

**Company Registration No. 03213816 (England and Wales)**

**TECHNICAL SIMULATION CONSULTANTS LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2017**

**PAGES FOR FILING WITH REGISTRAR**

## TECHNICAL SIMULATION CONSULTANTS LIMITED

### COMPANY INFORMATION

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<b>Directors</b>	C M Bolton A P Bolton M J Fenton A J Bolton
<b>Secretary</b>	A P Bolton
<b>Company number</b>	03213816
<b>Registered office</b>	Kestrel Business Centre Private Road 2 Colwick Nottingham NG4 2JR
<b>Accountants</b>	UHY Hacker Young 14 Park Row Nottingham NG1 6GR
<b>Business address</b>	Kestrel Business Centre Private Road 2 Colwick Nottingham NG4 2JR

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# TECHNICAL SIMULATION CONSULTANTS LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Intangible assets	3	592,102		436,254	
Tangible assets	4	10,554		11,144	
		<u>602,656</u>		<u>447,398</u>	
<b>Current assets</b>					
Stocks		379,662		490,959	
Debtors	5	209,083		241,892	
Cash at bank and in hand		6,118		19,001	
		<u>594,863</u>		<u>751,852</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(313,027)</u>		<u>(393,089)</u>	
<b>Net current assets</b>		<u>281,836</u>		<u>358,763</u>	
<b>Total assets less current liabilities</b>		<u>884,492</u>		<u>806,161</u>	
<b>Creditors: amounts falling due after more than one year</b>	7	(231,009)		(319,586)	
<b>Provisions for liabilities</b>		-		(388)	
<b>Net assets</b>		<u>653,483</u>		<u>486,187</u>	
<b>Capital and reserves</b>					
Called up share capital	8	114,075		114,075	
Capital redemption reserve		19,025		19,025	
Profit and loss reserves		<u>520,383</u>		<u>353,087</u>	
<b>Total equity</b>		<u>653,483</u>		<u>486,187</u>	

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 June 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

**TECHNICAL SIMULATION CONSULTANTS LIMITED**

**BALANCE SHEET (CONTINUED)**

**AS AT 30 JUNE 2017**

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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.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 14 November 2017 and are signed on its behalf by:

C M Bolton  
**Director**

**Company Registration No. 03213816**

## **TECHNICAL SIMULATION CONSULTANTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 30 JUNE 2017**

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#### **1 Accounting policies**

##### **Company information**

Technical Simulation Consultants Limited is a private company limited by shares incorporated in England and Wales. The registered office is Kestrel Business Centre, Private Road 2, Colwick, Nottingham, NG4 2JR.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of 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 show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 June 2017 are the first financial statements of Technical Simulation Consultants Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 July 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

##### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), 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.

## TECHNICAL SIMULATION CONSULTANTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

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#### 1 Accounting policies

(Continued)

##### 1.4 Research and development expenditure

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.

##### 1.5 Intangible fixed assets other than goodwill

Intangible assets are recognised when project developments become available to market. Intangible assets are recognised at the cumulative IPR costs of developed software included in work in progress, and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents	10% per annum straight line
System IPR costs	10% per annum straight line

##### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% per annum straight line
Fixtures and fittings	10 % per annum straight line
Computer equipment	10% per annum straight line
Source codes	10% per annum straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

##### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

## TECHNICAL SIMULATION CONSULTANTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

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#### 1 Accounting policies

(Continued)

##### 1.8 Stocks

Stocks are valued at the lower of cost and net realisable value. The cost of finished goods and work in progress includes directly attributable costs. Turnover and related costs on each long term contract are recorded in the profit and loss account as contract activity progresses. Turnover is calculated on the basis of the value of work done and when a profitable outcome can be assessed with reasonable certainty.

Attributable profit is calculated on a prudent basis for each contract by reference to the contract's cumulative turnover, total value and total profit estimated for the completed contract. Full provisions are made for losses on contracts as soon as they can be foreseen.

