

COMPANY REGISTRATION NUMBER: 07004281

Scour Prevention Systems Ltd
Unaudited financial statements
31 March 2018

SATURDAY



A7LC1GM1

A45

22/12/2018

#356

COMPANIES HOUSE

Scour Prevention Systems Ltd

Statement of financial position

31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	5	873,832	867,599
Tangible assets	6	90	18,132
		<u>873,922</u>	<u>885,731</u>
Current assets			
Debtors	7	3,480	6,777
Cash at bank and in hand		<u>4,434</u>	<u>6,669</u>
		7,914	13,446
Creditors: Amounts falling due within one year	8	<u>(169,861)</u>	<u>(138,175)</u>
Net current liabilities		(161,947)	(124,729)
Total assets less current liabilities		711,975	761,002
Creditors: Amounts falling due after more than one year	9	<u>(254,124)</u>	<u>(254,124)</u>
Net assets		<u>457,851</u>	<u>506,878</u>
Capital and reserves			
Called up share capital		3,758	3,758
Share premium account		1,169,306	1,169,306
Profit and loss account		<u>(715,213)</u>	<u>(666,186)</u>
Shareholders funds		<u>457,851</u>	<u>506,878</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the income statement has not been delivered.

For the year ending 31 March 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 financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

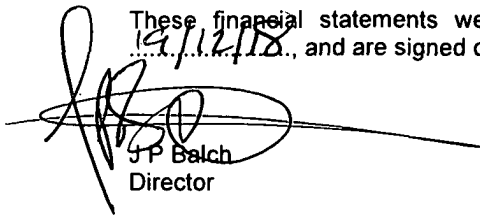
The statement of financial position
continues on the following page.
The notes on pages 3 to 6 form part of these financial statements.

Scour Prevention Systems Ltd

Statement of financial position *(continued)*

31 March 2018

These financial statements were approved by the board of directors and authorised for issue on 19/12/18, and are signed on behalf of the board by:



J.P. Balch
Director

Company registration number: 07004281

The notes on pages 3 to 6 form part of these financial statements.

Scour Prevention Systems Ltd

Notes to the financial statements

Year ended 31 March 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Orbis Energy, Wilde Street, Lowestoft, Suffolk, NR32 IXH.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The accounts have been approved on the going concern basis on the basis that further growth will be supported by current resource and further investment as required will be forthcoming from the shareholders or external providers.

Government grants

Government grants relating to capitalised research and development costs are treated as deferred income and released to the profit and loss account in accordance with the period of amortisation of those costs. Other grants are credited to the profit and loss account as the related expenditure is incurred.

Transition to FRS 102

The Entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2016. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 11.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Scour Prevention Systems Ltd

Notes to the financial statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Income tax *(continued)*

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation. A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Intangible assets

Research and development

Expenditure on research and development is written off in the year in which it is incurred except where it meets the criteria for capitalisation. Where research and development expenditure is capitalised, it is amortised in accordance with the expected term of revenue streams. Amortisation is charged in line with the sale of the developed product.

Patents

Where patent expenditure is capitalised, it is amortised in accordance with the expected term of the associated income streams. Amortisation has been set over 15 years in accordance with the directors' assessment, to commence from the first sale of the patented product.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Patents and licences	-	Charged in line with the sale of the developed product
Research and development	-	15 years from the first sale of the patented product

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Website	-	25% straight line
Plant and machinery	-	15% straight line
Equipment	-	25% straight line

Scour Prevention Systems Ltd

Notes to the financial statements (continued)

Year ended 31 March 2018

3. Accounting policies (continued)

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

4. Employee numbers

The average number of employees during the year was Nil (2017: 6).

5. Intangible assets

	Research & Development £	Patents & Licenses £	Total £
Cost			
At 1 April 2017	775,795	99,637	875,432
Additions	–	10,645	10,645
At 31 March 2018	775,795	110,282	886,077
Amortisation			
At 1 April 2017	1,375	6,458	7,833
Charge for the year	–	4,412	4,412
At 31 March 2018	1,375	10,870	12,245
Carrying amount			
At 31 March 2018	774,420	99,412	873,832
At 31 March 2017	774,420	93,179	867,599

Scour Prevention Systems Ltd

Notes to the financial statements (continued)

Year ended 31 March 2018

6. Tangible assets

	Website £	Plant and machinery £	Equipment £	Total £
Cost				
At 1 April 2017	2,480	24,648	5,005	32,133
Disposals	—	(24,648)	(2,100)	(26,748)
At 31 March 2018	<u>2,480</u>	<u>—</u>	<u>2,905</u>	<u>5,385</u>
Depreciation				
At 1 April 2017	1,984	7,702	4,315	14,001
Charge for the year	496	3,698	550	4,744
Disposals	—	(11,400)	(2,050)	(13,450)
At 31 March 2018	<u>2,480</u>	<u>—</u>	<u>2,815</u>	<u>5,295</u>
Carrying amount				
At 31 March 2018	<u>—</u>	<u>—</u>	<u>90</u>	<u>90</u>
At 31 March 2017	<u>496</u>	<u>16,946</u>	<u>690</u>	<u>18,132</u>

7. Debtors

	2018 £	2017 £
Trade debtors	120	—
Other debtors	3,360	6,777
	<u>3,480</u>	<u>6,777</u>

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	5,665	34,279
Other creditors	164,196	103,896
	<u>169,861</u>	<u>138,175</u>

9. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Other creditors	<u>254,124</u>	<u>254,124</u>

10. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2016.

No transitional adjustments were required in equity or profit or loss for the year.