

Company Registration No. 06546457 (England and Wales)

SPECIALIST IT SERVICES GROUP LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019
PAGES FOR FILING WITH REGISTRAR

SPECIALIST IT SERVICES GROUP LIMITED

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Balance sheet | 1 - 2 |
| Notes to the financial statements | 3 - 7 |

SPECIALIST IT SERVICES GROUP LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

| | Notes | 2019 £ | £ | 2018 £ | £ |
|--|-------|--------------------|------------------|--------------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 3 | | 629,099 | | 648,502 |
| Current assets | | | | | |
| Stocks | | 996 | | 16,882 | |
| Debtors | 4 | 1,645,315 | | 1,010,119 | |
| Cash at bank and in hand | | 613,716 | | 800,397 | |
| | | <u>2,260,027</u> | | <u>1,827,398</u> | |
| Creditors: amounts falling due within one year | 5 | <u>(1,501,018)</u> | | <u>(1,077,699)</u> | |
| Net current assets | | | 759,009 | | 749,699 |
| Total assets less current liabilities | | | <u>1,388,108</u> | | <u>1,398,201</u> |
| Creditors: amounts falling due after more than one year | 6 | | (458,775) | | (483,433) |
| Provisions for liabilities | | | <u>(3,106)</u> | | <u>(4,262)</u> |
| Net assets | | | <u>926,227</u> | | <u>910,506</u> |
| Capital and reserves | | | | | |
| Called up share capital | 7 | | 1,000 | | 1,000 |
| Share premium account | | | 8,500 | | 8,500 |
| Profit and loss reserves | | | 916,727 | | 901,006 |
| Total equity | | | <u>926,227</u> | | <u>910,506</u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

SPECIALIST IT SERVICES GROUP LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2019

The financial statements were approved by the board of directors and authorised for issue on 1 August 2019 and are signed on its behalf by:

P Watson
Director

P Cambers
Director

Company Registration No. 06546457

SPECIALIST IT SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Specialist IT Services Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is 5 Barrymoor Court, Northumberland Business Park, Cramlington, Northumberland, NE23 7RZ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

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

Support income is recognised straight line over the period of the contract.

Income from the sale of the software, hardware and warranty packs is recognised on delivery of goods.

Consultancy and other income is recognised on delivery of service.

1.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|--------------------------------|----------------------|
| Freehold land and buildings | 2% straight line |
| Fixtures, fittings & equipment | 33.33% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

SPECIALIST IT SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet 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.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes.

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.9 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.10 Government grants

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

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

SPECIALIST IT SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 25 (2018 - 24).

3 Tangible fixed assets

| | Land and buildings | Plant and machinery etc | Total |
|------------------------------------|-----------------------|----------------------------|---------|
| | £ | £ | £ |
| Cost | | | |
| At 1 April 2018 | 666,026 | 282,153 | 948,179 |
| Additions | - | 10,256 | 10,256 |
| At 31 March 2019 | 666,026 | 292,409 | 958,435 |
| Depreciation and impairment | | | |
| At 1 April 2018 | 39,960 | 259,717 | 299,677 |
| Depreciation charged in the year | 13,320 | 16,339 | 29,659 |
| At 31 March 2019 | 53,280 | 276,056 | 329,336 |
| Carrying amount | | | |
| At 31 March 2019 | 612,746 | 16,353 | 629,099 |
| At 31 March 2018 | 626,066 | 22,436 | 648,502 |

4 Debtors

| | 2019 £ | 2018 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 1,164,326 | 913,844 |
| Other debtors | 480,989 | 96,275 |
| | 1,645,315 | 1,010,119 |

SPECIALIST IT SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

5 Creditors: amounts falling due within one year

| | 2019 £ | 2018 £ |
|------------------------------------|------------------|------------------|
| Bank loans and overdrafts | 22,548 | 21,921 |
| Trade creditors | 196,859 | 327,684 |
| Corporation tax | 37,101 | 12,716 |
| Other taxation and social security | 221,160 | 121,470 |
| Other creditors | 1,023,350 | 593,908 |
| | <u>1,501,018</u> | <u>1,077,699</u> |

6 Creditors: amounts falling due after more than one year

| | Notes | 2019 £ | 2018 £ |
|---------------------------|-------|----------------|----------------|
| Bank loans and overdrafts | | 350,575 | 372,833 |
| Government grant | | 108,200 | 110,600 |
| | | <u>458,775</u> | <u>483,433</u> |

Amounts included above which fall due after five years are as follows:

| | | |
|------------------------|----------------|----------------|
| Payable by instalments | 320,951 | 341,328 |
| | <u>320,951</u> | <u>341,328</u> |

7 Called up share capital

| | 2019 £ | 2018 £ |
|------------------------------------|--------------|--------------|
| Ordinary share capital | | |
| Issued and fully paid | | |
| 49,800 Ordinary shares of 1p each | 498 | 498 |
| 5,000 A ordinary shares of 1p each | 50 | 50 |
| 5,650 C ordinary shares of 1p each | 57 | 57 |
| 5,650 D ordinary shares of 1p each | 57 | 57 |
| 5,650 E ordinary shares of 1p each | 57 | 57 |
| 5,650 F ordinary shares of 1p each | 57 | 57 |
| 5,650 G ordinary shares of 1p each | 57 | 56 |
| 5,650 H ordinary shares of 1p each | 57 | 56 |
| 5,650 I ordinary shares of 1p each | 57 | 56 |
| 5,650 J ordinary shares of 1p each | 57 | 56 |
| | <u>1,000</u> | <u>1,000</u> |

SPECIALIST IT SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

8 Directors' transactions

Loans to directors

Transactions in relation to loans with directors during the year are outlined in the table below

| Description | % Rate | Opening balance £ | Amounts advanced £ | Amounts repaid £ | Closing balance £ |
|-------------------------------|--------|-------------------------|--------------------------|---------------------|----------------------|
| P Watson - P Watson DLA | - | (515) | 6,190 | (5,675) | - |
| P Cambers - P Cambers DLA | - | 23,951 | 14,224 | (16,735) | 21,440 |
| R Henderson - R Henderson DLA | - | (1,520) | 111,968 | (13,252) | 97,196 |
| | | <u>21,916</u> | <u>132,382</u> | <u>(35,662)</u> | <u>118,636</u> |

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.