

**Advanced Computer Systems (UK) Limited**  
Annual report and accounts 2020

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# Directors' report

For the year ending 31 March 2020

The directors present their report and the financial statements for the year ending 31 March 2020.

## Principal activities

The company is now dormant and does not trade. All trade and assets were hived out of the company to Atomwide Limited on 1 July 2019. As a result, the accounts for the year ending 31 March 2020 consist of 3 months trading and 9 months with no trade. There is no intention for the company to commence trading in the future and so will remain dormant.

## Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

They are further responsible for ensuring that the report of the directors and other information included in the annual report and financial statements is prepared in accordance with applicable law in the United Kingdom.

## The Board

Phil Race – appointed 12 September 2019

John Swaite – appointed 25 April 2019

M McEwen – resigned 25 April 2019

K McEwen – resigned 25 April 2019

## Provision of information to auditor

So far as each of the directors is aware at the time the report was approved:

- there was no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor was aware of that information.

## Going concern

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing the financial statements. All trade and assets were hived out of the company to Atomwide Limited on 1 July 2020. There is no intention for the company to commence trading in the future and so will remain dormant.

**Future developments**

The company will remain dormant.

**Auditor**

The auditor, Crowe U.K. LLP, will be proposed for appointment in accordance with Section 485 of the Companies Act 2006.

In preparing this report the directors have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

By order of the Board

A handwritten signature in black ink, appearing to read 'J Swaite', written in a cursive style.

**J Swaite**

*Director*

*10 August 2020*

## Independent Auditor's Report to the Members of Advanced Computer Systems (UK) Limited

### Opinion

We have audited the financial statements of Advanced Computer Systems (UK) Limited for the year ended 31 March 2020 which comprise the income statement, statement of financial position, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Other matter

The financial statements of Advanced Computer Systems (UK) Limited for the period ended 31 March 2019 which are presented as comparatives to these financial statements were not audited.

## Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Crowe UK LLP*

Darren Rigden  
Senior Statutory Auditor

For and on behalf of

**Crowe U.K. LLP**

Statutory Auditor  
Riverside House  
40-46 High Street  
Maidstone  
Kent  
ME14 1JH

11 August 2020

# Statement of comprehensive income

For the year ended 31 March 2020

	Note	Year ended 31 March 2020 £'000	Unaudited 3 Months ended 31 March 2019 £'000
<b>Revenue</b>	2	<b>1,267</b>	<b>1,184</b>
Cost of sales		(554)	722
<b>Gross profit</b>		<b>713</b>	<b>462</b>
Administrative expenses		(415)	(370)
Loss on disposal of fixed assets		-	(125)
Other income		7,274	-
<b>Operating profit/(loss)</b>		<b>7,572</b>	<b>(33)</b>
Finance costs	5	(2)	-
<b>Profit/(loss) before income tax</b>		<b>7,570</b>	<b>(33)</b>
Income tax credit/(expense)	7	(56)	(3)
<b>Profit/(loss) for the period</b>		<b>7,514</b>	<b>(30)</b>

There was no other comprehensive income for the period ended 31 March 2020 (Period ended 31 March 2019: £Nil).

The notes on pages 9 to 13 form part of these financial statements.

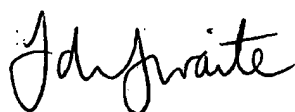
# Statement of financial position

As at 31 March 2020

	Note	31 March 2020 £'000	Unaudited 31 March 2019 £'000
<b>Assets</b>			
Property, plant and equipment		-	-
		-	-
<b>Current assets</b>			
Inventories	8	-	24
Trade and other receivables	9	1	832
Cash and cash equivalents		-	704
		1	1,560
<b>Total assets</b>		1	1,560
<b>Current liabilities</b>			
Trade and other payables	10	-	1,377
Income tax		-	166
		-	1,543
<b>Non-current liabilities</b>			
Long-term borrowings		-	-
<b>Total liabilities</b>		-	1,543
<b>Net assets</b>		1	17
<b>Equity attributable to equity holders</b>			
Share capital	12	1	1
Retained earnings		-	16
<b>Total equity</b>		1	17

The financial statements have been prepared in accordance with the provisions of Financial Reporting Standard 101 'Reduced Disclosure Framework'.

The financial statements were approved and authorised for issue by the Board on 10 August 2020 and signed on its behalf.



**John Swaite**  
**Director**

The notes on pages 9 to 13 form part of these financial statements.

