

Unaudited Financial Statements
for the Year Ended 30 December 2024
for
Cobalt Systems Ltd

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for the year ended 30 December 2024**

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Cobalt Systems Ltd
Company Information
for the year ended 30 December 2024

DIRECTORS:

Mr A R Hunt
Mr C Hunt
Mr O Cummins
Mrs K Brazenall

REGISTERED OFFICE:

Spitfire Road
Cheshire Green Industrial Park
Wardle
Cheshire
CW5 6HT

REGISTERED NUMBER:

03403982 (England and Wales)

ACCOUNTANTS:

Banks Sheridan
Datum House
Electra Way
Crewe
Cheshire
CW1 6ZF

Statement of Financial Position
30 December 2024

	Notes	2024 £	2023 £
FIXED ASSETS			
Intangible assets	4	-	7,037
Tangible assets	5	<u>824,908</u>	<u>654,414</u>
		<u>824,908</u>	<u>661,451</u>
CURRENT ASSETS			
Stocks		294,644	275,791
Debtors	6	773,848	610,539
Cash at bank and in hand		<u>81,880</u>	<u>79,559</u>
		1,150,372	965,889
CREDITORS			
Amounts falling due within one year	7	<u>(1,243,207)</u>	<u>(923,017)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(92,835)</u>	<u>42,872</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		732,073	704,323
CREDITORS			
Amounts falling due after more than one year	8	(254,406)	(246,522)
PROVISIONS FOR LIABILITIES	11	<u>(39,436)</u>	<u>(686)</u>
NET ASSETS		<u>438,231</u>	<u>457,115</u>
CAPITAL AND RESERVES			
Called up share capital		16,500	16,500
Share premium		6,500	6,500
Other reserves		1,500	1,500
Retained earnings		<u>413,731</u>	<u>432,615</u>
		<u>438,231</u>	<u>457,115</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 December 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 December 2024 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

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

Statement of Financial Position - continued
30 December 2024

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 Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 30 April 2025 and were signed on its behalf by:

Mr A R Hunt - Director

**Notes to the Financial Statements
for the year ended 30 December 2024**

1. STATUTORY INFORMATION

Cobalt Systems Limited ('The Company') is primarily engaged in the manufacturing of barcode labelling automation systems, supply of associated print and vision hardware, software solutions, media and service contracts.

The company is a private company limited by shares and is incorporated in England and Wales. The address of the registered office and principal place of business is Spitfire Road, Cheshire Green Industrial Park, Wardle, Cheshire, CW5 6HT. The registered number can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£). Monetary amounts in these financial statements are rounded to the nearest £.

2. ACCOUNTING POLICIES

Summary of significant accounting policies

The principle accounting policies applied in the preparation of these financial statements are set out below.

These policies have been consistently applied to all years presented, unless otherwise stated.

Basis of preparation

The financial statements are prepared on the going concern basis under the historical cost convention and comply with the United Kingdom Accounting Standards and Companies Act 2006.

Going concern

No material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors.

On this basis the directors consider it appropriate to prepare the financial statements on the going concern basis.

Revenue recognition

The turnover shown in the statement of comprehensive income, represents the value of machines, media and servicing sold during the period, less returns received at selling price exclusive of Value Added Tax. Due to the length of time involved in building a machine, turnover is charged in stages when as assessment of the contract shows that the company has gained a right to that consideration. At each stage the final machine contract performance is assessed and if future losses are likely the related costs are recognised in full.

Turnover generated from the sale of media and servicing is recognised at the point at which goods are despatched to the customer or when services are provided.

Intangible assets

Intangible assets including development costs, are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs are being amortised over five years.

**Notes to the Financial Statements - continued
for the year ended 30 December 2024**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at the following annual rates so as to write off their cost less residual amounts over their estimated useful economic lives. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount.

Plant & machinery	- Straight line over 3 years
Fixtures & fittings	- Straight line over 8 years
Motor vehicles	- Straight line over 3 years
Computer equipment	- Straight line over 3 years
Corporate software	- Straight line over 3 years
Short Leasehold	- Straight line over 10 years

The residual values and useful lives of assets are reviewed and adjusted if appropriate at each statement of financial position date.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell (net realisable value).

Financial instruments

The following assets and liabilities are classified as financial instruments - trade debtors, trade creditors, bank loans and directors' loans.

Bank loans are initially measured at the present value of future payments, discounted at a market rate of interest, and subsequently at amortised cost using the effective interest method.

Directors' loans (being repayable on demand), trade debtors and trade creditors are measured at the discounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

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 statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

**Notes to the Financial Statements - continued
for the year ended 30 December 2024**

2. ACCOUNTING POLICIES - continued

Research and development

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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.

