

LOGICALLY APPLIED SOLUTIONS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MAY 2020

LOGICALLY APPLIED SOLUTIONS LIMITED
REGISTERED NUMBER: 04188279

STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	3,160,520	4,369,250
Investments	5	142,268	142,268
		<u>3,302,788</u>	<u>4,511,518</u>
Current assets			
Stocks	6	41,401	191,388
Debtors: amounts falling due within one year	7	1,656,869	2,617,913
Cash at bank and in hand		475,061	398,013
		<u>2,173,331</u>	<u>3,207,314</u>
Creditors: amounts falling due within one year	8	(12,599,079)	(12,029,988)
Net current liabilities		<u>(10,425,748)</u>	<u>(8,822,674)</u>
Total assets less current liabilities		<u>(7,122,960)</u>	<u>(4,311,156)</u>
Provisions for liabilities			
Deferred tax	9	-	(18,369)
		<u>-</u>	<u>(18,369)</u>
Net liabilities		<u><u>(7,122,960)</u></u>	<u><u>(4,329,525)</u></u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		(7,122,961)	(4,329,526)
		<u><u>(7,122,960)</u></u>	<u><u>(4,329,525)</u></u>

LOGICALLY APPLIED SOLUTIONS LIMITED
REGISTERED NUMBER: 04188279

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MAY 2020

The director considers 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 the Companies Act 2006.

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.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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 on 26 May 2021.

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Mr R Dennis
Director

The notes on pages 3 to 11 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

1. General information

Logically Applied Solutions Limited is a private company limited by shares and incorporated in England and Wales. Its registered office is Kingsbourne, Pinewood Road, Virginia Water, Surrey, GU25 4PA.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

As at 31 May 2020 the liabilities of the company exceeded its assets by £7,122,960 (2019: £4,329,525). This is an indication that the company may not be able to continue to trade in the future. Included within creditors due within one year is £12,366,386 (2019: £11,721,590) payable to the director. The director has confirmed that he will continue to financially support the company for the foreseeable future. The director therefore believes that on this basis it is appropriate for the financial statements to be prepared on a going concern basis.

2.3 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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

Depreciation is provided on the following basis:

Aeroplane	- 2.5% straight line
Motor Vehicles	- 25% reducing balance
Fixtures & Fittings	- 25% reducing balance
Ground Equipment	- 25% reducing balance
Computer Equipment	- 25% reducing balance

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 profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

2. Accounting policies (continued)

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of income and retained earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.7 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.

2.8 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.

2.9 Financial instruments

The Company only enters into basic financial instrument 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 and investments in ordinary shares.

2.10 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
FOR THE YEAR ENDED 31 MAY 2020

2. Accounting policies (continued)

2.11 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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.12 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.14 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

2. Accounting policies (continued)

2.15 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 profit or loss 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.

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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, excluding the director, during the year was as follows:

	2020 No.	2019 No.
Average number of employees	<u>7</u>	<u>7</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

4. Tangible fixed assets

	Motor Vehicles	Aircraft	Fixtures & Fittings	Ground Equipment	Aircraft Equipment
	£	£	£	£	£
Cost or valuation					
At 1 June 2019	212,555	16,152,437	104,610	71,265	1,077
Additions	-	-	-	-	1,950
At 31 May 2020	212,555	16,152,437	104,610	71,265	3,027
Depreciation					
At 1 June 2019	58,487	11,976,518	97,343	39,402	944
Charge for the year on owned assets	26,697	1,175,919	2,119	5,906	39
At 31 May 2020	85,184	13,152,437	99,462	45,308	983
Net book value					
At 31 May 2020	127,371	3,000,000	5,148	25,957	2,044
At 31 May 2019	154,068	4,175,919	7,267	31,863	133

LOGICALLY APPLIED SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

4. Tangible fixed assets (continued)

	Total £
Cost or valuation	
At 1 June 2019	16,541,944
Additions	1,950
	<hr/>
At 31 May 2020	16,543,894
	<hr/>
Depreciation	
At 1 June 2019	12,172,694
Charge for the year on owned assets	1,210,680
	<hr/>
At 31 May 2020	13,383,374
	<hr/>
Net book value	
At 31 May 2020	<u>3,160,520</u>
<i>At 31 May 2019</i>	<u>4,369,250</u>

5. Fixed asset investments

	Investments in Subsidiary Companies £	Other Fixed Asset Investments £	Total £
Cost or valuation			
At 1 June 2019	5,001	137,267	142,268
	<hr/>	<hr/>	<hr/>
At 31 May 2020	<u>5,001</u>	<u>137,267</u>	<u>142,268</u>

LOGICALLY APPLIED SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

6. Stocks

	2020 £	2019 £
Work in progress	-	149,987
Stock of parts	41,401	41,401
	<u>41,401</u>	<u>191,388</u>

7. Debtors

	2020 £	2019 £
Trade debtors	7,321	19,674
Amounts owed by group undertakings	622,654	329,176
Other debtors	788,944	2,211,350
Prepayments and accrued income	78,134	57,713
Deferred taxation	159,816	-
	<u>1,656,869</u>	<u>2,617,913</u>

8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	59,149	112,908
Other taxation and social security	-	30,954
Other creditors	12,536,929	11,883,126
Accruals and deferred income	3,001	3,000
	<u>12,599,079</u>	<u>12,029,988</u>

9. Deferred taxation

LOGICALLY APPLIED SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

9. Deferred taxation (continued)

	2020 £	2019 £
At beginning of year	(18,369)	(4,254)
Charged to profit or loss	178,185	(14,115)
At end of year	159,816	(18,369)

The deferred taxation balance is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	159,529	(18,429)
Short term timing	287	60
	159,816	(18,369)

10. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £6,716 (2019 - £5,296). Contributions totalling £2,607 (2019 - £2,726) were payable to the fund at the reporting date and are included in creditors.

11. Commitments under operating leases

At 31 May 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	101,088	101,088
Later than 1 year and not later than 5 years	219,024	320,112
	320,112	421,200

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.