Registered number 05315865

# Statement of changes in equity

For the period ended 31 March 2020

	Share capital £'000	Retained earnings £'000	Total equity £'000
<b>Equity at 1 January 2019</b>	<b>1</b>	<b>46</b>	<b>47</b>
Profit for the period	-	(30)	(30)
Other comprehensive income	-	-	-
Total comprehensive income	-	(30)	(30)
Dividends	-	-	-
<b>Equity at 1 April 2019</b>	<b>1</b>	<b>16</b>	<b>17</b>
<b>Impact of change in accounting policy (Note 4)</b>	<b>-</b>	<b>(13)</b>	<b>(13)</b>
<b>Adjusted equity at 1 April 2019</b>	<b>1</b>	<b>3</b>	<b>4</b>
Profit for the period	-	7,514	7,514
Total comprehensive income	-	7,514	7,514
Dividends	-	(7,517)	(7,517)
<b>Equity at 31 March 2020</b>	<b>1</b>	<b>-</b>	<b>1</b>

The notes on pages 9 to 13 form part of these financial statements.



# Notes to the financial statements

For the period ended 31 March 2020

## 1. Nature of operations and general information

Advanced Computer Systems (UK) Limited is a UK based managed service technology company, specialising in the delivery of Education focused Information and Communication Technology solutions. Advanced Computer Systems (UK) Limited is incorporated under the Companies Act, domiciled in the UK (registered in England and Wales under company number 03876023) and the registered office is located at One Fleet Place, London EC4M 7WS. All trade and assets were hived out of the company to Atomwide Limited, a wholly owned subsidiary of AdEPT Technology Group plc, on 1 July 2019.

## 2. Accounting policies

### **Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 101 is given in note 15.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

The comparative period is 14 months therefore not comparable.

### **First time application of FRS 101**

In the current year the company has adopted FRS 101. The accounts were previously prepared under FRS 102. The change to FRS 101 has been made in order to align accounting policies with other group companies.

This change in the basis of preparation has not materially altered the recognition and measurement requirements previously applied in accordance with UK GAAP. Consequently the principal accounting policies are unchanged from the prior year. The change in basis of preparation has enabled the company to take advantage of all of the available disclosure exemptions permitted by FRS 101 in the financial statements, the most significant of which are summarised below. There have been no other material amendments to the disclosure requirements previously applied in accordance with UK GAAP. The date of transition to FRS 101 was 1 April 2019.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

The following principal accounting policies have been applied:

### **Revenue**

Revenue represent amounts receivable for goods and services net of VAT and trade discounts. Revenue is recognised upon the supply of goods and services.

The whole of the revenue is attributable to the provision of IT services for schools and business customers. All revenue arose within the United Kingdom.

### **Property, plant and equipment and depreciation**

Property, plant and equipment are stated at cost, less depreciation and any provision for impairment. Depreciation is provided on all property, plant and equipment at rates calculated to write off the cost, less estimated residual value of each asset, over its expected useful life on the following bases:

Motor vehicles	– 25% straight line
Office equipment	– 33% straight line
Fixtures & Fittings	- 15% straight line

### **Inventories**

Inventories are valued at the lower of cost and net realisable value after making allowance for any obsolete or slow moving items. Net realisable value is reviewed regularly to ensure accurate carrying values. Cost is determined on a first-in-first-out basis and includes transportation and handling costs.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

### **Income tax**

Income tax is the tax currently payable based on taxable profit for the period.

Deferred income tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred income tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit.

Deferred income tax liabilities are provided in full, with no discounting. Deferred income tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred income tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred income tax assets or liabilities are recognised as a component of income tax expense in the income statement, except where they relate to items that are charged or credited directly to equity in which case the related deferred income tax is also charged or credited directly to equity.

### **Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors.

Short term debtors are measured at transaction price, less any impairment.

Short term trade creditors are measured at transaction price.

### **3. Changes in accounting policy**

The details and quantitative impact of the changes in accounting policies are disclosed below:

#### **IFRS 16 Leases**

The Company has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17.

The adoption of IFRS 16 from 1 April 2019 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements.

The company has recognised the cumulative effect of initially applying IFRS 16 with an opening adjustment to equity of (£12,938) at 1 April 2019. The net impact on profit before tax of applying IFRS 16 in the year ended 31 March 2020 was £689, resulting in a net adjustment to retained earnings at 31 March 2020 of (£12,248).