Impairments of assets

Assets not measured at fair value are reviewed for any indications that the asset maybe impaired at each statement of financial position date. If such indications exists the recoverable amount of the asset or the assets cash generating unit is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Any losses arising from impairment are recognised in the Statement of Comprehensive Income under the appropriate heading.

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 in the period are included in profit or loss.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 23 (2023 - 19) .

Notes to the Financial Statements - continued
for the year ended 30 December 2024

4. INTANGIBLE FIXED ASSETS

	Development costs £
COST	
At 31 December 2023 and 30 December 2024	<u>141,702</u>
AMORTISATION	
At 31 December 2023	134,665
Amortisation for year	<u>7,037</u>
At 30 December 2024	<u>141,702</u>
NET BOOK VALUE	
At 30 December 2024	<u>-</u>
At 30 December 2023	<u>7,037</u>

5. TANGIBLE FIXED ASSETS

	Corporate software £	Short leasehold £	Plant and machinery £
COST			
At 31 December 2023	27,000	520,893	96,300
Additions	-	84,842	174,637
Disposals	-	-	-
At 30 December 2024	<u>27,000</u>	<u>605,735</u>	<u>270,937</u>
DEPRECIATION			
At 31 December 2023	27,000	-	24,276
Charge for year	-	52,089	24,068
Eliminated on disposal	-	-	-
At 30 December 2024	<u>27,000</u>	<u>52,089</u>	<u>48,344</u>
NET BOOK VALUE			
At 30 December 2024	<u>-</u>	<u>553,646</u>	<u>222,593</u>
At 30 December 2023	<u>-</u>	<u>520,893</u>	<u>72,024</u>

Notes to the Financial Statements - continued
for the year ended 30 December 2024

5. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 31 December 2023	40,200	43,932	728,325
Additions	2,491	1,409	263,379
Disposals	(2,615)	-	(2,615)
At 30 December 2024	<u>40,076</u>	<u>45,341</u>	<u>989,089</u>
DEPRECIATION			
At 31 December 2023	7,552	15,083	73,911
Charge for year	4,556	10,538	91,251
Eliminated on disposal	(981)	-	(981)
At 30 December 2024	<u>11,127</u>	<u>25,621</u>	<u>164,181</u>
NET BOOK VALUE			
At 30 December 2024	<u>28,949</u>	<u>19,720</u>	<u>824,908</u>
At 30 December 2023	<u>32,648</u>	<u>28,849</u>	<u>654,414</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
At 31 December 2023	15,280
Additions	<u>128,400</u>
At 30 December 2024	<u>143,680</u>
DEPRECIATION	
Charge for year	<u>5,093</u>
At 30 December 2024	<u>5,093</u>
NET BOOK VALUE	
At 30 December 2024	<u>138,587</u>
At 30 December 2023	<u>15,280</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	709,239	546,639
Other debtors	<u>64,609</u>	<u>63,900</u>
	<u>773,848</u>	<u>610,539</u>

**Notes to the Financial Statements - continued
for the year ended 30 December 2024**

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Bank loans and overdrafts	69,972	66,582
Hire purchase contracts (see note 9)	25,102	2,602
Trade creditors	380,170	303,526
Taxation and social security	162,289	27,918
Other creditors	605,674	522,389
	<u>1,243,207</u>	<u>923,017</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Bank loans	164,184	234,156
Hire purchase contracts (see note 9)	90,222	12,366
	<u>254,406</u>	<u>246,522</u>

9. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2024	2023
	£	£
Net obligations repayable:		
Within one year	25,102	2,602
Between one and five years	90,222	12,366
	<u>115,324</u>	<u>14,968</u>

	Non-cancellable operating	leases
	2024	2023
	£	£
Within one year	138,000	11,500
Between one and five years	552,000	552,000
In more than five years	1,242,000	1,506,500
	<u>1,932,000</u>	<u>2,070,000</u>

Notes to the Financial Statements - continued
for the year ended 30 December 2024

10. SECURED DEBTS

The following secured debts are included within creditors:

	2024	2023
	£	£
Bank loans	234,156	300,738
Hire purchase contracts	<u>115,324</u>	<u>-</u>
	<u><u>349,480</u></u>	<u><u>300,738</u></u>

Banks hold debentures dated 17 March 2021, 15 May 2013 and 22 March 2018 including fixed and floating charges over all of the assets held by the company.

11. PROVISIONS FOR LIABILITIES

	2024	2023
	£	£
Deferred tax	<u>39,436</u>	<u>686</u>
		Deferred tax
		£
Balance at 31 December 2023		686
Charge to Income Statement during year		<u>38,750</u>
Balance at 30 December 2024		<u><u>39,436</u></u>