

Company Registration No. SC239599 (Scotland)

ABELON SYSTEMS LIMITED
DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

ABELON SYSTEMS LIMITED

COMPANY INFORMATION

Directors	Ian Smith Duncan Walker Adrian McKie
Secretary	AS Company Services Ltd
Company number	SC239599
Registered office	Building 4, Quantum Court Research Avenue South Heriot-Watt University Research Park Edinburgh EH14 4AP
Accountants	David Marshall Associates CBC House 24 Canning Street Edinburgh EH3 8EG
Business address	Building 4, Quantum Court Research Avenue South Heriot-Watt University Research Park Edinburgh EH14 4AP
Bankers	HSBC Hobart House 76 Hanover Street Edinburgh EH2 1EL
Solicitors	Anderson Strathern LLP 1 Rutland Court Edinburgh EH3 8EY

ABELON SYSTEMS LIMITED

CONTENTS

	Page
Directors' report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4 - 5
Notes to the financial statements	6 - 10

ABELON SYSTEMS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and financial statements for the year ended 31 December 2015.

Directors

The following directors have held office since 1 January 2015:

Ian Smith
Duncan Walker
Adrian McKie

Statement of directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board

Ian Smith
Director
27 April 2016

ABELON SYSTEMS LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF ABELON SYSTEMS LIMITED FOR THE YEAR ENDED 31 DECEMBER 2015

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Abelon Systems Limited for the year ended 31 December 2015 set out on pages 3 to 10 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in Scotland, we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.org.uk/regulations>.

This report is made solely to the Board of Directors of Abelon Systems Limited, as a body, in accordance with the terms of our engagement letter dated 17 March 2014. Our work has been undertaken solely to prepare for your approval the financial statements of Abelon Systems Limited and state those matters that we have agreed to state to the Board of Directors of Abelon Systems Limited, as a body, in this report in accordance with technical guidance issued by the Institute of Chartered Accountants in Scotland as detailed at <http://www.icas.org/regulations>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Abelon Systems Limited and its Board of Directors as a body, for our work or for this report.

You have acknowledged on the balance sheet as at 31 December 2015 your duty to ensure that the company has kept adequate accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Abelon Systems Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

David Marshall Associates

25 April 2016

Chartered Accountants

CBC House
24 Canning Street
Edinburgh
EH3 8EG

ABELON SYSTEMS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Turnover		724,213	715,670
Cost of sales		(629,407)	(626,484)
Gross profit		94,806	89,186
Administrative expenses		(107,062)	(127,853)
Operating loss	2	(12,256)	(38,667)
Other interest receivable and similar income	3	146	9,080
Loss on ordinary activities before taxation		(12,110)	(29,587)
Tax on loss on ordinary activities	4	(107)	1,577
Loss for the year	12	(12,217)	(28,010)

ABELON SYSTEMS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Intangible assets	5		300		400
Tangible assets	6		3,657		3,122
			<u>3,957</u>		<u>3,522</u>
Current assets					
Stocks		65,213		38,960	
Debtors	7	261,585		267,139	
Cash at bank and in hand		154,088		195,748	
		<u>480,886</u>		<u>501,847</u>	
Creditors: amounts falling due within one year	8	<u>(75,335)</u>		<u>(83,751)</u>	
Net current assets			<u>405,551</u>		<u>418,096</u>
Total assets less current liabilities			<u>409,508</u>		<u>421,618</u>
Provisions for liabilities	9		<u>(731)</u>		<u>(624)</u>
			<u>408,777</u>		<u>420,994</u>
Capital and reserves					
Called up share capital	11		8,100		8,100
Share premium account	12		366		366
Profit and loss account	12		400,311		412,528
Shareholders' funds			<u>408,777</u>		<u>420,994</u>

ABELON SYSTEMS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2015

For the financial year ended 31 December 2015 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.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board for issue on 27 April 2016

Duncan Walker
Director

Adrian McKie
Director

Company Registration No. SC239599

ABELON SYSTEMS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Trade Marks

Trade Marks are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over 10 years, being their estimated useful lives.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	25% straight line
Computer equipment	10% straight line
Fixtures, fittings & equipment	25% straight line

1.6 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

1.7 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Operating loss

	2015	2014
	£	£
Operating loss is stated after charging:		
Amortisation of intangible assets	100	100
Depreciation of tangible assets	1,512	13,574
Directors' emoluments	213,757	212,790
	<u>215,369</u>	<u>226,464</u>

