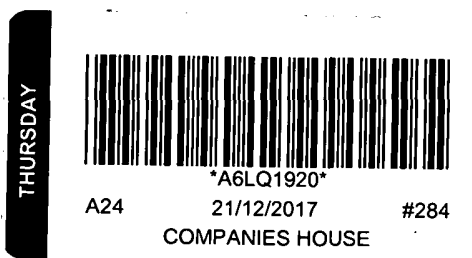


Registration number: 05280285

System Five Controls Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 March 2017



System Five Controls Limited

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System Five Controls Limited
(Registration number: 05280285)
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	1,332	1,973
Current assets			
Stocks	5	3,282	-
Debtors	6	937,318	317,572
Cash at bank and in hand		6,993	38,279
		<u>947,593</u>	<u>355,851</u>
Creditors: Amounts falling due within one year	7	<u>(767,026)</u>	<u>(335,316)</u>
Net current assets		<u>180,567</u>	<u>20,535</u>
Total assets less current liabilities		181,899	22,508
Provisions for liabilities		<u>(253)</u>	<u>-</u>
Net assets		<u>181,646</u>	<u>22,508</u>
Capital and reserves			
Called up share capital	11	120	120
Profit and loss account		<u>181,526</u>	<u>22,388</u>
Total equity		<u>181,646</u>	<u>22,508</u>

For the financial year ending 31 March 2017 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 18/12/17 and signed on its behalf by:



P R Bray
Director

System Five Controls Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

1 General information

The company is a private company limited by share capital incorporated in England.

The address of its registered office is:

4 Dukes Court,
Bognor Road,
Chichester
PO19 8FX

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including section 1A of Financial Reporting Standard 102 - 'The Financial Reporting standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102 1A'), and with the Companies Act 2006.

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

This is the first year in which the financial statements have been prepared under FRS 102 1A. Refer to the transition note for an explanation of the transactions.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies 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 historic 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.

System Five Controls Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Tangible assets

Tangible assets is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade and other debtors

Trade and other debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade and other creditors

Trade and other creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

System Five Controls Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Financial assets are classified as financial assets at fair value through profit or loss, loans and debtors, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial assets at initial recognition.

Financial liabilities are classified as financial liabilities at fair value through profit and loss, loans and borrowings, trade and other creditors, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition.

Recognition and measurement

All financial instruments are recognised initially at fair value plus transaction costs. Thereafter financial instruments are stated at amortised cost using the effective interest rate method (less impairment where appropriate) unless the effect of discounting would be immaterial in which case they are stated at cost (less impairment where appropriate). The exception to this are those financial instruments where it is a requirement to continue recording them at fair value through profit and loss.

Impairment

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been affected.

System Five Controls Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 7 (2016 - 7).

4 Tangible assets

	Plant and equipment £	Total £
Cost or valuation		
At 1 April 2016	13,426	13,426
At 31 March 2017	13,426	13,426
Depreciation		
At 1 April 2016	11,453	11,453
Charge for the year	641	641
At 31 March 2017	12,094	12,094
Carrying amount		
At 31 March 2017	1,332	1,332
At 31 March 2016	1,973	1,973

5 Stocks

	2017 £	2016 £
Stocks	3,282	-

6 Debtors

		2017 £	2016 £
Trade debtors		82,442	205,222
Amounts owed by group undertakings	12	321,857	-
Other debtors		533,019	112,350
Total current trade and other debtors		937,318	317,572

System Five Controls Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

7 Creditors

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	8	99,830	-
Trade creditors		363,951	216,646
Amounts owed to group undertakings	12	156,774	-
Other taxation and social security		11,253	103,518
Other creditors		87,179	8,712
Corporation tax		48,039	6,440
		<u>767,026</u>	<u>335,316</u>

8 Loans and borrowings

	2017 £	2016 £
Current loans and borrowings		
Invoice discounting	<u>99,830</u>	<u>-</u>

The company has provided security in respect of the invoice discounting facility.

9 Dividends

	2017 £	2016 £
Interim dividend of £187.50 (2016 - £1,000.00) per ordinary share	<u>22,500</u>	<u>120,000</u>

10 Financial commitments, guarantees and contingencies

The total amount of financial commitments in respect of operating leases not included in the balance sheet is £20,048 (2016 - £38,105).

11 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>120</u>	<u>120</u>	<u>120</u>	<u>120</u>

System Five Controls Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

12 Related party transactions

Summary of transactions with other related parties

The company has taken advantage of the exemption in FRS 102 33.1A "Related Party Disclosures" from disclosing transactions with other members of the group.

13 Transition to FRS 102

The company has adopted FRS102 1A for the first time. This has resulted in no significant transitional adjustments.