

**REGISTRAR OF
COMPANIES**

Company Registration No. 08940108 (England and Wales)

**PROSPECT BUSINESS CENTRES (ERGON
HOUSE) LIMITED**

**UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 DECEMBER 2017**

PAGES FOR FILING WITH REGISTRAR



PROSPECT BUSINESS CENTRES (ERGON HOUSE) LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 30 DECEMBER 2017**

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		-		197,091
Current assets					
Debtors	4	866,731		1,221,024	
Cash at bank and in hand		46,294		30,609	
		913,025		1,251,633	
Creditors: amounts falling due within one year	5	(646,211)		(704,165)	
Net current assets			266,814		547,468
Total assets less current liabilities			266,814		744,559
Creditors: amounts falling due after more than one year	6		(249,521)		(600,000)
Provisions for liabilities	7		-		(24,153)
Net assets			17,293		120,406
Capital and reserves					
Called up share capital	8		100		100
Profit and loss reserves			17,193		120,306
Total equity			17,293		120,406

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

For the financial period ended 30 December 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 period in question in accordance with section 476.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 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.

PROSPECT BUSINESS CENTRES (ERGON HOUSE) LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 DECEMBER 2017

The financial statements were approved and signed by the director and authorised for issue on 16/11/2017


.....
W Hill
Director

PROSPECT BUSINESS CENTRES (ERGON HOUSE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 DECEMBER 2017

1 Accounting policies

Company information

Prospect Business Centres (Ergon House) Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Prospect House, 32 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ.

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 Prospect Business Centres (Ergon House) Limited prepared in accordance with FRS 102. The financial statements of Prospect Business Centres (Ergon House) Limited for the year ended 31 October 2016 were prepared in accordance with the Financial Reporting Standards for Small Entities (effective January 2015).

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from the Financial Reporting Standards for Small Entities. (effective January 2015). 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.

Reporting period

During the year, the company changed its year end from the 31 October to 31 December in order to report results on a calendar year basis. These financial statements present the results for the period from 1 November 2016 to 31 December 2017.

The comparatives as stated in the accounts disclose details for the year ended 31 October 2016 and are therefore not entirely comparable with the current period.

Turnover

Turnover is recognised from net invoiced income from lettings and ancillary services received or receivable for services provided in the normal course of business, and is shown net of VAT.

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.

PROSPECT BUSINESS CENTRES (ERGON HOUSE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 DECEMBER 2017

1 Accounting policies (Continued)

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:

Leasehold improvements	20% on cost
Fixtures, fittings and equipment	20% on cost

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.

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.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments 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.

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.

PROSPECT BUSINESS CENTRES (ERGON HOUSE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2017

1 Accounting policies (Continued)

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, bank loans and loans from fellow group companies that are classified as debt, are initially recognized 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.

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 and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

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 date.

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.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

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 leased asset are consumed.

2 Employees

The average monthly number of persons employed by the company during the period was nil (2016 - nil).

PROSPECT BUSINESS CENTRES (ERGON HOUSE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2017

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 November 2016	324,693	7,164	331,857
Additions	-	1,984	1,984
At 30 December 2017	324,693	9,148	333,841
Depreciation and impairment			
At 1 November 2016	132,938	1,828	134,766
Depreciation charged in the period	191,755	7,320	199,075
At 30 December 2017	324,693	9,148	333,841
Carrying amount			
At 30 December 2017	-	-	-
At 31 October 2016	191,755	5,336	197,091

4 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	14,427	32,165
Amounts owed by group undertakings	680,733	1,128,417
Other debtors	170,000	60,442
	865,160	1,221,024
Deferred tax asset	1,571	-
	866,731	1,221,024

5 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	96,959	121,625
Amounts due to group undertakings	108,260	-
Corporation tax	17,198	-
Other taxation and social security	24,116	16,770
Other creditors	399,678	565,770
	646,211	704,165

PROSPECT BUSINESS CENTRES (ERGON HOUSE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2017

6 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	249,521	600,000

Included with creditors due after one year is an amount of £176,008 due to Archover Limited. This amount is secured by Guarantees and standard form Debentures from Prospect Business Centres (Old Jewry) Limited and Prospect Business Centres (Old Bailey) Limited and Prospect Business Centres (Leadenhall) Limited.

7 Provisions for liabilities

	2017 £	2016 £
Deferred tax liabilities	-	24,153

8 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	100	100

9 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 £
Within one year	-	271,339
Between one and five years	-	384,397
	-	655,736

10 Events after the reporting date

In January 2018 the current company trade ceased as the lease at Ergon House was terminated and the property demolished.

PROSPECT BUSINESS CENTRES (ERGON HOUSE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2017

11 Related party transactions

Mr W Hill is related to the business by virtue of the fact that he is the sole director in the following group companies, Prospect House Leeds Limited, Prospect Business Centres (Leadenhall) Limited, Prospect Business Centres (Fountain) Limited, Prospect Business Centres (Old Jewry) Limited, Prospect Business Centres (Old Bailey) and Prospect Business Centres (Monument) Limited. The director is also the controlling shareholder of Prospect Business Centres Limited (Parent Company).

The company is also related to Belgrave (North West) Limited Loxley Homes (Alwoodley) Limited and Loxley Homes Limited by virtue of Mr W Hill being a director of and having a beneficial shareholding in the company.

During the period the company was recharged services for leasing of equipment and other administrative expenses from the following companies;

Prospect Business Centres Limited £43,969 (2016: £39,874).

Prospect House Leeds Limited £Nil (2016: £68,676).

During the period the company recharged administrative expenses to the the following companies;

Prospect Business Centres (Old Jewry) Limited £264 (2016: £187).

Belgrave (North West) Ltd £Nil (2016: £16).

Prospect House Leeds Limited £248 (2016: £Nil).

At the period end the following balances were owed to Prospect Business Centres (Ergon House) Limited;

Belgrave (North West) Limited £Nil (2016: £16).

Prospect Business Centres Limited £680,713 (2016: £1,128,433).

Loxley Homes Limited £140,000 (2016 £Nil).

Loxley Homes (Alwoodley Limited) £30,000 (2026: £Nil).

Prospect Business Centres (Leadenhall) Limited £20 (2016: £Nil).

At the period end the following balances were owed by Prospect Business Centres (Ergon House) Limited;

Prospect House Leeds Limited £Nil (2016: £Nil).

Prospect Business Centres (Old Bailey) Limited £50,000 (2016: £Nil).

Prospect Business Centres (Old Jewry) Limited £58,260 (2016: £Nil).

During the period the company paid £500,000 (2016: £100,000) in dividends to Prospect Business Centres Limited.

The above transactions are interest free and there are no set repayment terms.

12 Parent company

Prospect Business Centres Limited, a company registered in the England and Wales, company number 05324802, is the ultimate parent company by virtue of their 100% shareholding in the company

The director W Hill controls the company by virtue of his shareholdings in the parent company and directorship of the company.