Company Registration No. 02936365 (England and Wales)

MICROSS APPS LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2019

PAGES FOR FILING WITH REGISTRAR

MICROSS APPS LIMITED

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MICROSS APPS LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	**3**		9,842		3,304
Current assets					
Stocks		15,000		15,000	
Debtors	**4**	171,154		134,055	
		186,154		149,055	
Creditors: amounts falling due within one year	**5**	(195,136)		(378,680)	
Net current liabilities			(8,982)		(229,625)
Total assets less current liabilities			860		(226,321)
Creditors: amounts falling due after more than one year	**6**		(300,000)		(105,000)
Net liabilities			(299,140)		(331,321)
Capital and reserves					
Called up share capital	**9**		20,000		20,000
Profit and loss reserves			(319,140)		(351,321)
Total equity			(299,140)		(331,321)

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 30 September 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.

MICROSS APPS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2019

The financial statements were approved by the board of directors and authorised for issue on 20 January 2020 and are signed on its behalf by:

Mr G Morgan
Director

Company Registration No. 02936365

1 Accounting policies

Company information

Micross Apps Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Maltings, East Tyndall Street, Cardiff, CF24 5EA.

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 certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

During the year, the company recorded a pre-tax profit of £38,772 (2018: pre-tax loss £6,998) and has both net current and overall net liabilities at the balance sheet date. The company is financed through cash generated from operations and finance provided by its immediate parent undertaking, Techsol Group Limited and it's bankers in order to meet its financial liabilities as they fall due.

Techsol Group Limited has pledged its support for at least 12 months from the date of signing these financial statements and the company's bankers, HSBC Bank Plc, have also extended the company's bank facility until 31 August 2020.

The directors have assessed the company's financial position at the balance sheet date, taking into account the factors noted above and have concluded that the company has sufficient resources in order to meet its financial liabilities as they fall due. Consequently, the directors have prepared the financial statements on the going concern basis.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business and is shown net of VAT. The fair value of consideration takes into account trade and settlement discounts. Revenue is recognised in the period to which it relates.

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:

Computer equipment	20% - 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.

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 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where 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 have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset’s original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

1 Accounting policies **(Continued)**

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company’s contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 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 tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies **(Continued)**

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2018 - 5).

3 Tangible fixed assets

	Computer equipment £
Cost	
At 1 October 2018	10,799
Additions	9,669
Disposals	(3,950)
At 30 September 2019	16,518
Depreciation and impairment	
At 1 October 2018	7,495
Depreciation charged in the year	3,131
Eliminated in respect of disposals	(3,950)
At 30 September 2019	6,676
Carrying amount	
At 30 September 2019	9,842
At 30 September 2018	3,304

4 Debtors

	2019	2018
Amounts falling due within one year:	**£**	**£**
Trade debtors	95,427	47,685
Amounts owed by group undertakings	-	4,940
Other debtors	2,979	2,091
	98,406	54,716
Deferred tax asset	72,748	79,339
	171,154	134,055

5 Creditors: amounts falling due within one year

	2019	2018
	£	**£**
Bank loans and overdrafts	43,456	35,601
Trade creditors	223	90
Amounts owed to group undertakings	125,000	320,000
Taxation and social security	21,364	15,296
Other creditors	5,093	7,693
	195,136	378,680

6 Creditors: amounts falling due after more than one year

	2019	2018
	£	**£**
Amounts owed to group undertakings	300,000	105,000

7 Loans and overdrafts

	2019	2018
	£	**£**
Bank overdrafts	43,456	35,601
Payable within one year	43,456	35,601

On 26 July 2011, HSBC Bank Plc secured a fixed and floating charge over the company and all property and assets, present and future.

8 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2019	Assets 2018
Balances:	**£**	**£**
Accelerated capital allowances	2,872	3,337
Tax losses	69,876	76,002
	72,748	79,339

	2019
Movements in the year:	**£**
Asset at 1 October 2018	(79,339)
Charged to profit and loss account	6,591
Asset at 30 September 2019	(72,748)

9 Called up share capital

	2019	2018
	£	**£**
Ordinary share capital		
Issued and fully paid		
20,000 Ordinary shares of £1 each	20,000	20,000