

Unaudited Financial Statements
for the Year Ended 31 May 2023
for
GDS Technologies Limited

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for the Year Ended 31 May 2023

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Balance Sheet
31 May 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Tangible assets	4	1,453,829		1,460,168	
Investments	5	<u>14,318</u>		<u>42,423</u>	
		1,468,147		1,502,591	
CURRENT ASSETS					
Stocks		391,500		71,983	
Debtors	6	552,726		536,632	
Cash at bank and in hand		<u>1,134,727</u>		<u>1,183,243</u>	
		2,078,953		1,791,858	
CREDITORS					
Amounts falling due within one year	7	<u>318,910</u>		<u>288,551</u>	
NET CURRENT ASSETS			<u>1,760,043</u>		<u>1,503,307</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,228,190</u>		<u>3,005,898</u>
CAPITAL AND RESERVES					
Called up share capital	8	1,000		1,000	
Retained earnings		<u>3,227,190</u>		<u>3,004,898</u>	
SHAREHOLDERS' FUNDS		<u>3,228,190</u>		<u>3,005,898</u>	

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

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

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 Profit and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 14 February 2024 and were signed on its behalf by:

S A Utley - Director

**Notes to the Financial Statements
for the Year Ended 31 May 2023**

1. STATUTORY INFORMATION

GDS Technologies Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address are as below:

Registered number: 03529380

Registered office: Fusion Point
Ash Lane
Garforth
Leeds
LS25 2GA

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in UK and Republic of Ireland" and 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 give a true and fair view.

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised on delivery. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable.

Tangible fixed assets

Tangible fixed assets are stated at purchase cost together with any incidental expenses of acquisition, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible assets, other than freehold land, at rates calculated to write off the cost less estimated residual value of each asset on a straight line basis over its expected useful life.

Plant, equipment, fixtures & fittings - 20% reducing balance
Motor Vehicles - 25% reducing balance
Freehold land and buildings - no depreciation charged

Residual value represents the estimated amount which would currently be obtained from disposal of an asset after deducting estimated costs of disposal, if the asset were already at an age and in the condition expected at the end of its estimated useful life.

Freehold buildings have been depreciated to a level where they have reached their estimated residual value. Unless there is a change in estimated residual value, no further depreciation will be charged.

The need for any fixed asset impairment write down is assessed by comparison of the carrying value of the assets against the higher of realisable value and value in use.

The gain or loss arising on the disposal of an asset is determined on the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to net realisable value. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2023**

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit and loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The following assets and liabilities are classified as basic financial instruments - trade debtors, other debtors, cash and bank balances, trade creditors and other creditors.

Trade debtors, other debtors, cash and bank balances, trade creditors and other creditors are measured at the amortised cost equivalent to the undiscounted amount of cash or other consideration expected to be paid or received.

Taxation

Current tax, including UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to the reversal of the timing difference. Deferred tax relating to investment property is measured using tax rates and allowances that apply should the investment property be sold.

Research and development

Research expenditure is written off as incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2023**

2. ACCOUNTING POLICIES - continued

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Where material, the cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit and loss as described below.

Non financial assets

An asset is impaired when there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Financial assets

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had impairment not been recognised.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 41 (2022 - 40) .

4. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 June 2022	1,333,340	618,629	1,951,969
Additions	-	31,035	31,035
Disposals	-	(23,720)	(23,720)
At 31 May 2023	<u>1,333,340</u>	<u>625,944</u>	<u>1,959,284</u>
DEPRECIATION			
At 1 June 2022	-	491,801	491,801
Charge for year	-	34,041	34,041
Eliminated on disposal	-	(20,387)	(20,387)
At 31 May 2023	<u>-</u>	<u>505,455</u>	<u>505,455</u>
NET BOOK VALUE			
At 31 May 2023	<u>1,333,340</u>	<u>120,489</u>	<u>1,453,829</u>
At 31 May 2022	<u>1,333,340</u>	<u>126,828</u>	<u>1,460,168</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2023**

5. FIXED ASSET INVESTMENTS

	Other investments £
COST	
At 1 June 2022	42,423
Disposals	(28,105)
At 31 May 2023	<u>14,318</u>
NET BOOK VALUE	
At 31 May 2023	<u>14,318</u>
At 31 May 2022	<u>42,423</u>

Where the value of other investments can be reliably measured they are measured at fair value through the profit and loss account. Where fair value cannot be measured reliably other investments are measured at cost less impairment.

The historical cost of investments as at 31 May 2023 was £211,386 (2022: £316,224)

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	523,244	508,327
Other debtors	<u>29,482</u>	<u>28,305</u>
	<u>552,726</u>	<u>536,632</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	240,490	188,394
Taxation and social security	36,715	59,175
Other creditors	<u>41,705</u>	<u>40,982</u>
	<u>318,910</u>	<u>288,551</u>

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2023	2022
Number:	Class:		£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>