

**KANTO SYSTEMS LTD**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

**KANTO SYSTEMS LTD**  
**REGISTERED NUMBER:08228842**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	4	2,091	2,927
Investments	5	51	51
		<u>2,142</u>	<u>2,978</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	230,575	122,638
Cash at bank and in hand	7	6,423	11,941
		<u>236,998</u>	<u>134,579</u>
Creditors: amounts falling due within one year	8	(1,127,929)	(655,655)
<b>Net current liabilities</b>		<u>(890,931)</u>	<u>(521,076)</u>
<b>Total assets less current liabilities</b>		<u>(888,789)</u>	<u>(518,098)</u>
Creditors: amounts falling due after more than one year	9	(60,000)	(60,000)
<b>Net liabilities</b>		<u><u>(948,789)</u></u>	<u><u>(578,098)</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	125	125
Share premium account		24,975	24,975
Profit and loss account		(973,889)	(603,198)
		<u><u>(948,789)</u></u>	<u><u>(578,098)</u></u>

**BALANCE SHEET (CONTINUED)**  
**AS AT 30 SEPTEMBER 2019**

---

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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 comprehensive income 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 by:

**T J R Borwick**  
Director

Date: 25 June 2020

The notes on pages 3 to 8 form part of these financial statements.

# KANTO SYSTEMS LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

---

### 1. General information

Kanto Systems Ltd is a private company limited by shares, incorporated and registered in England and Wales. The registered office is 77 Victoria Street, Office 120, London, England, SW1H 0HW.

### 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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### 2.2 Going concern

During the year ended 30 September 2019 the Company suffered a loss before tax of £439,006 (2018: £225,374), giving rise to a balance sheet deficit of £948,789 (2018: £578,098) at the year end.

Within this is a balance of £1,107,054 (2018: £632,642) owed to the director shareholder who has agreed to continue to provide such financial support as is required whilst the Company strengthens its own financial position. The Company results are consistent with the director's expectations.

In light of the above and after taking into account all information that could reasonably be expected to be available, the director is confident that the Company will continue in operational existence for the foreseeable future and that the going concern is therefore appropriate for the preparation of the Company's accounts.

#### 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.

#### 2.4 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

#### 2.5 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 the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

---

### 2. Accounting policies (continued)

#### 2.6 Taxation

Tax is recognised in the Statement of Comprehensive Income, 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 balance sheet 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 Balance Sheet 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 balance sheet date.

#### 2.7 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

---

### 2. Accounting policies (continued)

#### 2.7 Tangible fixed assets (continued)

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

The estimated useful lives range as follows:

Computer equipment	- 3 years
--------------------	-----------

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 the Statement of Comprehensive Income.

#### 2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

#### 2.9 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.

#### 2.10 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.

#### 2.11 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 non-puttable ordinary shares.

### 3. Employees

The average monthly number of employees, including directors, during the year was 7 (2018 - 8).

# KANTO SYSTEMS LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

---

### 4. Tangible fixed assets

	Computer equipment £
<b>Cost or valuation</b>	
At 1 October 2018	8,342
Additions	1,667
	<hr/>
At 30 September 2019	10,009
	<hr/>
<b>Depreciation</b>	
At 1 October 2018	5,415
Charge for the year on owned assets	2,503
	<hr/>
At 30 September 2019	7,918
	<hr/>
<b>Net book value</b>	
At 30 September 2019	<hr/> <u>2,091</u>
<i>At 30 September 2018</i>	<hr/> <u>2,927</u>

### 5. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 October 2018	51
	<hr/>
At 30 September 2019	<hr/> <u>51</u>

# KANTO SYSTEMS LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

---

### 6. Debtors

	2019 £	2018 £
Trade debtors	8,503	6,457
Amounts owed by group undertakings	77,552	36,950
Other debtors	143,360	75,326
Prepayments and accrued income	1,160	3,905
	<u>230,575</u>	<u>122,638</u>

### 7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>6,423</u>	<u>11,941</u>

### 8. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	14,511	433
Other taxation and social security	2,686	18,303
Other creditors	1,108,732	634,919
Accruals and deferred income	2,000	2,000
	<u>1,127,929</u>	<u>655,655</u>

### 9. Creditors: amounts falling due after more than one year

	2019 £	2018 £
Other loans	<u>60,000</u>	<u>60,000</u>



# KANTO SYSTEMS LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

---

### 10. Share capital

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
125 (2018 - 125) Ordinary shares of £1.00 each	<u>125</u>	<u>125</u>

### 11. 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 £27,691 (2018: £17,670). Contributions totalling £1,677 (2018: £1,677) were payable to the fund at the balance sheet date and are included in creditors.

### 12. Related party transactions

Material transactions and balances with related parties arising during the period were as follows:

	2019 £	2018 £
<b>Balances with related parties</b>		
Amounts owed to Second Poore Limited - included within other loans	60,000	60,000
Amounts owed by Kanto Elect Limited - included within debtors	<u>77,552</u>	<u>36,950</u>

#### Nature of relationship and control

Second Poore Limited, a company in which T Borwick is a director, owns 20% of the Company's share capital.

Kanto Elect Limited, a company in which T Borwick is a director, is owned by Kanto Systems Ltd (70%) and T Borwick (30%).

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.