

REGISTERED NUMBER: 07014261 (England and Wales)

ALPHABYTE IT LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2020

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FOR THE YEAR ENDED 31 OCTOBER 2020

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ALPHABYTE IT LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 OCTOBER 2020

DIRECTOR: R S Owen

SECRETARY: R S Owen

REGISTERED OFFICE: 9/10 Connies House
Rhymney River Bridge
Cardiff
SOUTH GLAMORGAN
CF23 9AF

REGISTERED NUMBER: 07014261 (England and Wales)

ALPHABYTE IT LIMITED (REGISTERED NUMBER: 07014261)**BALANCE SHEET**
31 OCTOBER 2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Intangible assets	4		317		2,633
Tangible assets	5		<u>7,529</u>		<u>10,721</u>
			7,846		13,354
CURRENT ASSETS					
Stocks	6	5,000		4,500	
Debtors	7	98,085		111,845	
Cash at bank		<u>210,894</u>		<u>47,345</u>	
		313,979		163,690	
CREDITORS					
Amounts falling due within one year	8	<u>118,906</u>		<u>123,860</u>	
NET CURRENT ASSETS			195,073		39,830
TOTAL ASSETS LESS CURRENT LIABILITIES			202,919		53,184
CREDITORS					
Amounts falling due after more than one year	9		<u>136,919</u>		<u>-</u>
NET ASSETS			66,000		53,184

The notes form part of these financial statements

ALPHABYTE IT LIMITED (REGISTERED NUMBER: 07014261)

BALANCE SHEET - continued
31 OCTOBER 2020

	Notes	2020 £	£	2019 £	£
CAPITAL AND RESERVES					
Called up share capital	12		100		100
Retained earnings			<u>65,900</u>		<u>53,084</u>
SHAREHOLDERS' FUNDS			<u>66,000</u>		<u>53,184</u>

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

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

The director acknowledges his 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.

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 Income Statement has not been delivered.

The financial statements were approved by the director and authorised for issue on 8 June 2021 and were signed by:

R S Owen - Director

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

1. STATUTORY INFORMATION

Alphabyte It 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 financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. In making his assessment, the director has reviewed the balance sheet, the likely future cashflows of the business and has considered the facilities that are available to the company along with his continued support.

At the date of approving the financial statements the Director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and that the going concern basis of accounting remains appropriate. The directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Significant judgements and estimates

In the application of the company's accounting policies, which are described in note 1, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2011, is being amortised evenly over its estimated useful life of ten years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

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

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets held for the company's own use are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided at the following annual rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives:

Computer equipment - 25% on cost

Fixtures & Fittings - 25% on cost

Motor Vehicles - 25% on cost

At each balance sheet date, the company reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is a reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions are recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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

2. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The company has elected to apply the provisions of Section 11 "Basic Financial Instruments".

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other debtors, loans to related companies and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, loans to related companies and bank loans are initially recognised at transaction price unless the arrangement constitutes a financial transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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.

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.

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

2. ACCOUNTING POLICIES - continued

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.

Turnover

Turnover is measured at fair value of the consideration received or receivable net of VAT and discounts. The policies adopted for the recognition of turnover are as follows:

Rendering of Services:

Turnover relates to computer hardware sales which is recognised when all of the significant risk and rewards of ownership are transferred to the customer. Engineer support is billed in advance of the contractual period, deferred revenue is then recognised over the contractual period as the service is provided.

Provisions

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefit will be required in settlement and the amount can be reliably estimated.

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 assets 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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 8 (2019 - 8).

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

4. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 November 2019	
and 31 October 2020	<u>23,167</u>
AMORTISATION	
At 1 November 2019	20,534
Amortisation for year	<u>2,316</u>
At 31 October 2020	<u>22,850</u>
NET BOOK VALUE	
At 31 October 2020	<u>317</u>
At 31 October 2019	<u>2,633</u>

5. TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£
COST				
At 1 November 2019	11,478	2,730	14,230	28,438
Additions	<u>2,466</u>	<u>-</u>	<u>-</u>	<u>2,466</u>
At 31 October 2020	<u>13,944</u>	<u>2,730</u>	<u>14,230</u>	<u>30,904</u>
DEPRECIATION				
At 1 November 2019	7,571	2,303	7,843	17,717
Charge for year	<u>2,070</u>	<u>395</u>	<u>3,193</u>	<u>5,658</u>
At 31 October 2020	<u>9,641</u>	<u>2,698</u>	<u>11,036</u>	<u>23,375</u>
NET BOOK VALUE				
At 31 October 2020	<u>4,303</u>	<u>32</u>	<u>3,194</u>	<u>7,529</u>
At 31 October 2019	<u>3,907</u>	<u>427</u>	<u>6,387</u>	<u>10,721</u>

6. STOCKS

	2020	2019
	£	£
Finished goods	<u>5,000</u>	<u>4,500</u>

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

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2020	2019
	£	£
Trade debtors	<u>98,085</u>	<u>111,845</u>
8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2020	2019
	£	£
Bank loans and overdrafts	14,081	-
Trade creditors	3,346	2,842
Tax	17,342	18,914
Social security and other taxes	196	-
VAT	28,348	33,906
Other creditors	571	521
Directors' current accounts	126	12,763
Accruals and deferred income	43,229	54,914
Deferred government grants	<u>11,667</u>	<u>-</u>
	<u>118,906</u>	<u>123,860</u>
9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	2020	2019
	£	£
Bank Loans more than one year	<u>136,919</u>	<u>-</u>
10. LEASING AGREEMENTS		
Minimum lease payments under non-cancellable operating leases fall due as follows:		
	2020	2019
	£	£
Within one year	<u>9,893</u>	<u>-</u>
11. SECURED DEBTS		

Included in the bank loans is a loan provided by Development Bank Wales. The bank holds a debenture and legal charge over the assets of the company.

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

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2019
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

13. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

As at 31 October 2020 the company owed the director £13,126 (2019: £12,763) which is included within the creditors amounts falling due within one year.

The balance is interest free and repayable on demand.

14. POST BALANCE SHEET EVENTS

Within note 2 the director has considered the impact of Covid-19 on the operations of the entity and the entities ability to continue as a going concern. The director is confident that the entity has adequate resources to continue in operational existence for the foreseeable future.

The director considers this a non-adjusting post balance sheet event.

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.