2022
	£
<i>Movements in the fair value of plan assets</i>	
Fair value of assets at 1 April 2021	1,387,000
Interest income	28,000
Return on plan assets (excluding amounts included in net interest)	79,000
Benefits paid	(30,000)
Contributions by the employer	17,000
Contributions by scheme members	11,000
	<hr/>
At 31 March 2022	1,492,000
	<hr/> <hr/>

The actual return on plan assets was £107,000 (2021 - £316,000).

	2022	2021
	£	£
<i>Fair value of plan assets at the reporting period end</i>		
Equity instruments	1,119,000	1,054,120
Debt instruments	208,880	221,920
Property	119,360	69,350
Cash	44,760	41,610
	<hr/>	<hr/>
	1,492,000	1,387,000
	<hr/> <hr/>	<hr/> <hr/>

11 Operating lease commitments

During the year the company took new premises and entered into a 5 year lease, ending on 31st October 2023. Annual rental of £20,500 is payable quarterly in advance, under this lease.

12 Called up share capital

	2022	2021
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary share of 1p each	1	1
	<hr/> <hr/>	<hr/> <hr/>

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