3 Investment income

	2015	2014
	£	£
Bank interest	146	9,080
	<u>146</u>	<u>9,080</u>

ABELON SYSTEMS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2015

4	Taxation	2015	2014
		£	£
	Deferred tax		
	Deferred tax charge/credit current year	107	(1,577)
		<u>107</u>	<u>(1,577)</u>
5	Intangible fixed assets		
			Trade Marks
			£
	Cost		
	At 1 January 2015 & at 31 December 2015		1,000
			<u>1,000</u>
	Amortisation		
	At 1 January 2015		600
	Charge for the year		100
			<u>700</u>
	At 31 December 2015		700
			<u>700</u>
	Net book value		
	At 31 December 2015		300
			<u>300</u>
	At 31 December 2014		400
			<u>400</u>

ABELON SYSTEMS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2015

6 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2015	6,938	52,964	59,902
Additions	-	2,047	2,047
Disposals	-	(200)	(200)
	<u>6,938</u>	<u>54,811</u>	<u>61,749</u>
At 31 December 2015	6,938	54,811	61,749
Depreciation			
At 1 January 2015	6,938	49,842	56,780
On disposals	-	(200)	(200)
Charge for the year	-	1,512	1,512
	<u>6,938</u>	<u>51,154</u>	<u>58,092</u>
At 31 December 2015	6,938	51,154	58,092
Net book value			
At 31 December 2015	-	3,657	3,657
	<u>-</u>	<u>3,657</u>	<u>3,657</u>
At 31 December 2014	-	3,122	3,122
	<u>-</u>	<u>3,122</u>	<u>3,122</u>

7 Debtors

	2015 £	2014 £
Trade debtors	210,492	201,850
Other debtors	51,093	65,289
	<u>261,585</u>	<u>267,139</u>
	<u>261,585</u>	<u>267,139</u>

Included in other debtors is an amount of £38,758 (2014: £29,843) for an 'above the line' R&D tax credit for the year.

ABELON SYSTEMS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2015

8	Creditors: amounts falling due within one year	2015 £	2014 £
	Bank loans and overdrafts	843	1,351
	Trade creditors	10,648	4,814
	Taxation and social security	49,613	55,313
	Other creditors	14,231	22,273
		<u>75,335</u>	<u>83,751</u>

Included in other creditors are loans made to the company by the directors. The full amount outstanding at the year end is £10,670 (2014 - £19,340). These loans have no fixed repayment dates and bear no interest.

9	Provisions for liabilities	Deferred tax liability £
	Balance at 1 January 2015	624
	Profit and loss account	107
	Balance at 31 December 2015	<u>731</u>

The deferred tax liability is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>731</u>	<u>624</u>

10 Pension costs

Defined contribution

	2015 £	2014 £
Contributions payable by the company for the year	<u>37,172</u>	<u>33,526</u>

ABELON SYSTEMS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2015

11	Share capital	2015 £	2014 £
	Allotted, called up and fully paid		
	600,000 Ordinary A share of 1p each	6,000	6,000
	210,000 Ordinary B share of 1p each	2,100	2,100
		<u>8,100</u>	<u>8,100</u>
		<u><u>8,100</u></u>	<u><u>8,100</u></u>

12	Statement of movements on reserves	Share premium account £	Profit and loss account £
	Balance at 1 January 2015	366	412,528
	Loss for the year	-	(12,217)
		<u>366</u>	<u>400,311</u>
	Balance at 31 December 2015	<u><u>366</u></u>	<u><u>400,311</u></u>

13 Financial commitments

At 31 December 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2016:

	2015 £	2014 £
Operating leases which expire:		
Between two and five years	37,618	46,830
	<u><u>37,618</u></u>	<u><u>46,830</u></u>

14 Control

The Directors, as listed on page 1, control the entity.

ABELON SYSTEMS LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2015

ABELON SYSTEMS LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	£	£
Administrative expenses		
Rent	41,507	48,062
Rates	18,875	18,451
Insurance	8,539	9,138
Light and heat	1,319	-
Cleaning	4,932	5,138
Repairs and maintenance	1,961	2,694
Printing, postage and stationery	388	619
Advertising	2,775	1,210
Reference books	-	71
Training Costs	104	2,841
Telephone	3,109	3,005
IT consumable costs	3,396	3,983
Motor running expenses	26	40
Travelling expenses	6,458	11,106
Staff Entertaining	969	1,108
Entertaining - non allowable	87	40
Legal and professional fees	3,848	-
Accountancy	4,700	4,698
Bank charges	279	286
Canteen	1,235	984
Charitable donations	350	100
Subscriptions	593	380
Subscriptions - non allowable	-	225
Depreciation on intangible assets	100	100
Amortisation on long leasehold	-	1,734
Depreciation	1,512	11,840
	<hr/>	<hr/>
	107,062	127,853
	<hr/>	<hr/>

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.