

Company Registration No. 03230532 (England and Wales)

ORCHID INFORMATION SYSTEMS LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

PAGES FOR FILING WITH REGISTRAR

ORCHID INFORMATION SYSTEMS LIMITED

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ORCHID INFORMATION SYSTEMS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	3		3		3
Tangible assets	4		120,317		120,046
			<u>120,320</u>		<u>120,049</u>
Current assets					
Debtors	5	80,426		68,427	
Cash at bank and in hand		11,664		8,483	
		<u>92,090</u>		<u>76,910</u>	
Creditors: amounts falling due within one year	6	(57,122)		(73,833)	
Net current assets			<u>34,968</u>		<u>3,077</u>
Total assets less current liabilities			155,288		123,126
Creditors: amounts falling due after more than one year	7		(59,935)		(60,946)
Provisions for liabilities			<u>(2,396)</u>		<u>(2,336)</u>
Net assets			<u>92,957</u>		<u>59,844</u>
Capital and reserves					
Called up share capital	8		12		12
Revaluation reserve			52,029		52,029
Profit and loss reserves			40,916		7,803
Total equity			<u>92,957</u>		<u>59,844</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 31 March 2019 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.

ORCHID INFORMATION SYSTEMS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2019

The financial statements were approved by the board of directors and authorised for issue on 3 December 2019 and are signed on its behalf by:

K Glanville
Director

C Clare
Director

Company Registration No. 03230532

ORCHID INFORMATION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Orchid Information Systems Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Coach House, The Lanterns, Melbourn Street, Royston, Hertfordshire, SG8 7BZ.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

Goodwill is tested for impairment at least annually, or more frequently when there is an indication of impairment. If the recoverable amount is less than the carrying amount, an impairment loss is recognised through the profit and loss account.

1.4 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:

Freehold land and buildings	No depreciation
Office equipment	33% straight line
Fixtures and fittings	20% straight line
Computer software	50% 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.

ORCHID INFORMATION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.5 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).

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.

1.6 Cash at bank and in hand

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 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.

Impairment of financial assets

Financial assets, other than those held at fair value, which are dealt with through profit and loss, are assessed for indicators of impairment at each reporting end date.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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.

ORCHID INFORMATION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

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

1.9 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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

ORCHID INFORMATION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.10 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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 9 (2018 - 8).

3 Intangible fixed assets

Goodwill
£

Cost

At 1 April 2018 and 31 March 2019

6,980

Amortisation and impairment

At 1 April 2018 and 31 March 2019

6,977

Carrying amount

At 31 March 2019

3

At 31 March 2018

3

ORCHID INFORMATION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

4 Tangible fixed assets

	Freehold land and buildings	Office equipment	Fixtures and fittings	Computer software	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2018	120,000	25,667	10,848	4,544	161,059
Additions	-	438	-	-	438
Disposals	-	(18,033)	-	(4,544)	(22,577)
At 31 March 2019	120,000	8,072	10,848	-	138,920
Depreciation and impairment					
At 1 April 2018	-	25,641	10,833	4,539	41,013
Depreciation charged in the year	-	146	-	-	146
Eliminated in respect of disposals	-	(18,017)	-	(4,539)	(22,556)
At 31 March 2019	-	7,770	10,833	-	18,603
Carrying amount					
At 31 March 2019	120,000	302	15	-	120,317
At 31 March 2018	120,000	26	15	5	120,046

Freehold property with a carrying amount of £120,000 was revalued at 31 March 2019 by the directors on the basis of market value.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2019 £	2018 £
Cost	65,635	65,635
Accumulated depreciation	-	-
Carrying value	65,635	65,635

5 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	70,825	53,969
Other debtors	9,601	14,458
	80,426	68,427

ORCHID INFORMATION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

6 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	11,445	34,091
Trade creditors	7,043	4,957
Corporation tax	7,453	970
Other taxation and social security	15,600	17,371
Other creditors	15,581	16,444
	<u>57,122</u>	<u>73,833</u>

The bank overdraft and loans are secured by a fixed and floating charge over all of the company's assets, together with the personal guarantees from both directors.

7 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	47,935	48,946
Other creditors	12,000	12,000
	<u>59,935</u>	<u>60,946</u>

The bank overdraft and loans are secured by a fixed and floating charge over all of the company's assets, together with the personal guarantees from both directors.

8 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
12 Ordinary shares of £1 each	12	12
	<u>12</u>	<u>12</u>

9 Related party transactions

At the balance sheet date the company owed £4,775 (2018: £2,341) to K Glanville, a director. There were no terms for repayment.

At this date the company owed £16,550 (2018: £16,550) to C Clare, a director. There were no terms for repayment.

No interest was charged on these loans during the year.

ORCHID INFORMATION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Controlling party

The company was controlled throughout the period by K Glanville and C Clare, the directors acting in concert.

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.