

REGISTERED NUMBER: 10160345 (England and Wales)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2019

FOR

REALWORLD TECHNOLOGY LIMITED

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FOR THE YEAR ENDED 31 MAY 2019

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DIRECTOR: Dr G F Kendrick

REGISTERED OFFICE: 6 The Birches
Soham
Ely
Cambridgeshire
CB7 5FH

REGISTERED NUMBER: 10160345 (England and Wales)

ACCOUNTANTS: Tony Everitt
Chartered Accountant
11b Soham Road
Fordham
Ely
Cambridgeshire
CB7 5LB

BALANCE SHEET
31 MAY 2019

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Tangible assets	4		4,311		5,215
CURRENT ASSETS					
Stocks		83,372		159,768	
Debtors	5	101,576		183,777	
Cash at bank		<u>634,702</u>		<u>313,385</u>	
		819,650		656,930	
CREDITORS					
Amounts falling due within one year	6	<u>258,327</u>		<u>370,476</u>	
NET CURRENT ASSETS			<u>561,323</u>		<u>286,454</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			565,634		291,669
PROVISIONS FOR LIABILITIES			-		991
NET ASSETS			<u>565,634</u>		<u>290,678</u>
CAPITAL AND RESERVES					
Called up share capital	7		125,000		125,000
Retained earnings			<u>440,634</u>		<u>165,678</u>
SHAREHOLDERS' FUNDS			<u>565,634</u>		<u>290,678</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2019 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges her responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and 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.
- (b)

BALANCE SHEET - continued
31 MAY 2019

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 on 2 September 2019 and were signed by:

Dr G F Kendrick - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019**

1. STATUTORY INFORMATION

Realworld Technology 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.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for revenues and expenses during the year and the amounts reported for assets and liabilities at the balance sheet date. However, the nature of estimation means that the actual outcomes could differ from those estimates.

Judgements

Careful judgement by the management is applied in deciding and applying the Company's accounting policies in respect of identifying signs of assets requiring impairment review. Judgements are based on the information available at each balance sheet date.

Estimates

The directors estimate the value of work in progress for work completed but not charged to customers at the balance sheet date. Changes in these estimates could result in changes being required to the income in the statement of comprehensive income and the carrying values in the balance sheet.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for the provision of consultancy services and is adjusted for any work in progress at the balance sheet date.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.
Plant and machinery etc - 33% on cost and 20% on reducing balance

Work in progress

Work in progress is shown at fair value based upon the work completed but not charged to customers at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2019

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and financial liabilities are measured initially at fair value plus transactions costs. Financial assets and financial liabilities are measured subsequently as described below.

The Company classifies its financial assets as 'loans and receivables'. The Company assesses at each date balance sheet whether there is objective evidence that a financial asset or a group of financial assets is impaired.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current assets. Loans and receivables are classified as 'trade and other debtors' in the balance sheet.

Trade debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

A provision for 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. Significant financial difficulty, high probability of bankruptcy or a financial reorganisation and default are considered indicators that the trade debtor is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. The loss is recognised in the profit or loss. When a trade debtor is uncollectable, it is written off against the allowance account for trade debtors. Subsequent recoveries of amounts previously written off are credited to the profit or loss.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

Financial liabilities

The Company's financial liabilities include trade and other creditors.

Trade creditors are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest method ("EIR" method).

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Income Statement.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2019

2. ACCOUNTING POLICIES - continued

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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 9 (2018 - 7) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2019

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 June 2018	8,949
Additions	2,008
Disposals	(699)
At 31 May 2019	<u>10,258</u>
DEPRECIATION	
At 1 June 2018	3,734
Charge for year	2,893
Eliminated on disposal	(680)
At 31 May 2019	<u>5,947</u>
NET BOOK VALUE	
At 31 May 2019	<u>4,311</u>
At 31 May 2018	<u>5,215</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	99,580	182,567
Other debtors	1,996	1,210
	<u>101,576</u>	<u>183,777</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	44,149	142,400
Taxation and social security	92,886	56,691
Other creditors	121,292	171,385
	<u>258,327</u>	<u>370,476</u>

7. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2019 £	2018 £
125,000	Ordinary	£1	<u>125,000</u>	<u>125,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2019

8. OTHER FINANCIAL COMMITMENTS

The future minimum lease payments under non-cancellable operating leases are as follows:

		2019	2018
	£		
Within one year		<u>7,573</u>	<u>4,406</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.