Registered number: 03128552

Cash Management Systems Limited

Financial statements

Information for filing with the registrar

For the Year Ended 30 April 2017

Cash Management Systems Limited
Registered number: 03128552

Balance sheet
As at 30 April 2017

	Note		2017 £		*2016 £*
Fixed assets					
Tangible assets	4		**26,432**		*76,768*
			26,432		*76,768*
Current assets					
Debtors	5	**1,313,712**		*1,180,749*	
Cash at bank and in hand	6	**130,351**		*434,150*	
		1,444,063		*1,614,899*	
Creditors: amounts falling due within one year	7	**(943,764)**		*(1,594,515)*	
Net current assets			**500,299**		*20,384*
Total assets less current liabilities			**526,731**		*97,152*
Provisions for liabilities					
Deferred tax	9	-		*(547)*	
			-		*(547)*
Net assets			**526,731**		*96,605*
Capital and reserves					
Called up share capital			**20,000**		*20,000*
Profit and loss account			**506,731**		*76,605*
			526,731		*96,605*

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 statement of income and retained earnings 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:

B P Doyle
Director

Date: 18/12/2017

The notes on pages 2 to 8 form part of these financial statements.

Notes to the financial statements
For the Year Ended 30 April 2017

1. General information

Cash Management Systems Limited is a private company limited by members capital, incorporated in the United Kingdom, with its registered office being Vanguard House, Sci-Tech Daresbury, Warrington, WA4 4AB.

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 following principal accounting policies have been applied:

2.2 Revenue

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 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:

Fixtures and fittings	- 15 - 50% straight line
Computer equipment	- 50% straight line
Other fixed assets	- 50% straight line

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 statement of income and retained earnings.

2. Accounting policies (continued)

2.4 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.

2.5 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.

2.6 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

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.

2. Accounting policies (continued)

2.8 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of income and retained earnings within 'other operating income'.

2.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the statement of income and retained earnings on a straight line basis over the lease term.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Holiday pay accrual

A liability is recognised, to the extent that it is material to the company, in respect of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2. Accounting policies (continued)

2.13 Interest income

Interest income is recognised in the statement of income and retained earnings using the effective interest method.

2.14 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 statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet 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 balance sheet.

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of income and retained earnings, 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 balance sheet 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 balance sheet 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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.16 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

3. Employees

The average monthly number of employees, including directors, during the year was 24 *(2016 - 25)*.

4. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation				
At 1 May 2016	38,302	145,226	341,518	525,046
Additions	-	15,532	-	15,532
At 30 April 2017	38,302	160,758	341,518	540,578
Depreciation				
At 1 May 2016	30,326	133,436	284,516	448,278
Charge for the year on owned assets	5,790	14,569	45,509	65,868
At 30 April 2017	36,116	148,005	330,025	514,146
Net book value				
At 30 April 2017	2,186	12,753	11,493	26,432
At 30 April 2016	*7,976*	*11,790*	*57,002*	*76,768*

5. Debtors

	2017 £	*2016 £*
Trade debtors	423,410	*285,146*
Amounts owed by group undertakings	864,516	*864,516*
Amounts owed by joint ventures and associated undertakings	-	*14,381*
Other debtors	4,137	-
Prepayments and accrued income	21,273	*16,706*
Deferred taxation	376	-
	1,313,712	*1,180,749*

6. Cash and cash equivalents

	2017 £	*2016 £*
Cash at bank and in hand	**130,351**	*434,150*

7. Creditors: Amounts falling due within one year

	2017 £	*2016 £*
Trade creditors	**56,704**	*32,031*
Amounts owed to related parties	**105,651**	*-*
Corporation tax	**95,206**	*54,742*
Other taxation and social security	**101,506**	*94,311*
Other creditors	**192,617**	*1,070,026*
Accruals and deferred income	**392,080**	*343,405*
	943,764	*1,594,515*

8. Operating lease and other financial commitments

The company had future minimum lease payments under non-cancellable operating leases of £57,800 (2016: £102,548). At the balance sheet date, the company also had contributions totalling £4,584 (2016: £2,000) which were payable to the companies defined contributions pension scheme and are included in creditors.

9. Deferred taxation

	2017 £
At beginning of year	**(547)**
Charged to profit or loss	**923**
At end of year	**376**

The deferred taxation balance is made up as follows:

	2017 £
Accelerated capital allowances	**376**
	376

10. Related party transactions

As at 30 April 2017, the company owed £186,430 (*2016: £1,057,079*) to its directors. These amounts are unsecured, interest free and repayable on demand and are included in other creditors.

11. Controlling party

Cash Management Systems Limited is owned 100% by the ultimate parent company CMS Business Development Limited.

12. First time adoption of FRS 102

The intercompany debtor balance is interest free, and there is no set repayment date. Previously this balance was classifed as debtors due within more than one year. On transition to FRS 102, this balance has been reviewed and as it is legally repayable on demand, it has been reclassified to debtors due within one year on the balance sheet.

There are no other adjustments made to the accounts as a result of transition to FRS 102.

13. Auditors' information

An unqualified audit opinion was issued in respect of these financial statements by Jo Warburton, Senior Statutory Auditor, for and on behalf of Hurst & Company Accountants LLP, Chartered Accountants & Statutory Auditors, Lancashire Gate, 21 Tiviot Dale, Stockport, Lancashire, SK1 1TD.