#### **IFRS 9 Financial Instruments**

IFRS 9 replaces the provisions of IFRS 9 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

There is no material impact on transition.

#### 4. Auditor remuneration

	Year ended 31 March 2020 £'000	Unaudited 3 Months ended 31 March 2019 £'000
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	-	-
Fees payable to the Company's auditor and their associates in respect of:		
- other services relating to taxation & accounts production	-	-

The auditors remuneration was borne by Atomwide Limited, a fellow group company.

#### 5. Finance costs

	Year ended 31 March 2020 £'000	Unaudited 3 Months ended 31 March 2019 £'000
Interest charges	2	-

#### 6. Employee costs

Staff costs, including directors' remuneration, were as follows:

	Year ended 31 March 2020 £'000	Unaudited 3 Months ended 31 March 2019 £'000
Wages and salaries	297	293
Social security costs	20	24
Pension costs	6	4
	323	321

The average monthly number of employees, including the directors, during the period was 50 (period ending March 2019: 51).

## 7. Income tax expense

	Year ended 31 March 2020 £'000	Unaudited 3 Months ended 31 March 2019 £'000
<b>Current tax</b>		
UK corporation tax on profit for the period	56	(3)
Adjustments in respect of prior periods	-	-
<b>Total current tax</b>	<b>56</b>	<b>(3)</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	-
Adjustments in respect of prior periods	-	-
<b>Total deferred tax</b>	<b>-</b>	<b>-</b>
<b>Total income tax expense</b>	<b>-</b>	<b>(3)</b>

### Factors affecting tax charge for period

The relationship between expected tax expense based on the effective tax rate of ACS (UK) Limited at 19% (March 2019: 19%) and the tax expense actually recognised in the income statement can be reconciled as follows:

	Year ended 31 March 2020 £'000	Unaudited 3 Months ended 31 March 2019 £'000
Profit before income tax	7,570	(33)
Tax rate	19	19
<b>Expected tax charge</b>	<b>1,438</b>	<b>(6)</b>
Expenses not deductible for tax purposes	(1,382)	3
<b>Actual tax expense net</b>	<b>56</b>	<b>(3)</b>

There were no material factors that may affect future tax charges.

## 8. Inventories

	31 March 2020 £'000	31 March 2019 £'000
Consumables	-	24

There is no material difference between the replacement cost of inventories and the amount stated above.

## 9. Trade and other receivables

	31 March 2020 £'000	31 March 2019 £'000
Trade receivables	-	730
Prepayments and accrued income	-	32
Other debtors	1	70
	-	832

Management regularly reviews the outstanding receivables and does not consider that any impairment or provision is required. The other asset classes within trade and other receivables do not contain impaired assets.

## 10. Trade and other payables

	31 March 2020 £'000	31 March 2019 £'000
Trade payables	-	266
Other taxes and social security costs	-	116
Other payables	-	-
Accruals and deferred income	-	966
Bank loans and overdrafts	-	29
	-	1,377

## 11. Related party transactions

The company has taken advantage of the provisions of FRS 101 paragraph 8(k) which exempts qualifying entities from disclosing related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by a member of that group.

## 12. Share capital

	2020 £'000	2019 £'000
<b>Allotted, called up and fully paid</b>		
Ordinary shares	1	1
	1	1

## 13. Capital commitments

At 31 March 2020 there were capital commitments of £Nil (2019: £Nil).

## 14. Controlling party

The ultimate parent company and controlling party is AdEPT Technology Group plc by virtue of its 100% shareholding, a company registered in United Kingdom, a company registered in England and Wales.

The smallest group in which the results of the company are consolidated is that headed by AdEPT Technology Group plc. The consolidated accounts of this company are available from 77 Mount Ephraim, Tunbridge Wells, Kent TN4 8BS.

The immediate parent company is Advanced Computer Systems Group Limited, a company registered in England and Wales.

## 15. First time adoption of FRS 101

The policies applied under the entity's previous accounting framework are not materially different to FRS 101. For further details regarding the changes to accounting policies see note 3.

## Company information

### **Directors**

Phil Race  
John Swaite

### **Secretary**

Dentons Secretaries Limited

### **Company number**

03876023

### **Registered office**

One Fleet Place  
London EC4M 7WS

### **Auditor**

#### ***Crowe U.K. LLP***

Chartered accountants and registered auditor  
4 Mount Ephraim Road  
Tunbridge Wells  
Kent TN11 1EE