

Registration number: 03502053

EA Consulting Group Ltd

Annual Report and Financial Statements

for the Year Ended 31 March 2019

Roffe Swayne
Statutory Auditors and Chartered Accountants
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ



EA Consulting Group Ltd

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EA Consulting Group Ltd

Company Information

Directors	J C Murphy C D Robson S G Robson
Registered office	2 Oriol Court 106 The Green Twickenham TW2 5AG
Auditors	Roffe Swayne Statutory Auditors and Chartered Accountants Ashcombe Court Woolsack Way Godalming Surrey GU7 1LQ

EA Consulting Group Ltd

Strategic Report for the Year Ended 31 March 2019

The directors present their strategic report for the year ended 31 March 2019.

Principal activity

EA Consulting Group Ltd trades as "ea Change" and specialises in providing resourcing, permanent placements, interim management and partnership solutions services to the Financial Services Industry.

Fair review of the business

ea Change had a relatively successful year considering the increasingly challenging market, gaining new clients in existing and new sectors. In an environment with pressure on fees and many macro factors impacting the business, we saw increase in margins.

To take full advantage of the changing market conditions ea Change has restructured the business, making strategic investments in skills and operational efficiencies.

We have embraced new recruitment legislation and are positioned to take advantage of new markets across all sectors with the right skills, cost model and propositions in place.

The financial results of the company are set out on page 10 of these financial statements. Operating profit (before exceptional items detailed in note 19) for the year was £41,673 (2018: £411,218). Turnover decreased by 11.5%, gross profit decreased by 7.5% and administration expenses increased by 4.9%. The gross margin of the company increased to 10.2% from 9.7%.

Post year end ea Change has been profitable with the management accounts to October 2019 showing a profit before tax of £362,150, this is testament to the strategic investments made in the 2019 financial year.

EA Consulting Group Ltd

Strategic Report for the Year Ended 31 March 2019

Principal risks and uncertainties

Competitive risk

Competitive pressure is a continuing risk which the company mitigates by maintaining strong client relationships and by providing value added services.

Financial risks

The main financial risk to manage is the availability of funds to meet business needs and the credit risk arising from customer defaults.

The company has flexible financing arrangements with cash balances supplemented by an invoice discounting arrangement, this facility was rarely used during the year as the company benefited from good credit control and good payment terms in place with its customers.

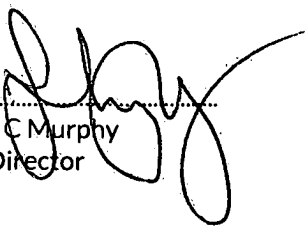
Credit risk is tightly managed to minimise any risk of bad debts and non-payment by customers. The company benefits from clients with strong credit ratings and accordingly the directors are of the opinion that the company has no significant credit risk.

The directors foresee no liquidity issues for the forthcoming financial year and any issues which would lead them to believe that there are any going concern problems for the company.

Other risks

The directors are considering other business risks which include Brexit (impact of UK banks relocating from the UK), although as the majority of the business is with UK based Retail Financial Companies - the board feel this will have a low impact on the business. The planned introduction of IR35 (Government pushing this tax plan from the public sector to the private sector impacting contractor taxes and limited company payments), has caused a lot of debate in the market - but the company has formulated a strategy with our advisors that has been rolled out to our clients and this has been well received and given the move towards more Statement of Work business - this aligns well to the foundations of the Company 21 years ago and so the directors see this as a low level risk.

Approved by the Board on 20/12/19 and signed on its behalf by:


.....
J.C. Murphy
Director

EA Consulting Group Ltd

Directors' Report for the Year Ended 31 March 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

Directors of the company

The directors who held office during the year were as follows:

J C Murphy

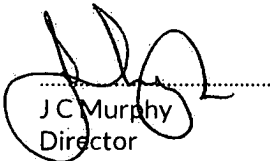
C D Robson

S G Robson

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the Board on 20/12/19 and signed on its behalf by:


J C Murphy
Director

EA Consulting Group Ltd

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EA Consulting Group Ltd

Independent Auditor's Report to the Members of EA Consulting Group Ltd

Opinion

We have audited the financial statements of EA Consulting Group Ltd (the 'company') for the year ended 31 March 2019, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

EA Consulting Group Ltd

Independent Auditor's Report to the Members of EA Consulting Group Ltd

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 5), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

EA Consulting Group Ltd

Independent Auditor's Report to the Members of EA Consulting Group Ltd

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

EA Consulting Group Ltd

Independent Auditor's Report to the Members of EA Consulting Group Ltd

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Anthony Kelly BSc FCA (Senior Statutory Auditor)
For and on behalf of Roffe Swayne, Statutory Auditor

Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ

Date: 20/12/19

EA Consulting Group Ltd

Profit and Loss Account for the Year Ended 31 March 2019

	Note	2019 £	2018 £
Turnover	3	28,503,234	32,203,072
Cost of sales		<u>(25,601,513)</u>	<u>(29,065,486)</u>
Gross profit		2,901,721	3,137,586
Administrative expenses		<u>(2,860,048)</u>	<u>(2,726,368)</u>
Operating profit	4	<u>41,673</u>	<u>411,218</u>
Other interest receivable and similar income	5	-	1,736
Exceptional items	19	<u>(157,167)</u>	<u>-</u>
		<u>(157,167)</u>	<u>1,736</u>
(Loss)/profit before tax		(115,494)	412,954
Taxation	9	<u>12,220</u>	<u>(67,000)</u>
(Loss)/profit for the financial year		<u>(103,274)</u>	<u>345,954</u>

The above results were derived from continuing operations.

