

S + H Technical Support Limited

Annual Report and Unaudited Financial Statements
for the year ended 31 August 2018

S + H TECHNICAL SUPPORT LIMITED

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S + H TECHNICAL SUPPORT LIMITED**(Registration number: 04842080)****Balance Sheet as at 31 August 2018**

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	<u>4</u>	158,750	190,500
Tangible assets	<u>5</u>	<u>237,087</u>	<u>252,243</u>
		<u>395,837</u>	<u>442,743</u>
Current assets			
Stocks	<u>6</u>	89,887	95,803
Debtors	<u>7</u>	126,540	178,001
Cash at bank and in hand		<u>1,186</u>	<u>48,827</u>
		217,613	322,631
Creditors: Amounts falling due within one year	<u>8</u>	<u>(306,565)</u>	<u>(313,871)</u>
Net current (liabilities)/assets		<u>(88,952)</u>	<u>8,760</u>
Total assets less current liabilities		306,885	451,503
Creditors: Amounts falling due after more than one year	<u>8</u>	(29,385)	(29,385)
Provisions for liabilities		<u>(32,735)</u>	<u>(40,188)</u>
Net assets		<u>244,765</u>	<u>381,930</u>
Capital and reserves			
Called up share capital	<u>9</u>	100	100
Revaluation reserve		9,694	11,405
Profit and loss account		<u>234,971</u>	<u>370,425</u>
Total equity		<u>244,765</u>	<u>381,930</u>

The notes on pages 4 to 12 form an integral part of these financial statements.

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S + H TECHNICAL SUPPORT LIMITED

(Registration number: 04842080)

Balance Sheet as at 31 August 2018

For the financial year ending 31 August 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised for issue by the Board on 20 March 2019 and signed on its behalf by:

Mr T M Murtha
Director

Mr N E Smith
Director

The notes on pages 4 to 12 form an integral part of these financial statements.

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Statement of Changes in Equity for the Year Ended 31 August 2018

	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 September 2017	100	11,405	370,425	381,930
Loss for the year	-	-	(77,165)	(77,165)
Other comprehensive income	-	(1,711)	1,711	-
Total comprehensive income	-	(1,711)	(75,454)	(77,165)
Dividends	-	-	(60,000)	(60,000)
At 31 August 2018	100	9,694	234,971	244,765

	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 September 2016	100	13,418	481,413	494,931
Loss for the year	-	-	(53,001)	(53,001)
Other comprehensive income	-	(2,013)	2,013	-
Total comprehensive income	-	(2,013)	(50,988)	(53,001)
Dividends	-	-	(60,000)	(60,000)
At 31 August 2017	100	11,405	370,425	381,930

The notes on pages 4 to 12 form an integral part of these financial statements.

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Notes to the Financial Statements for the Year Ended 31 August 2018

1 General information

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

The address of its registered office is:

Starcloth Way
Mullacott Industrial Estate
ILFRACOMBE
Devon
EX34 8PL

These financial statements were authorised for issue by the Board on 20 March 2019.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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.

Judgements

There are no judgements which management have made in the process of applying the accounting policies.

Key sources of estimation uncertainty

There are no key sources of estimation uncertainty that have a significant risk of causing a material adjustment to assets and liabilities to be disclosed..

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

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Notes to the Financial Statements for the Year Ended 31 August 2018

Tax

The tax expense for the period comprises deferred 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.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date. The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position 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, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold buildings	evenly over 3 years
Plant and machinery	15% reducing balance
Fixtures and fittings	15% reducing balance
Motor vehicles	25% reducing balance
Office equipment	33% reducing balance

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

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Notes to the Financial Statements for the Year Ended 31 August 2018

Asset class	Amortisation method and rate
Goodwill	evenly over 20 years unless impairment occurs
Research and development	evenly over 3 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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Notes to the Financial Statements for the Year Ended 31 August 2018

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.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

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.

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

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Notes to the Financial Statements for the Year Ended 31 August 2018

Financial instruments

Classification

Basic financial assets include trade and other debtors, cash and bank balances. Basic financial liabilities include trade and other payables, bank loans and preference shares that are classified as debt.

