

**DIGCONN SYSTEMS LIMITED  
ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30 APRIL 2016**

Advantage ATO

Chartered Certified Accountants

136 Elliott Street  
Tyldesley  
Greater Manchester  
M29 8FJ

**Digconn Systems Limited**  
**Company No. 03348386**  
**Abbreviated Balance Sheet 30 April 2016**

|                                                       |              | <b>2016</b>      |                | <b>2015<br/>as restated</b> |                |
|-------------------------------------------------------|--------------|------------------|----------------|-----------------------------|----------------|
|                                                       | <b>Notes</b> | <b>£</b>         | <b>£</b>       | <b>£</b>                    | <b>£</b>       |
| <b>FIXED ASSETS</b>                                   |              |                  |                |                             |                |
| Tangible Assets                                       | <b>2</b>     |                  | 1,086          |                             | 900            |
|                                                       |              |                  | <u>1,086</u>   |                             | <u>900</u>     |
| <b>CURRENT ASSETS</b>                                 |              |                  |                |                             |                |
| Debtors                                               | <b>3</b>     | 405,212          |                | 21,378                      |                |
| Cash at bank and in hand                              |              | <u>23,563</u>    |                | <u>278,775</u>              |                |
|                                                       |              | 428,775          |                | 300,153                     |                |
| <b>Creditors: Amounts Falling Due Within One Year</b> |              | <u>(38,107 )</u> |                | <u>(59,801 )</u>            |                |
| <b>NET CURRENT ASSETS (LIABILITIES)</b>               |              |                  | <u>390,668</u> |                             | <u>240,352</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |              |                  | <u>391,754</u> |                             | <u>241,252</u> |
| <b>PROVISIONS FOR LIABILITIES</b>                     |              |                  |                |                             |                |
| Deferred Taxation                                     |              |                  | <u>(217 )</u>  |                             | <u>-</u>       |
| <b>NET ASSETS</b>                                     |              |                  | <u>391,537</u> |                             | <u>241,252</u> |
| <b>CAPITAL AND RESERVES</b>                           |              |                  |                |                             |                |
| Called up share capital                               | <b>4</b>     |                  | 752            |                             | 753            |
| Profit and Loss Account                               |              |                  | <u>390,785</u> |                             | <u>240,499</u> |
| <b>SHAREHOLDERS' FUNDS</b>                            |              |                  | <u>391,537</u> |                             | <u>241,252</u> |

**Digconn Systems Limited**  
**Company No. 03348386**  
**Abbreviated Balance Sheet (continued) 30 April 2016**

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For the year ending 30 April 2016 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 in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These abbreviated accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2015).

On behalf of the board

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**Mr Geoffrey  
Jones**

**27/01/2017**

**Digconn Systems Limited**  
**Notes to the Abbreviated Accounts**  
**For The Year Ended 30 April 2016**

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**1. Accounting Policies**

**1.1. Basis of Preparation of Financial Statements**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

**1.2. Turnover**

Turnover comprises the invoiced value of services supplied and goods sold by the company, net of Value Added Tax and trade discounts. Sales are recognised at the point which the company has fulfilled its contractual obligations to the customer. Maintenance contract income is recognised in equal instalments over the life of the contract.

**1.3. Tangible Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

|                    |             |
|--------------------|-------------|
| Plant & Machinery  | 25% on cost |
| Computer Equipment | 33% on cost |

**1.4. Leasing and Hire Purchase Contracts**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in the creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

**1.5. Deferred Taxation**

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in periods in which the timing differences reverse, based on tax rates and the law enacted or substantively enacted at the balance sheet date.

**1.6. Pensions**

The company operates a defined pension contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

**Digconn Systems Limited**  
**Notes to the Abbreviated Accounts (continued)**  
**For The Year Ended 30 April 2016**

**1.7. Prior Year Adjustments**

During the preparation of the financial statements, it has been necessary to make several prior year adjustments which have led to the restatement of the financial statements for the year ended 30 April 2015 as follows:

An adjustment to the former director's loan account relating to Mr Geoffrey Jones has been re-instated to the overdrawn position of £9,999. This balance was incorrectly written off to dividends. This has come to light due to the sale of the entire issued capital of company which took place on 15 July 2015, to Agile Digital Systems Limited and referred to in the signed SPA agreement also dated 15 July 2015. Physical funds were repaid to the company by Mr Geoffrey Jones at completion for the value of £9,999. It has therefore been necessary to restate and increase debtors by this amount and reduce the interim dividends paid in the year. This prior year adjustment does not give rise to any adjustments relating to corporation tax.

It has been identified that a former director and shareholder of the business a Mr Barry Woodruff, who resigned on 1 June 2008, originally held 250 C Ordinary £1 Shares. In accordance with the stock transfer form signed and dated 9 October 2008, 200 C Ordinary £1 shares were transferred to Mr Geoffrey Jones for the consideration value of £nil. In addition, his remaining 50 C Ordinary £1 shares were transferred to Mrs Lena Jones, the former company secretary and wife of Mr Geoffrey Jones, for the consideration value of £nil. It is to be noted that the issued share capital of the business in the financial statements to 30 April 2011 was reduced incorrectly by the value of 250 C Ordinary £1 Shares. It has been necessary therefore to prior year adjust the issued share capital to reflect the true nature of the shareholdings of the business at 30 April 2015 by increasing the C Ordinary £1 shares issued by £250 and increasing the interim dividends paid to represent the correction of the shares previously written off in error. This prior year adjustment does not give rise to any adjustments relating to corporation tax.

Furthermore, the due diligence process for the sale of the entire issued share capital has brought to light two further shareholders in the business who each owned 1 D Ordinary £1 share. On the 10 July 2015 1 D Ordinary £1 share was transferred from Mr Julian Brown to Mr Geoffrey Jones for the consideration of £1. Also on this date 1 D Ordinary £1 share was transferred from Mr Julian Barlow to Mr Geoffrey Jones again for the consideration of £1. It is to be noted that the issued share capital of the business in the financial statements to 30 April 2011 was reduced incorrectly by the value of the 2 D Ordinary £1 Shares. It has been necessary to prior year adjust the issued share capital to reflect the true nature of the shareholdings of the business at 30 April 2015 by increasing the D Ordinary £1 shares issued by £2 and increasing the interim dividends paid. This prior year adjustment does not give rise to any adjustments relating to corporation tax.

**2. Tangible Assets**

|                            | <b>Total</b>  |
|----------------------------|---------------|
| <b>Cost</b>                | <b>£</b>      |
| As at 1 May 2015           | 17,420        |
| Additions                  | 678           |
| As at 30 April 2016        | <u>18,098</u> |
| <b>Depreciation</b>        |               |
| As at 1 May 2015           | 16,520        |
| Provided during the period | 492           |
| As at 30 April 2016        | <u>17,012</u> |
| <b>Net Book Value</b>      |               |
| As at 30 April 2016        | <u>1,086</u>  |
| As at 1 May 2015           | <u>900</u>    |

**3. Debtors**

Debtors include an amount of £ 340,476 (2015 - £ - ) falling due after more than one year.

#### 4. Share Capital

## 5. Ultimate Parent Undertaking and Controlling Party

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