

NEW BEGINNINGS (NORTH EAST) LIMITED

COMPANY LIMITED BY GUARANTEE

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MAY 2017**

PAGES FOR FILING WITH REGISTRAR



NEW BEGINNINGS (NORTH EAST) LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL POSITION

AS AT 31 MAY 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		8,327		10,636
Current assets					
Debtors	4	1,144,591		1,025,523	
Cash at bank and in hand		179,394		312,535	
		<u>1,323,985</u>		<u>1,338,058</u>	
Creditors: amounts falling due within one year	5	<u>(721,203)</u>		<u>(769,792)</u>	
Net current assets			602,782		568,266
Total assets less current liabilities			611,109		578,902
Provisions for liabilities			(504)		(925)
Net assets			<u>610,605</u>		<u>577,977</u>
Capital and reserves					
Profit and loss reserves			610,605		577,977

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 May 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

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 21/6/2018 and are signed on its behalf by:


T C Gray
Director

NEW BEGINNINGS (NORTH EAST) LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

Company information

New Beginnings (North East) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 1 The Meadows, Newcastle upon Tyne, Tyne & Wear, NE3 3NA.

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. The principal accounting policies adopted are set out below.

These financial statements are the first financial statements of New Beginnings (North East) Limited prepared in accordance with FRS 102. The financial statements of New Beginnings (North East) Limited for the year ended 31 May 2016 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

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.

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:

Office and computer equipment	25% straight line
Motor vehicles	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.

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.

**NEW BEGINNINGS (NORTH EAST) LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2017**

1 Accounting policies (Continued)

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand.

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 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 trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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 trade and other creditors, 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.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

**NEW BEGINNINGS (NORTH EAST) LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2017**

1 Accounting policies (Continued)

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.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 310 (2016 - 290).

3 Tangible fixed assets

	Office and computer equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 June 2016	48,044	7,850	55,894
Additions	2,062	-	2,062
	<u>50,106</u>	<u>7,850</u>	<u>57,956</u>
At 31 May 2017			
Depreciation and impairment			
At 1 June 2016	42,363	2,895	45,258
Depreciation charged in the year	2,733	1,638	4,371
	<u>45,096</u>	<u>4,533</u>	<u>49,629</u>
At 31 May 2017			
Carrying amount			
At 31 May 2017	5,010	3,317	8,327
	<u>5,681</u>	<u>4,955</u>	<u>10,636</u>
At 31 May 2016			

NEW BEGINNINGS (NORTH EAST) LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2017

4 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	607,852	613,099
Other debtors	536,739	412,424
	<u>1,144,591</u>	<u>1,025,523</u>

5 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	11,785	11,818
Corporation tax	10,132	7,757
Other taxation and social security	127,987	97,607
Other creditors	571,299	652,610
	<u>721,203</u>	<u>769,792</u>

Included within other creditors is £443,603 (2016: £441,760) relating to a debt factoring agreement which is secured on the related trade debtors.

6 Provisions for liabilities

	2017	2016
	£	£
Deferred tax liabilities	504	925
	<u>504</u>	<u>925</u>

7 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017	2016
	£	£
Total commitment	<u>75,600</u>	<u>109,200</u>

NEW BEGINNINGS (NORTH EAST) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2017

8 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Recharges	
	2017	2016
	£	£
Connected companies	623,675	655,705
	<u> </u>	<u> </u>

	Expenses paid on behalf of	
	2017	2016
	£	£
Connected companies	11,400	115,161
	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	2017	2016
	£	£
Amounts owed to related parties		
Connected companies	26,647	41,099
	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	2017
	Balance
	£
Amounts owed by related parties	
Connected companies	266,935
	<u> </u>

	2016
	Balance
	£
Amounts owed in previous period	
Connected companies	229,384
	<u> </u>

9 Company limited by guarantee

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he is a member or within one year after he ceases to be a member, for payment of the company's debts and liabilities contracted before he ceases to be a member, and of costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves. There were 3 (2016: 3) members during the year under review.

**NEW BEGINNINGS (NORTH EAST) LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2017**

10 First time adoption of FRS 102

These are the first financial statements that comply with FRS102. The company transitioned to FRS102 on 1 April 2015. There were no adjustments to equity 1 April 2015, equity at 31 March 2016 or to the profit for the year ended 31 March 2016 as a result of transitioning to FRS102.