

COMPANY REGISTRATION NUMBER: SC267785

Competence Matters Limited

Filleted Unaudited Financial Statements

For the year ended

31 May 2023

Competence Matters Limited

Financial Statements

Year ended 31 May 2023

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Competence Matters Limited

Statement of Financial Position

31 May 2023

		2023	2022
	Note	£	£
Fixed assets			
Intangible assets	5	62,945	62,806
Tangible assets	6	62,935	86,575
		-----	-----
		125,880	149,381
Current assets			
Debtors	7	363,852	296,362
Cash at bank and in hand		269,123	310,158
		-----	-----
		632,975	606,520
Creditors: amounts falling due within one year	8	352,216	419,014
		-----	-----
Net current assets		280,759	187,506
		-----	-----
Total assets less current liabilities		406,639	336,887
Provisions			
Taxation including deferred tax		11,820	16,450
		-----	-----
Net assets		394,819	320,437
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Competence Matters Limited

Statement of Financial Position *(continued)*

31 May 2023

	Note	2023 £	£	2022 £
Capital and reserves				
Called up share capital	10	527		527
Capital redemption reserve		750		750
Profit and loss account		393,542		319,160
		-----		-----
Shareholders funds		394,819		320,437
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These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 May 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements were approved by the board of directors and authorised for issue on 3 October 2023 , and are signed on behalf of the board by:

Mr David Hanley

Mr D Aitken

Director

Director

Company registration number: SC267785

Competence Matters Limited

Notes to the Financial Statements

Year ended 31 May 2023

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 56 Deerdrykes View, Cumbernauld, Glasgow, G68 9HN.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

The turnover shown in the profit and loss account represents the sales value of work done providing training and assessment services during the year, exclusive of Value Added Tax.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Software & Website Development	-	33% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	20% reducing balance
Motor Vehicles	-	25% reducing balance
Equipment	-	25% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 24 (2022: 23).

5. Intangible assets

	Software Development £
Cost	
At 1 June 2022	220,122
Additions	-
Additions from internal developments	31,612

At 31 May 2023	251,734

Amortisation	
At 1 June 2022	157,316
Charge for the year	31,473

At 31 May 2023	188,789

Carrying amount	
At 31 May 2023	62,945

At 31 May 2022	62,806

6. Tangible assets

	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 June 2022	88,391	120,699	90,551	299,641
Additions	2,685	–	1,995	4,680
Disposals	(21,945)	–	(14,190)	(36,135)
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At 31 May 2023	69,131	120,699	78,356	268,186
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Depreciation				
At 1 June 2022	59,616	73,347	80,103	213,066
Charge for the year	4,181	11,842	2,450	18,473
Disposals	(14,745)	–	(11,543)	(26,288)
	-----	-----	-----	-----
At 31 May 2023	49,052	85,189	71,010	205,251
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Carrying amount				
At 31 May 2023	20,079	35,510	7,346	62,935
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At 31 May 2022	28,775	47,352	10,448	86,575
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7. Debtors

	2023	2022
	£	£
Trade debtors	126,086	137,404
Other debtors	237,766	158,958
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	363,852	296,362
	-----	-----

8. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	50,158	83,963
Social security and other taxes	99,628	200,097
Other creditors	4,274	3,342
Other creditors	198,156	131,612
	-----	-----
	352,216	419,014
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9. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2023	2022
	£	£
Included in provisions	11,820	16,450
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The deferred tax account consists of the tax effect of timing differences in respect of:

	2023	2022
	£	£
Accelerated capital allowances	11,820	16,450
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**10. Called up share capital
Issued, called up and fully paid**

	2023		2022	
	No.	£	No.	£
Ordinary shares of £ 1 each	527	527	527	527
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11. Operating leases

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

	2023	2022
	£	£
Not later than 1 year	34,000	42,000
Later than 1 year and not later than 5 years	82,958	183,083
Later than 5 years	-	17,875
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	116,958	242,958
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12. Directors' advances, credits and guarantees

During the year to 31 May 2023, the brought forward balance on the outstanding director's loan account was repaid (2022 - £16,785).

