

**MICRO DATA SYSTEMS LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**MICRO DATA SYSTEMS LIMITED**  
**REGISTERED NUMBER:02449095**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2016**

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Intangible assets	4	6,536	2,852
Tangible assets	5	26,272	20,423
		<u>32,808</u>	<u>23,275</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	5,716	2,234
Cash at bank and in hand	7	6,340	855
		<u>12,056</u>	<u>3,089</u>
Creditors: amounts falling due within one year	8	(34,856)	(23,275)
<b>Net current liabilities</b>		<u>(22,800)</u>	<u>(20,186)</u>
<b>Total assets less current liabilities</b>		<u>10,008</u>	<u>3,089</u>
<b>Provisions for liabilities</b>			
Deferred tax	9	(3,540)	(2,208)
		<u>(3,540)</u>	<u>(2,208)</u>
<b>Net assets</b>		<u><u>6,468</u></u>	<u><u>881</u></u>
<b>Capital and reserves</b>			
Called up share capital		90	90
Profit and loss account		6,378	791
		<u><u>6,468</u></u>	<u><u>881</u></u>

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2016**

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The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the income statement in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....  
**Mr M D Spencer**  
Director

.....  
**Mrs L M Spencer**  
Director

Date: 22 September 2017

The notes on pages 3 to 8 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**1. General information**

Micro Data Systems Limited is a company limited by shares incorporated in England within the United Kingdom. The address of the registered office is 17 Pennyfields, Bungay, Suffolk, NR35 1RD registered number 02449095.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**2.2 Turnover**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.3 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

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**2. Accounting policies (continued)**

**2.4 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- 20% straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income statement.

**2.5 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.6 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.7 Creditors**

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

NOTES TO THE FINANCIAL STATEMENTS  
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**2. Accounting policies (continued)**

**2.8 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Income statement in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

**2.9 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**3. Employees**

The average monthly number of employees, including directors, during the year was 2 (2015 - 2).

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MICRO DATA SYSTEMS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

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4. Intangible assets

	Software licences £
<b>Cost</b>	
At 1 January 2016	14,097
Additions	4,911
	<hr/>
At 31 December 2016	19,008
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<b>Amortisation</b>	
At 1 January 2016	11,245
Charge for the year	1,227
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At 31 December 2016	12,472
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<b>Net book value</b>	
At 31 December 2016	<u>6,536</u>
<i>At 31 December 2015</i>	<u>2,852</u>

**MICRO DATA SYSTEMS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**5. Tangible fixed assets**

	Office equipment £
<b>Cost or valuation</b>	
At 1 January 2016	54,808
Additions	11,209
	<u>66,017</u>
At 31 December 2016	<u>66,017</u>
<b>Depreciation</b>	
At 1 January 2016	34,385
Charge for the year on owned assets	5,360
	<u>39,745</u>
At 31 December 2016	<u>39,745</u>
<b>Net book value</b>	
At 31 December 2016	<u>26,272</u>
<i>At 31 December 2015</i>	<u>20,423</u>

**6. Debtors**

	2016 £	2015 £
Trade debtors	5,716	2,234
	<u>5,716</u>	<u>2,234</u>

**7. Cash and cash equivalents**

	2016 £	2015 £
Cash at bank and in hand	6,340	855
	<u>6,340</u>	<u>855</u>



**MICRO DATA SYSTEMS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**8. Creditors: Amounts falling due within one year**

	2016 £	2015 £
Trade creditors	141	175
Other taxation and social security	2,637	733
Other creditors	30,878	21,237
Accruals and deferred income	1,200	1,130
	<u>34,856</u>	<u>23,275</u>

**9. Deferred taxation**

	2016 £	2015 £
At beginning of year	2,208	3,131
Charged to profit or loss	1,332	(923)
<b>At end of year</b>	<u><b>3,540</b></u>	<u><b>2,208</b></u>

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	(5,019)	(3,173)
Tax losses carried forward	1,479	965
	<u><b>(3,540)</b></u>	<u><b>(2,208)</b></u>

**10. Related party transactions**

As at 31 December 2016, the balance on the director's loan account was £29,400 (2015: £21,237). No interest is charged on the outstanding balance due.

**11. Controlling party**

The company was controlled throughout the year by Mr M D Spencer, a director, by virtue of his 90% holding of the ordinary shares of the company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.