

Company Registration No. 03213816 (England and Wales)

TECHNICAL SIMULATION CONSULTANTS LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

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TECHNICAL SIMULATION CONSULTANTS LIMITED

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TECHNICAL SIMULATION CONSULTANTS LIMITED

BALANCE SHEET

AS AT 30 JUNE 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	3	971,450		915,046	
Tangible assets	4	14,184		23,028	
		<u>985,634</u>		<u>938,074</u>	
Current assets					
Stocks		1,091,845		712,879	
Debtors	5	211,463		150,759	
Cash at bank and in hand		4,592		28,431	
		<u>1,307,900</u>		<u>892,069</u>	
Creditors: amounts falling due within one year	6	<u>(423,622)</u>		<u>(374,742)</u>	
Net current assets		<u>884,278</u>		<u>517,327</u>	
Total assets less current liabilities		<u>1,869,912</u>		<u>1,455,401</u>	
Creditors: amounts falling due after more than one year	7	(838,891)		(585,808)	
Provisions for liabilities					
Deferred tax liability		-		3,524	
		<u>-</u>		<u>(3,524)</u>	
Net assets		<u>1,031,021</u>		<u>866,069</u>	
Capital and reserves					
Called up share capital	8	114,075		114,075	
Capital redemption reserve		19,025		19,025	
Profit and loss reserves		897,921		732,969	
Total equity		<u>1,031,021</u>		<u>866,069</u>	

TECHNICAL SIMULATION CONSULTANTS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2020

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 2020 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 Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 12 August 2020 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 2020

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.

1.2 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.

1.3 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.

1.4 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.

TECHNICAL SIMULATION CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

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

1.5 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	25% 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.

1.6 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 2020

1 Accounting policies

(Continued)

1.7 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.

1.8 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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and preference shares that are classified as debt, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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.

1.9 Equity instruments

Share capital issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on share capital are recognised as liabilities once they are no longer at the discretion of the company.

TECHNICAL SIMULATION CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

1.10 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.

1.11 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.

1.12 Retirement benefits

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

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

TECHNICAL SIMULATION CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	19	20

3 Intangible fixed assets

	Goodwill	Patents	System IPR costs	Total
	£	£	£	£
Cost				
At 1 July 2019	19,000	5,409	1,099,898	1,124,307
Additions - internally developed	-	506	184,320	184,826
At 30 June 2020	19,000	5,915	1,284,218	1,309,133
Amortisation and impairment				
At 1 July 2019	19,000	3,228	187,033	209,261
Amortisation charged for the year	-	-	128,422	128,422
At 30 June 2020	19,000	3,228	315,455	337,683
Carrying amount				
At 30 June 2020	-	2,687	968,763	971,450
At 30 June 2019	-	2,181	912,865	915,046

TECHNICAL SIMULATION CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

4 Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Source codes £	Total £
Cost					
At 1 July 2019	146,596	26,876	153,965	129,000	456,437
Additions	665	130	-	-	795
	<u>147,261</u>	<u>27,006</u>	<u>153,965</u>	<u>129,000</u>	<u>457,232</u>
At 30 June 2020	147,261	27,006	153,965	129,000	457,232
Depreciation and impairment					
At 1 July 2019	129,178	21,266	153,965	129,000	433,409
Depreciation charged in the year	8,408	1,231	-	-	9,639
	<u>137,586</u>	<u>22,497</u>	<u>153,965</u>	<u>129,000</u>	<u>443,048</u>
At 30 June 2020	137,586	22,497	153,965	129,000	443,048
Carrying amount					
At 30 June 2020	9,675	4,509	-	-	14,184
	<u>17,418</u>	<u>5,610</u>	<u>-</u>	<u>-</u>	<u>23,028</u>
At 30 June 2019	17,418	5,610	-	-	23,028

5 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	122,914	57,016
Corporation tax recoverable	85,099	90,743
Other debtors	3,450	3,000
	<u>211,463</u>	<u>150,759</u>

6 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	105,159	4,101
Trade creditors	27,884	63,559
Taxation and social security	164,329	173,157
Other creditors	126,250	133,925
	<u>423,622</u>	<u>374,742</u>

TECHNICAL SIMULATION CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

7 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	137,083	-
Other creditors	701,808	585,808
	<u>838,891</u>	<u>585,808</u>

8 Called up share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
Preference share capital		
Issued and fully paid		
113,975 Cumulative redeemable preference shares of £1 each	113,975	113,975
	<u>113,975</u>	<u>113,975</u>
Preference shares classified as equity	113,975	113,975
	<u>113,975</u>	<u>113,975</u>
Total equity share capital	<u>114,075</u>	<u>114,075</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.

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.