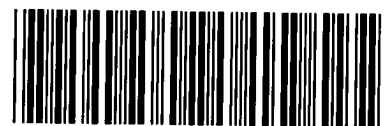


A9 Bower + Smith Limited
Unaudited Financial Statements
For the year ended
31 December 2016

THE A9 PARTNERSHIP LIMITED

Chartered accountants
Abercorn School
Newton
West Lothian
EH52 6PZ

WEDNESDAY



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A9 Bower + Smith Limited

Financial Statements

Year ended 31 December 2016

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A9 Bower + Smith Limited

Balance Sheet

31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	6	332,238	353,604
Tangible assets	7	32,849	35,044
		<u>365,087</u>	<u>388,648</u>
Current assets			
Stocks	8	3,174	2,260
Debtors	9	169,213	187,151
Cash at bank and in hand		—	19
		<u>172,387</u>	<u>189,430</u>
Creditors: amounts falling due within one year	10	<u>142,625</u>	<u>149,753</u>
Net current assets		<u>29,762</u>	<u>39,677</u>
Total assets less current liabilities		<u>394,849</u>	<u>428,325</u>
Creditors: amounts falling due after more than one year	11	<u>134,700</u>	<u>158,700</u>
Net assets		<u><u>260,149</u></u>	<u><u>269,625</u></u>
Capital and reserves			
Called up share capital		40,000	40,000
Profit and loss account		<u>220,149</u>	<u>229,625</u>
Members funds		<u><u>260,149</u></u>	<u><u>269,625</u></u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the profit and loss account has not been delivered.

For the year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- 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;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The balance sheet
continues on the following page.

The notes on pages 3 to 7 form part of these financial statements.

A9 Bower + Smith Limited

Balance Sheet *(continued)*

31 December 2016

These financial statements were approved by the board of directors and authorised for issue on 8 September 2017, and are signed on behalf of the board by:



Mr R Baird CA ATII
Director

Company registration number: SC243134

A9 Bower + Smith Limited

Notes to the Financial Statements

Year ended 31 December 2016

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is Abercorn School, Newton, Broxburn, EH52 6PZ.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note .

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

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, as a proportion of total costs.

Taxation

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Goodwill

Purchased goodwill arising on acquisitions is capitalised and classified as an asset in the Balance Sheet. The goodwill purchased from non-related parties is amortised at 4% per annum in accordance with recognised accounting principles on the basis that this is presumed to be the maximum useful life of this purchased goodwill because it is difficult to make projections beyond this period. The value of goodwill is reviewed for impairment when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

A9 Bower + Smith Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	5% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	-	2% straight line
Equipment	-	25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

A9 Bower + Smith Limited

Notes to the Financial Statements (continued)

Year ended 31 December 2016

3. Accounting policies (continued)

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the balance sheet as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

4. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to 9 (2015: 9).

5. Profit before taxation

Profit before taxation is stated after charging:

	2016	2015
	£	£
Amortisation of intangible assets	21,366	21,366
Depreciation of tangible assets	<u>2,195</u>	<u>4,471</u>

6. Intangible assets

	Goodwill
	£
Cost	
At 1 Jan 2016 and 31 Dec 2016	<u>427,337</u>
Amortisation	
At 1 January 2016	73,733
Charge for the year	<u>21,366</u>
At 31 December 2016	<u>95,099</u>
Carrying amount	
At 31 December 2016	<u>332,238</u>
At 31 December 2015	<u>353,604</u>

A9 Bower + Smith Limited

Notes to the Financial Statements (continued)

Year ended 31 December 2016

7. Tangible assets

	Land and buildings £	Equipment £	Total £
Cost			
At 1 Jan 2016 and 31 Dec 2016	<u>39,095</u>	<u>7,260</u>	<u>46,355</u>
Depreciation			
At 1 January 2016	8,586	2,725	11,311
Charge for the year	<u>780</u>	<u>1,415</u>	<u>2,195</u>
At 31 December 2016	<u>9,366</u>	<u>4,140</u>	<u>13,506</u>
Carrying amount			
At 31 December 2016	<u>29,729</u>	<u>3,120</u>	<u>32,849</u>
At 31 December 2015	<u>30,509</u>	<u>4,535</u>	<u>35,044</u>

8. Stocks

	2016 £	2015 £
Stock on hand	<u>3,174</u>	<u>2,260</u>

9. Debtors

	2016 £	2015 £
Trade debtors	83,002	103,317
Other debtors	<u>86,211</u>	<u>83,834</u>
	<u>169,213</u>	<u>187,151</u>

10. Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	26,147	28,179
Trade creditors	1,313	2,543
Corporation tax	24,301	25,268
Social security and other taxes	45,803	48,857
Other creditors	<u>45,061</u>	<u>44,906</u>
	<u>142,625</u>	<u>149,753</u>

Any bank overdraft or loans are secured by a bond and floating charge over the company's assets and by directors' guarantees of £55,000.

11. Creditors: amounts falling due after more than one year

	2016 £	2015 £
Other creditors	<u>134,700</u>	<u>158,700</u>

A9 Bower + Smith Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

12. Prior period adjustment

The company had previously not amortised goodwill purchased on the incorporation of the company from the partnership of Bower & Smith. FRS 102 requires goodwill to be amortised over its estimated useful life. This has been accounted for with effect from 1 January 2015.

13. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016	2015
	£	£
Property and equipment	<u>260,976</u>	<u>304,007</u>