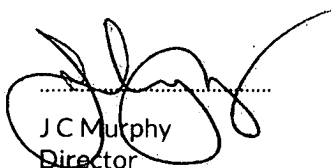
The company has no recognised gains or losses for the year other than the results above.

The notes on pages 13 to 21 form an integral part of these financial statements.

EA Consulting Group Ltd
(Registration number: 03502053)
Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	10	10,445	9,132
Current assets			
Debtors	11	4,951,264	6,438,217
Cash at bank and in hand		-	393,162
		<u>4,951,264</u>	<u>6,831,379</u>
Creditors: Amounts falling due within one year	12	<u>(3,059,678)</u>	<u>(4,636,123)</u>
Net current assets		<u>1,891,586</u>	<u>2,195,256</u>
Net assets		<u>1,902,031</u>	<u>2,204,388</u>
Capital and reserves			
Called up share capital	13	8,621	8,621
Share premium reserve		25,475	25,475
Profit and loss account		<u>1,867,935</u>	<u>2,170,292</u>
Total equity		<u>1,902,031</u>	<u>2,204,388</u>

Approved and authorised by the Board on 20/12/19 and signed on its behalf by:


 J C Murphy
 Director

EA Consulting Group Ltd

Statement of Changes in Equity for the Year Ended 31 March 2019

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 April 2017	8,621	25,475	2,003,871	2,037,967
Prior period adjustment	-	-	(82,281)	(82,281)
At 1 April 2017 (As restated)	<u>8,621</u>	<u>25,475</u>	<u>1,921,590</u>	<u>1,955,686</u>
Profit for the year	-	-	345,954	345,954
Total comprehensive income	-	-	345,954	345,954
Dividends	-	-	(97,252)	(97,252)
At 31 March 2018	<u>8,621</u>	<u>25,475</u>	<u>2,170,292</u>	<u>2,204,388</u>
	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 April 2018	8,621	25,475	2,170,292	2,204,388
Loss for the year	-	-	(103,274)	(103,274)
Total comprehensive income	-	-	(103,274)	(103,274)
Dividends	-	-	(199,083)	(199,083)
At 31 March 2019	<u>8,621</u>	<u>25,475</u>	<u>1,867,935</u>	<u>1,902,031</u>

The notes on pages 13 to 21 form an integral part of these financial statements.

EA Consulting Group Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office and principal place of business is:

2 Oriel Court
106 The Green
Twickenham
TW2 5AG

2 Accounting policies

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Summary of disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows
- the requirements of Section 33 Related Party Disclosures relating to transactions with its 100% parent undertaking EACG Holdings Limited.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of Value Added Tax.

The company recognises revenue when its contractual obligations are fulfilled.

Foreign currency transactions and balances

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

EA Consulting Group Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

Deferred tax assets and liabilities are recognised in respect of timing differences that have originated but not reversed at the balance sheet date.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Improvements to property	33% on cost
Furniture, fittings and equipment	33% on cost

Debtors

Short term debtors are measured at transaction value less any impairment. At each balance sheet date, debtors are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is measured as the difference between the carrying amount and the amount expected to be received.

Creditors

Trade creditors are recognised initially at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value net of transaction costs, and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

EA Consulting Group Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as an employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Invoice discounting

The company has an agreement with their bankers whereby sales invoices can be discounted, with recourse after a set period of time. On the basis that the benefits and risks attaching to the debts remain with the company, a separate presentation has been adopted in accordance with FRS 102. On this basis the gross debts are included as an asset within trade debtors and the monies advanced are included within other creditors. Where the invoicing discounting balance is in a debit position the balance is included within other debtors.

