

**DIGCONN SYSTEMS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017**

Advantage ATO

Chartered Certified Accountants

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Digconn Systems Limited
Unaudited Financial Statements
For The Year Ended 30 April 2017

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Digconn Systems Limited
Balance Sheet
As at 30 April 2017

Registered number: 03348386

		2017		2016	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	7		451		1,086
			<u>451</u>		<u>1,086</u>
CURRENT ASSETS					
Debtors	8	391,451		405,212	
Cash at bank and in hand		41,519		23,563	
		<u>432,970</u>		<u>428,775</u>	
Creditors: Amounts Falling Due Within One Year	9		(20,420)		(38,107)
			<u>412,550</u>		<u>390,668</u>
NET CURRENT ASSETS (LIABILITIES)			<u>413,001</u>		<u>391,754</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>413,001</u>		<u>391,754</u>
PROVISIONS FOR LIABILITIES					
Deferred Taxation	10		-		(217)
			<u>413,001</u>		<u>391,537</u>
NET ASSETS			<u>413,001</u>		<u>391,537</u>
CAPITAL AND RESERVES					
Called up share capital	11		752		752
Profit and loss account			412,249		390,785
			<u>413,001</u>		<u>391,537</u>
SHAREHOLDERS' FUNDS			<u>413,001</u>		<u>391,537</u>

Digconn Systems Limited
Balance Sheet (continued)
As at 30 April 2017

For the year ending 30 April 2017 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 accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The Company has taken advantage of Companies Act 2006 section 444(1) and opted not to file the Profit and Loss Account

On behalf of the board

**Mr Geoffrey
Jones**

01/12/2017

The notes on pages 4 to 7 form part of these financial statements.

Digconn Systems Limited
Statement of Changes in Equity
For The Year Ended 30 April 2017

	Share Capital	Profit & Loss Account	Total
	£	£	£
As at 1 May 2015 as previously stated	751	230,752	231,503
Prior year adjustment	-	9,747	9,747
As at 1 May 2015 as restated	751	240,499	241,250
Profit for the year and total comprehensive income	-	160,612	160,612
Dividends paid	-	(10,326)	(10,326)
Purchase of own shares	1	-	1
As at 30 April 2016 and 1 May 2016	752	390,785	391,537
Profit for the year and total comprehensive income	-	21,464	21,464
As at 30 April 2017	752	412,249	413,001

Digconn Systems Limited
Notes to the Unaudited Accounts
For The Year Ended 30 April 2017

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 FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

These financial statements are the first financial statements prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the 'UK and Republic of Ireland' (FRS 102). The financial statements for the year ended 30 April 2016 were prepared in accordance with Financial Reporting Standard for Smaller Entities (effective January 2015).

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from FRSSE. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in retained earnings at the transition date.

1.2. Turnover

Turnover comprises the invoiced value of services supplied by the company, net of Value Added Tax and trade discounts. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the products, such as obsolescence, have been transferred to the customer.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

Digconn Systems Limited
Notes to the Unaudited Accounts (continued)
For The Year Ended 30 April 2017

1.5. Financial Instruments

Financial instruments are recognised 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, which include trade and other receivables 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Basic financial liabilities, including trade and other payables, 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.

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

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.

1.6. 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.

1.7. 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.

1.8. Registrar Filing Requirements

The company has taken advantage of Companies Act 2006 section 444(1) and opted not to file the profit and loss account, directors report, and notes to the financial statements relating to the profit and loss account. The notes which are not included have been hidden but original note numbering has remained the same for those that are present.

4. Average number of employees

Average number of employees, including directors, during the year was as follows:

	2017	2016
Office and administration	1	1
Sales, marketing and distribution	1	1
	<u>2</u>	<u>2</u>

Digconn Systems Limited
Notes to the Unaudited Accounts (continued)
For The Year Ended 30 April 2017

7. Tangible Assets

	Plant & Machinery
	£
Cost	
As at 1 May 2016	18,098
As at 30 April 2017	18,098
Depreciation	
As at 1 May 2016	17,012
Provided during the period	635
As at 30 April 2017	17,647
Net Book Value	
As at 30 April 2017	451
As at 1 May 2016	1,086

8. Debtors

	2017	2016
	£	£
Due within one year		
Trade debtors	23,081	41,712
Prepayments and accrued income	484	21,560
Corporation tax recoverable assets	19,130	-
Amounts owed by group undertakings	348,756	-
Amounts owed by associates	-	1,464
	391,451	64,736
Due after more than one year		
Amounts owed by group undertakings	-	340,476
	-	340,476
	391,451	405,212

9. Creditors: Amounts Falling Due Within One Year

	2017	2016
	£	£
Trade creditors	3,808	8,714
Corporation tax	-	8,052
Other taxes and social security	4,198	4,130
VAT	10,897	6,309
Accruals and deferred income	1,517	4,625
Amounts owed to associates	-	6,277
	20,420	38,107
	20,420	38,107

Digconn Systems Limited
Notes to the Unaudited Accounts (continued)
For The Year Ended 30 April 2017

10. Deferred Taxation

	2017	2016
	£	£
As at 1 May 2016	217	-
Deferred taxation	(217)	217
	-	217
Deferred tax	-	217

The provision for deferred taxation is made up of accelerated capital allowances

11. Share Capital

	Value	Number	2017	2016
	£		£	£
Allotted, called up and fully paid				
Ordinary shares	1.000	752	752	752
		752	752	752

12. Dividends

	2017	2016
	£	£
On equity shares:		
Interim dividend paid	-	10,326
	-	10,326
	-	10,326

During the year, interim dividends of £nil (2016: £10,326) were paid to Mr Geoffrey Jones.

13. Related Party Transactions

The company has taken advantage of the exemption under Financial Reporting Standard 102 'Related Party Disclosures' from disclosing transactions with group and related companies. At 30 April 2017 the company was owed £348,756 (2016 : £341,940) by group and related companies. In addition the company owed £nil (2016 : £6,277) to group and related companies.

15. Ultimate Parent Undertaking and Controlling Party

The company's immediate and ultimate parent undertaking is Agile Digital Systems Limited. Agile Digital Systems Limited was incorporated in England and Wales. Copies of the accounts may be obtained from the secretary, 28 Momentum Place, Bamber Bridge, Preston, Lancashire, PR5 6EF. The ultimate joint controlling parties are Mr Mark Hughes and Mr Philip Jones who control 90% of the shares of Agile Digital Systems Limited.

16. General Information

Digconn Systems Limited Registered number 03348386 is a limited by shares company incorporated in England & Wales. The Registered Office is Ela Mill, Suite 25, Cork Street, Bury, Lancashire, BL9 7BW.