Registered number: 03317992

CICONI LIMITED

FILLETED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2019

BALANCE SHEET
AS AT 31 MAY 2019

	Note		2019 £		2018 £
Fixed assets					
Tangible assets	6		**571,202**		*634,531*
			571,202		*634,531*
Current assets					
Stocks		**43,203**		*36,758*	
Debtors: amounts falling due within one year	7	**227,400**		*263,368*	
Cash at bank and in hand	8	**86,938**		*79,089*	
		357,541		*379,215*	
Creditors: amounts falling due within one year	9	**(403,300)**		*(419,405)*	
Net current liabilities			**(45,759)**		*(40,190)*
Total assets less current liabilities			**525,443**		*594,341*
Creditors: amounts falling due after more than one year	10		**(12,380)**		*(28,610)*
Provisions for liabilities					
Deferred tax		**(23,779)**		*(35,670)*	
			(23,779)		*(35,670)*
Net assets			**489,284**		*530,061*
Capital and reserves					
Called up share capital			**2,000**		*2,000*
Profit and loss account			**487,284**		*528,061*
			489,284		*530,061*

BALANCE SHEET (CONTINUED)
AS AT 31 MAY 2019

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

....
Elisabeth Glasper
Director

Date: 18 February 2020

The notes on pages 3 to 15 form part of these financial statements.

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Airfield Industrial Estate, Warboys, Huntingdon, Cambridgeshire, PE28 2SH.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The accounts have been prepared on the going concern basis. This basis is considered appropriate although the company had net liabilities at the balance sheet date. The directors have confirmed that they will continue to support the company and provide working capital as required by the company for the foreseeable future.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.5 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2. Accounting policies (continued)

2.6 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Statement of income and retained earnings over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to Statement of income and retained earnings over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Statement of income and retained earnings is charged with fair value of goods and services received.

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. Accounting policies (continued)

2.11 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows:.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Plant and machinery	- 10% - 33% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 10% straight line
Computer equipment	- 20% - 30% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.13 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.15 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.17 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of income and retained earnings if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

2. Accounting policies (continued)

2.17 Financial instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.18 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.

3. Employees

The average monthly number of employees, including directors, during the year was 20 *(2018 - 37)*.

4. Taxation

	2019	*2018*
	£	*£*
Corporation tax		
Current tax on profits for the year	22,505	*(6,145)*
	22,505	*(6,145)*
Total current tax	22,505	*(6,145)*
Deferred tax		
Origination and reversal of timing differences	(11,892)	*(10,696)*
Total deferred tax	(11,892)	*(10,696)*
Taxation on profit/(loss) on ordinary activities	10,613	*(16,841)*

4. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as *(2018 - the same as)* the standard rate of corporation tax in the UK of 19% *(2018 - 19%)* as set out below:

	2019 £	*2018 £*
Profit/(loss) on ordinary activities before tax	**45,768**	*(101,728)*
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	**22,505**	*(6,145)*
Effects of:		
Short term timing difference leading to an increase (decrease) in taxation	**(11,892)**	*(10,696)*
Total tax charge for the year	**10,613**	*(16,841)*

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

5. Intangible assets

	Goodwill
	£
Cost	
At 1 June 2018	**27,000**
At 31 May 2019	**27,000**
Amortisation	
At 1 June 2018	**27,000**
At 31 May 2019	**27,000**
Net book value	
At 31 May 2019	-
At 31 May 2018	-

6. Tangible fixed assets

	Freehold property	Plant and machinery	Motor vehicles	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 June 2018	**497,616**	**548,969**	**20,877**	**67,561**	**163,701**	**1,298,724**
Additions	-	**27,494**	-	-	**752**	**28,246**
Disposals	-	**(37,003)**	-	-	-	**(37,003)**
At 31 May 2019	**497,616**	**539,460**	**20,877**	**67,561**	**164,453**	**1,289,967**
Depreciation						
At 1 June 2018	**106,827**	**351,739**	**4,052**	**62,850**	**138,725**	**664,193**
Charge for the year on owned assets	**7,659**	**59,118**	**4,206**	**1,254**	**10,339**	**82,576**
Disposals	-	**(28,004)**	-	-	-	**(28,004)**
At 31 May 2019	**114,486**	**382,853**	**8,258**	**64,104**	**149,064**	**718,765**
Net book value						
At 31 May 2019	**383,130**	**156,607**	**12,619**	**3,457**	**15,389**	**571,202**
At 31 May 2018	*390,789*	*197,229*	*16,826*	*4,711*	*24,976*	*634,531*

The net book value of land and buildings may be further analysed as follows:

	2019	*2018*
	£	*£*
Freehold	**383,130**	*390,789*
	383,130	*390,789*

6. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019	*2018*
	£	*£*
Plant and machinery	**21,786**	*29,475*
Motor vehicles	**12,619**	*16,826*
	34,405	*46,301*

7. Debtors

	2019	*2018*
	£	*£*
Trade debtors	**184,493**	*224,181*
Other debtors	**6,145**	*6,145*
Prepayments and accrued income	**36,762**	*33,042*
	227,400	*263,368*

8. Cash and cash equivalents

	2019	*2018*
	£	*£*
Cash at bank and in hand	**86,938**	*79,089*
	86,938	*79,089*

Ciconi limited has an overdraft facility of £125,000, secured by a fixed and floating charge on the assets of the company.

9. Creditors: Amounts falling due within one year

	2019	*2018*
	£	*£*
Bank loans	**13,416**	*20,817*
Other loans	**-**	*14,457*
Trade creditors	**297,704**	*262,465*
Corporation tax	**22,505**	*-*
Other taxation and social security	**29,219**	*42,886*
Obligations under finance lease and hire purchase contracts	**21,509**	*21,227*
Other creditors	**1,945**	*2,279*
Accruals and deferred income	**17,002**	*55,274*
	403,300	*419,405*

10. Creditors: Amounts falling due after more than one year

	2019	*2018*
	£	*£*
Bank loans	**11,236**	*5,960*
Net obligations under finance leases and hire purchase contracts	**1,144**	*22,650*
	12,380	*28,610*

11. Loans

Analysis of the maturity of loans is given below:

	2019	2018
	£	£
Amounts falling due within one year		
Bank loans	13,416	20,817
Other loans	-	14,457
	13,416	35,274
Amounts falling due 1-2 years		
Bank loans	11,236	5,960
	11,236	5,960
	24,652	41,234

12. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2019	2018
	£	£
Within one year	21,509	21,227
Between 1-5 years	1,144	22,650
	22,653	43,877

13. Financial instruments

	2019	2018
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	86,938	79,089

14. Share based payments

The company has a share option scheme for all employees (including directors). Options are exercisable at a price equal to the average market price of the company's shares on the date of grant. The options are settled in equity once exercised.

If the options remain unexercised after a period of 10 years from the date of grant, the options expire. Options are forfeited if the employee leaves the company before the options vest.

200 options were granted on the 1 June 2013. The estimated fair value of the options granted on those dates was £40,000.

15. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £15,119 (2018 - £16,076). Contributions totalling £1,945 (2018 - £1,529) were payable to the fund at the balance sheet date and are included in creditors.