Recognition and measurement

Basic financial assets are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. Other debtors are classified as current assets if payment is due within one year or less and are initially recorded at transaction price and subsequently measured at the undiscounted amount of the cash expected to be received. Trade debtors are referred to above.

Basic financial liabilities are initially recognised 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. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other creditors are classified as current liabilities if payment is due within one year or less and are recognised initially at transaction price and subsequently measured at the undiscounted amount of the cash expected to be paid. If not, they are presented as non-current liabilities and are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method. Trade creditors and leases are referred to above.

Impairment

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 25 (2017 - 19).

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Notes to the Financial Statements for the Year Ended 31 August 2018

4 Intangible assets

	Goodwill £	Internally generated software development costs £	Total £
Cost or valuation			
At 1 September 2017	635,000	34,930	669,930
At 31 August 2018	635,000	34,930	669,930
Amortisation			
At 1 September 2017	444,500	34,930	479,430
Amortisation charge	31,750	-	31,750
At 31 August 2018	476,250	34,930	511,180
Carrying amount			
At 31 August 2018	158,750	-	158,750
At 31 August 2017	190,500	-	190,500

5 Tangible assets

	Short leasehold land and buildings £	Fixtures and fittings £	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2017	11,021	10,382	855,458	31,289	7,250	915,400
Additions	-	-	24,056	-	-	24,056
At 31 August 2018	11,021	10,382	879,514	31,289	7,250	939,456
Depreciation						
At 1 September 2017	11,021	9,332	612,937	26,773	3,094	663,157
Charge for the year	-	159	36,743	1,271	1,039	39,212
At 31 August 2018	11,021	9,491	649,680	28,044	4,133	702,369
Carrying amount						
At 31 August 2018	-	891	229,834	3,245	3,117	237,087

At 31 August
2017

-	1,050	242,521	4,516	4,156	252,243
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Notes to the Financial Statements for the Year Ended 31 August 2018

6 Stocks

	2018	2017
	£	£
Finished goods and goods for resale	2,500	2,500
Other inventories	87,387	93,303
	<u>89,887</u>	<u>95,803</u>

7 Debtors

	2018	2017
	£	£
Trade debtors	116,893	154,271
Amounts owed by related parties	<u>13</u> -	7,649
Other debtors	835	6,404
Prepayments	4,312	5,177
Gross amount due from customers for contract work	<u>4,500</u>	<u>4,500</u>
	<u>9,647</u>	<u>23,730</u>
Total current trade and other debtors	<u>126,540</u>	<u>178,001</u>

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Notes to the Financial Statements for the Year Ended 31 August 2018

8 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Bank loans and overdrafts	10	31,109	40,656
Trade creditors		154,707	128,734
Taxation and social security		26,304	31,016
Accruals and deferred income		84,613	85,239
Other creditors		9,832	28,226
		<u>306,565</u>	<u>313,871</u>

Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
Due after one year			
Loans and borrowings	10	<u>29,385</u>	<u>29,385</u>

9 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

10 Loans and borrowings

	2018 £	2017 £
Non-current loans and borrowings		
Other borrowings	<u>29,385</u>	<u>29,385</u>

	2018 £	2017 £
Current loans and borrowings		
Bank overdrafts	14,670	-
Loans from related parties	<u>16,439</u>	<u>40,656</u>
	<u>31,109</u>	<u>40,656</u>

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Notes to the Financial Statements for the Year Ended 31 August 2018

11 Obligations under leases and hire purchase contracts

The total of future minimum lease payments is as follows:

	2018	2017
	£	£
Not later than one year	41,272	78,364
Later than one year and not later than five years	8,354	48,494
	<u>49,626</u>	<u>126,858</u>

12 Financial commitments

Operating leases

The total of future minimum lease payments is as follows:

	2018	2017
	£	£
Not later than one year	41,272	78,364
Later than one year and not later than five years	8,354	48,494
	<u>49,626</u>	<u>126,858</u>

13 Related party transactions

Transactions with directors

	At 1 September 2017	Repayments by director	At 31 August 2018
	£	£	£
2018			
Mr T M Murtha	7,649	(7,649)	-

	Advances to directors	At 31 August 2017
	£	£
2017		
Mr T M Murtha	7,649	7,649