Work in progress is stated, at direct costs, applicable overhead plus a relevant proportion of profits. Provision is made for any foreseeable losses on each contract and the net figure is reflected in stock.

##### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet 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*

Basic financial assets, which include debtors 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

###### *Basic financial liabilities*

Basic financial liabilities, including creditors, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**TECHNICAL SIMULATION CONSULTANTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2017**

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**1 Accounting policies**

**(Continued)**

**1.10 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**1.11 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

**1.12 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

**1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 18 (2016 - 18).

**TECHNICAL SIMULATION CONSULTANTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2017**

**3 Intangible fixed assets**

	Goodwill	Patents	System IPR costs	Total
	£	£	£	£
<b>Cost</b>				
At 1 July 2016	19,000	3,584	433,506	456,090
Additions - internally developed	-	-	198,908	198,908
Additions - separately acquired	-	1,026	-	1,026
At 30 June 2017	19,000	4,610	632,414	656,024
<b>Amortisation and impairment</b>				
At 1 July 2016	19,000	836	-	19,836
Amortisation charged for the year	-	735	43,351	44,086
At 30 June 2017	19,000	1,571	43,351	63,922
<b>Carrying amount</b>				
At 30 June 2017	-	3,039	589,063	592,102
At 30 June 2016	-	2,748	433,506	436,254

**4 Tangible fixed assets**

	Plant and machinery	Fixtures and fittings	Computer equipment	Source codes	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 July 2016	113,628	19,875	153,965	129,000	416,468
Additions	4,574	620	-	-	5,194
At 30 June 2017	118,202	20,495	153,965	129,000	421,662
<b>Depreciation and impairment</b>					
At 1 July 2016	106,512	15,847	153,965	129,000	405,324
Depreciation charged in the year	3,819	1,965	-	-	5,784
At 30 June 2017	110,331	17,812	153,965	129,000	411,108
<b>Carrying amount</b>					
At 30 June 2017	7,871	2,683	-	-	10,554
At 30 June 2016	7,116	4,028	-	-	11,144

**TECHNICAL SIMULATION CONSULTANTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2017**

**5 Debtors**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	147,828	185,602
Corporation tax recoverable	56,684	49,829
Other debtors	4,571	6,461
	<u>209,083</u>	<u>241,892</u>

**6 Creditors: amounts falling due within one year**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	78,822	46,484
Trade creditors	58,599	123,427
Other taxation and social security	107,034	49,086
Other creditors	68,572	174,092
	<u>313,027</u>	<u>393,089</u>

**7 Creditors: amounts falling due after more than one year**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Other creditors	<u>231,009</u>	<u>319,586</u>

Bank overdrafts are secured by way of a fixed and floating charge over the assets of the company. The other loans are secured by a personal guarantee by the directors C M Bolton and A P Bolton.

**TECHNICAL SIMULATION CONSULTANTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2017**

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**8 Called up share capital**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100 Ordinary shares of £1 each	100	100
	<u>          </u>	<u>          </u>
<b>Preference share capital</b>		
<b>Issued and fully paid</b>		
113,975 Cumulative redeemable preference shares of £1 each	113,975	113,975
	<u>          </u>	<u>          </u>

The cumulative redeemable preference shares carry a fixed coupon of 6% per annum and have the right to be converted into ordinary shares.

In the opinion of the directors, the cumulative redeemable preference shares are correctly stated as equity shares.

**TECHNICAL SIMULATION CONSULTANTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017****9 Directors' transactions**

Interest free loans have been granted to the company by its directors as follows:

Dividends totalling £10,000 (2016 - £0) were paid in the year in respect of shares held by the company's directors.

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Loan from C M Bolton	-	83,681	50,000	(8,875)	124,806
Loan from M J Fenton	-	6,000	-	-	6,000
Loan from A J Bolton	-	6,000	-	-	6,000
		<u>95,681</u>	<u>50,000</u>	<u>(8,875)</u>	<u>136,806</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.