

**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**FOR**  
**MACRANET LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2020

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**MACRANET LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**DIRECTORS:**

L M Chaddock  
M E W Jackson

**SECRETARY:**

L M Chaddock

**REGISTERED OFFICE:**

T/A Sentiment  
Regus, Fowler Avenue  
Farnborough Business Park  
Farnborough  
Hampshire  
GU14 7JF

**REGISTERED NUMBER:**

04848068 (England and Wales)

**ACCOUNTANTS:**

Hartley Fowler LLP  
Chartered Accountants  
4th Floor Tuition House  
27-37 St George's Road  
Wimbledon  
London  
SW19 4EU

**BALANCE SHEET**  
**31 DECEMBER 2020**

	Notes	2020 £	£	2019 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		2,020		3,063
Investments	5		<u>4</u>		<u>205</u>
			2,024		3,268
<b>CURRENT ASSETS</b>					
Debtors	6	237,172		260,278	
Cash at bank		<u>35,963</u>		<u>8,396</u>	
		273,135		268,674	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<u>182,950</u>		<u>148,124</u>	
<b>NET CURRENT ASSETS</b>			<u>90,185</u>		<u>120,550</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			92,209		123,818
<b>CREDITORS</b>					
Amounts falling due after more than one year	8		<u>41,471</u>		<u>126,000</u>
<b>NET ASSETS/(LIABILITIES)</b>			<u>50,738</u>		<u>(2,182)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			2,293		2,293
Share premium			2,751,933		2,751,933
Retained earnings			<u>(2,703,488)</u>		<u>(2,756,408)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>50,738</u>		<u>(2,182)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

**BALANCE SHEET - continued**  
**31 DECEMBER 2020**

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 26 February 2021 and were signed on its behalf by:

L M Chaddock - Director

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

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1. **STATUTORY INFORMATION**

Macranet Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Going concern**

The company has put in place agreements which give rise to future contracted revenue and has built a pipeline of future opportunities. The company's principal investors have in the past supported the company with investment funding as required.

Based on the achievement of management's forecasts for the business, the directors are of the opinion that the company has adequate working capital to cover its foreseeable requirements and is a going concern. Accordingly these financial statements are prepared on a going concern basis.

**Preparation of consolidated financial statements**

The financial statements contain information about Macranet Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Turnover**

Turnover represents net invoiced sales of goods and services, excluding value added tax, except in respect of service contracts where turnover is recognised when the company obtains the right to consideration.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for products and/or services delivered in the normal course of business. Revenue is reduced for estimated customer returns, rebates and other similar allowances whenever applicable based on historical data and expectations of future sales.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on reducing balance

**Government grants**

Government grants are recognised when the entity has reasonable assurance that conditions attached to the grant will be complied with and that the grant will be received.

Revenue grants are recognised using the accrual model and are therefore recognised as income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. Revenue grants are measured at fair value, being the amount of cash receivable.

For loans received under the Bounce Back Loan Scheme, the amount of interest payable to the lender by the government on behalf of the company is recognised as both grant income and as an interest charge in profit and loss.

**Investments in subsidiaries**

Investments in subsidiary undertakings are stated at cost less any provisions for impairment in value.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

Debtors and creditors with no stated interest rate and receivables or payables within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Bank loans are initially recognised at transaction price, which includes any transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

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.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 2 (2019 - 2) .

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 January 2020 and 31 December 2020	<u>5,841</u>	<u>86,118</u>	<u>91,959</u>
<b>DEPRECIATION</b>			
At 1 January 2020	5,693	83,203	88,896
Charge for year	<u>81</u>	<u>962</u>	<u>1,043</u>
At 31 December 2020	<u>5,774</u>	<u>84,165</u>	<u>89,939</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>67</u>	<u>1,953</u>	<u>2,020</u>
At 31 December 2019	<u>148</u>	<u>2,915</u>	<u>3,063</u>

## 5. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2020	205
Disposals	<u>(201)</u>
At 31 December 2020	<u>4</u>
<b>NET BOOK VALUE</b>	
At 31 December 2020	<u>4</u>
At 31 December 2019	<u>205</u>

## 6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	12,000	38,030
Amounts owed by group undertakings	38,362	47,229
Other debtors	<u>186,810</u>	<u>175,019</u>
	<u>237,172</u>	<u>260,278</u>

## 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Bank loans and overdrafts	3,779	-
Trade creditors	8,470	8,470
Taxation and social security	8,849	3,199
Other creditors	<u>161,852</u>	<u>136,455</u>
	<u>182,950</u>	<u>148,124</u>



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Bank loans	36,221	-
Other creditors	5,250	126,000
	<u>41,471</u>	<u>126,000</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	<u>4,229</u>	<u>-</u>

On 21 January 2019 the company issued unsecured fixed rate convertible loan notes of £126,000. The loan notes bear interest at 18%. At the balance sheet date the total balance outstanding is £84,000 (2019 - £126,000) and is included within other creditors.

## 9. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 December 2020 and 31 December 2019:

	2020	2019
	£	£
<b>L M Chaddock</b>		
Balance outstanding at start of year	2,155	549
Amounts advanced	2,250	4,606
Amounts repaid	(4,405)	(3,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>2,155</u>

The balance is not secured, has no repayment terms and bears no interest.

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