Registered number: 04583888

ITS SOFTWARE SYSTEMS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 5 APRIL 2019

ITS SOFTWARE SYSTEMS LIMITED
REGISTERED NUMBER:04583888

STATEMENT OF FINANCIAL POSITION
AS AT 5 APRIL 2019

	Note	2019 £	As restated 2018 £
FIXED ASSETS			
Tangible assets	4	**166,019**	74,243
Investments	5	**246,478**	224,043
		412,497	298,286
CURRENT ASSETS			
Debtors: amounts falling due within one year	6	**805,499**	678,087
Cash at bank and in hand	7	**829,260**	632,357
		1,634,759	1,310,444
Creditors: amounts falling due within one year	8	**(805,913)**	(739,087)
NET CURRENT ASSETS		**828,846**	571,357
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,241,343**	869,643
PROVISIONS FOR LIABILITIES			
Other provisions	9	**(8,724)**	-
		(8,724)	-
NET ASSETS		**1,232,619**	869,643
CAPITAL AND RESERVES			
Called up share capital	10	**1,000**	1,000
Profit and loss account		**1,231,619**	868,643
		1,232,619	869,643

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 5 APRIL 2019

The directors consider 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 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 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:

Mr C Bogh
Director

Mr P A Burgess
Director

Date: 19 December 2019

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

1. GENERAL INFORMATION

ITS Software Systems Limited is a limited Company incorporated in England and Wales. The registration number is 04583888. The registered office is Eploy Edwin Avenue, Hoo Farm Industrial Estate, Worcester Road, Kidderminster DY11 7RA. The Company is limited by shares.

The principal activity of the Company is the development of cloud based software.

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 Company's functional and presentational currency is GBP and these financial statements are rounded to the nearest £1.

The Prior Year comparatives have been restated, details as per note 12.

The following principal accounting policies have been applied:

2.2 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. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 GOVERNMENT GRANTS

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.4 INTEREST INCOME

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

2. ACCOUNTING POLICIES (continued)

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 Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

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 reporting date in the countries where the Company operates and generates income.

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.

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.

Depreciation is provided on the following basis:

Fixtures and fittings	-	20%	straight line
Office equipment	-	20%	straight line
Other fixed assets	-	20%	straight line

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 listed company shares are remeasured to market value at each Statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

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. ACCOUNTING POLICIES (continued)

2.10 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 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.

2.12 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.13 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.

2.14 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 38 (2018: 36).

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Office equipment £	Other fixed assets £	Total £
COST OR VALUATION				
At 6 April 2018	**18,593**	**104,775**	**26,930**	**150,298**
Additions	**16,919**	**41,059**	**88,324**	**146,302**
At 5 April 2019	**35,512**	**145,834**	**115,254**	**296,600**
DEPRECIATION				
At 6 April 2018	**9,876**	**66,179**	**-**	**76,055**
Charge for the year on owned assets	**4,351**	**21,362**	**28,813**	**54,526**
At 5 April 2019	**14,227**	**87,541**	**28,813**	**130,581**
NET BOOK VALUE				
At 5 April 2019	**21,285**	**58,293**	**86,441**	**166,019**
At 5 April 2018	8,717	38,596	26,930	74,243

5. FIXED ASSET INVESTMENTS

	Investments £
COST OR VALUATION	
At 6 April 2018	**180,000**
At 5 April 2019	**180,000**
IMPAIRMENT	
At 6 April 2018	**(44,043)**
Revaluations	**(22,435)**
At 5 April 2019	**(66,478)**
NET BOOK VALUE	
At 5 April 2019	**246,478**
At 5 April 2018	224,043

6. DEBTORS

	2019	2018
	£	£
Trade debtors	788,303	664,167
Other debtors	2,957	-
Prepayments and accrued income	14,239	13,920
	805,499	678,087

7. CASH AND CASH EQUIVALENTS

	2019	2018
	£	£
Cash at bank and in hand	829,260	632,357

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	38,053	41,563
Corporation tax	104,787	130,567
Other taxation and social security	252,569	241,973
Other creditors	35,390	1,104
Accruals and deferred income	375,114	323,880
	805,913	739,087

9. PROVISIONS

	Provisions
	£
Charged to profit or loss	8,724
AT 5 APRIL 2019	8,724

10. SHARE CAPITAL

	2019	2018
	£	£
ALLOTTED, CALLED UP AND FULLY PAID		
1,000 (2018: 1,000) Ordinary shares of £1.00 each	1,000	1,000

11. PRIOR YEAR ADJUSTMENT

There has been a prior year adjustment in respect of a historic error in relation to the recognition of income. In prior years income has been recognised in total on invoice. The prior year adjustment corrects this to show income in line with the period to which it relates. The impact this adjustment has is to reduce the opening reserves in the prior year by £275,008; and to decrease the prior year income and profit by £47,072; the cumulative reduction in reserves as at 5 April 2018 is £322,080. Income has been recognised on the correct basis in the curent year.

12. 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 £15,286 (2018: £121,202). Contributions totalling £6,787 (2018: £Nil) were payable to the fund at the reporting date and are included in creditors.

13. COMMITMENTS UNDER OPERATING LEASES

At 5 April 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019
	£
Not later than 1 year	**28,000**
Later than 1 year and not later than 5 years	**112,000**
	140,000

14. RELATED PARTY TRANSACTIONS

	2019	2018
	£	£
Amount owed to Directors	**1,104**	1,104

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.