Summary of significant judgements and key accounting estimates

No significant judgements or estimates have been made in the preparation of the financial statements.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2019 £	2018 £
Rendering of services	<u>28,503,234</u>	<u>32,203,072</u>

4 Operating loss

Arrived at after charging/(crediting)

	2019 £	2018 £
Depreciation expense	5,834	6,075
Foreign exchange losses	170	261
Operating lease expense - property	244,663	227,543
Operating lease expense - plant and machinery	<u>3,951</u>	<u>2,237</u>

5 Other interest receivable and similar income

	2019 £	2018 £
Interest income on bank deposits	<u>-</u>	<u>1,736</u>

EA Consulting Group Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2019 £	2018 £
Wages and salaries	1,736,063	1,593,592
Social security costs	220,055	176,338
Pension costs, defined contribution scheme	55,734	70,401
Other employee expense	55,544	82,706
	<u>2,067,396</u>	<u>1,923,037</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2019 No.	2018 No.
Administration	15	12
Business development	24	22
	<u>39</u>	<u>34</u>

7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2019 £	2018 £
Remuneration	138,478	74,182
Contributions paid to money purchase schemes	11,955	13,020
	<u>150,433</u>	<u>87,202</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2019 No.	2018 No.
Accruing benefits under money purchase pension scheme	<u>3</u>	<u>3</u>

8 Auditors' remuneration

	2019 £	2018 £
Audit of the financial statements	<u>19,950</u>	<u>16,700</u>

EA Consulting Group Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

9 Taxation

Tax charged/(credited) in the income statement

	2019 £	2018 £
Current taxation		
UK corporation tax	-	67,000
UK corporation tax adjustment to prior periods	<u>(12,220)</u>	<u>-</u>
	<u>(12,220)</u>	<u>67,000</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2018 - lower than the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

	2019 £	2018 £
(Loss)/profit before tax	<u>(115,494)</u>	<u>412,954</u>
Corporation tax at standard rate	(21,944)	78,461
Effect of:		
Effect of prior period adjustment	-	(15,633)
Expenses not deductible in determining taxable profit (tax loss)	15,592	2,381
Tax increase/(decrease) from capital allowances and depreciation	1,790	(511)
Other tax adjustments	<u>(7,658)</u>	<u>2,302</u>
Total tax (credit)/charge	<u>(12,220)</u>	<u>67,000</u>

EA Consulting Group Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

10 Tangible assets

	Improvements to property £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 April 2018	24,683	228,695	253,378
Additions	-	7,147	7,147
At 31 March 2019	<u>24,683</u>	<u>235,842</u>	<u>260,525</u>
Depreciation			
At 1 April 2018	24,683	219,563	244,246
Charge for the year	-	5,834	5,834
At 31 March 2019	<u>24,683</u>	<u>225,397</u>	<u>250,080</u>
Carrying amount			
At 31 March 2019	<u>-</u>	<u>10,445</u>	<u>10,445</u>
At 31 March 2018	<u>-</u>	<u>9,132</u>	<u>9,132</u>

11 Debtors

	Note	2019 £	2018 £
Trade debtors		1,711,201	2,989,391
Amounts owed by related parties	17	1,468,937	1,468,937
Other debtors		488,097	98,007
Prepayments and accrued income		1,242,992	1,880,920
Deferred tax assets	9	962	962
Income tax asset	9	39,075	-
		<u>4,951,264</u>	<u>6,438,217</u>

EA Consulting Group Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

12 Creditors

	Note	2019 £	2018 £
Due within one year			
Loans and borrowings	14	18,757	-
Trade creditors		2,589,807	3,389,438
Social security and other taxes		192,017	166,437
Other creditors		142,450	770,455
Accruals		116,647	292,304
Corporation tax liability	9	-	17,489
		3,059,678	4,636,123

Secured debts

The company has given security over its assets to secure the invoice discounting facility.

13 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary of £0.01 each	862,135	8,621	862,135	8,621

14 Loans and borrowings

	2019 £	2018 £
Current loans and borrowings		
Bank overdrafts	18,757	-

Bank overdrafts are secured by way of fixed and floating charges over the undertaking and all property and assets present and future including goodwill bookdebts uncalled capital buildings fixtures fixed plant and machinery.

15 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

EA Consulting Group Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

	2019 £	2018 £
Not later than one year	78,460	242,187
Later than one year and not later than five years	124,000	174,796
Later than five years	<u>2,583</u>	<u>33,583</u>
	<u>205,043</u>	<u>450,566</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £251,427 (2018 - £234,301).

16 Dividends

	2019 £	2018 £
Interim dividend of £0.231 (2018 - £0.113) per ordinary share	<u>199,083</u>	<u>97,252</u>

17 Related party transactions

Key management personnel

The remuneration of key management personnel, some of whom are also Directors, is as follows:

Key management compensation

	2019 £	2018 £
Salaries and other short term employee benefits	350,719	382,504
Post-employment benefits	15,792	15,054
Consultancy fees	<u>106,747</u>	<u>199,852</u>
	<u>473,258</u>	<u>597,410</u>

Summary of transactions with entities with joint control or significant interest

Included within other debtors is £6,383 (2018 other creditors: £637,755) due from an entity under common control. No interest is charged on the balance.

During the year companies under common control charged the company management fees of £6,636 (2018: £11,579).

EA Consulting Group Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

18 Parent and ultimate parent undertaking

The ultimate parent is EACG Holdings Limited, incorporated in England and Wales. This is the largest group in which these financial statements are consolidated.

These financial statements are available upon request from Companies House.

The ultimate controlling party is S Robson.

19 Exceptional items

The exceptional items relate to one-off legal fees totalling £64,690 and restructuring and redundancy costs totalling £92,477.