

Company Registration No. 04136697 (England and Wales)

OFFICENET SYSTEMS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016
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OFFICENET SYSTEMS LIMITED

COMPANY INFORMATION

Director	M A Bentley
Secretary	D T Bentley
Company number	04136697
Registered office	52-56 Oxstalls Way Longlevens Gloucester Gloucestershire GL2 9JQ
Accountants	Baldwin Berkeley Hamilton 5 Pullman Court Great Western Road Gloucester Gloucestershire GL1 3ND
Business address	52-56 Oxstalls Way Longlevens Gloucester Gloucestershire GL2 9JQ
Bankers	Abbey National Plc PO Box 126 Newport Gwent NP19 7UP

OFFICENET SYSTEMS LIMITED

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OFFICENET SYSTEMS LIMITED

BALANCE SHEET

AS AT 31 JANUARY 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	3		106,729		43,494
Current assets					
Debtors	5	85,297		128,500	
Cash at bank and in hand		216,970		147,660	
		302,267		276,160	
Creditors: amounts falling due within one year	8	(213,320)		(76,492)	
Net current assets			88,947		199,668
Total assets less current liabilities			195,676		243,162
Provisions for liabilities	9		(21,346)		(8,699)
Net assets			174,330		234,463
Capital and reserves					
Called up share capital	10		190		190
Capital redemption reserve	11		10		10
Profit and loss reserves	12		174,130		234,263
Total equity			174,330		234,463

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

OFFICENET SYSTEMS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2016

For the financial year ended 31 January 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

Director's responsibilities:

- 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;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved and signed by the director and authorised for issue on 12/5/2016



M A Bentley
Director

Company Registration No. 04136697

OFFICENET SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2016

1 Accounting policies

Company information

Officenet Systems Limited is a limited company domiciled and incorporated in England and Wales. The registered office is 52-56 Oxstalls Way, Longlevens, Gloucester, Gloucestershire, GL2 9JQ.

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.

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 on 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.

These financial statements for the year ended 31 January 2016 are the first financial statements of Officenet Systems 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 01 February 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 15.

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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.3 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:

Fixtures, fittings & equipment	20% Reducing balance
Motor vehicles	25% Reducing balance

OFFICENET SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2016

1 Accounting policies

(Continued)

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 recognised in the profit and loss account.

1.4 Impairment of fixed assets

At each reporting 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) 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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Cash and cash equivalents

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

1.6 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 statement of financial position 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 trade and other receivables 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.

OFFICENET SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2016

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

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

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

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.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

OFFICENET SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2016

1 Accounting policies

(Continued)

Other financial liabilities

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 finance income as appropriate, unless they are included in a hedging arrangement.

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.7 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.

1.8 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 is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.9 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.

OFFICENET SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

1 Accounting policies

(Continued)

1.10 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 the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Employees

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

	2016 Number	2015 Number
Total	6	6

3 Tangible fixed assets

	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost			
At 1 February 2015	26,270	36,084	62,354
Additions	2,474	76,030	78,504
At 31 January 2016	28,744	112,114	140,858
Depreciation and impairment			
At 1 February 2015	15,853	3,007	18,860
Depreciation charged in the year	2,248	13,021	15,269
At 31 January 2016	18,101	16,028	34,129
Carrying amount			
At 31 January 2016	10,643	96,086	106,729
At 31 January 2015	10,417	33,077	43,494

4 Financial instruments

	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	302,267	276,160

OFFICENET SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2016

(Continued)

4 Financial instruments

Carrying amount of financial liabilities

Measured at amortised cost

175,930	29,820
<u> </u>	<u> </u>

5 Debtors

Amounts falling due within one year:

Trade debtors

Other debtors

2016	2015
£	£
85,297	107,000
-	21,500
<u>85,297</u>	<u>128,500</u>

Trade debtors disclosed above are measured at amortised cost.

6 Loans and overdrafts

Directors' loans

Payable within one year

2016	2015
£	£
93,228	-
<u>93,228</u>	<u>-</u>

7 Finance lease obligations

Future minimum lease payments due under finance leases:

Within one year

2016	2015
£	£
-	12,028
<u>-</u>	<u>12,028</u>

OFFICENET SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2016

8 Creditors: amounts falling due within one year

	2016 £	2015 £
Loans and overdrafts	93,228	12,028
Trade creditors	4,492	10,792
Corporation tax payable	15,518	25,640
Other taxation and social security	21,872	21,032
Other creditors	78,210	7,000
	<u>213,320</u>	<u>76,492</u>

9 Provisions for liabilities

	Notes	2016 £	2015 £
Deferred tax liabilities		21,346	8,699
		<u>21,346</u>	<u>8,699</u>

10 Share capital

	2016 £	2015 £
Ordinary share capital Issued and fully paid 19,000 Ordinary shares of 1p each	190	190
	<u>190</u>	<u>190</u>

11 Capital redemption reserve

	2016 £	2015 £
At beginning and end of year	10	10
	<u>10</u>	<u>10</u>

12 Reserves

	2016 £	2015 £
At beginning of year	234,262	178,290
Profit for the year	113,613	130,667
Dividends	(173,745)	(74,695)
At end of year	<u>174,130</u>	<u>234,262</u>

OFFICENET SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

13 Related party transactions

Remuneration of key management personnel

	2016 £	2015 £
Aggregate compensation	<u>15,000</u>	<u>15,000</u>

No guarantees have been given or received.

As at the year end there was an outstanding balance owed by the company to M A Bentley of £93,228 (2015 debtor: £21,500).

During the year the company also paid rent to C E Bentley, a close family member of a director of the company of £13,200 (2015: £13,200).

14 Directors' transactions

Dividends totalling £80922 (2015 - £60195) were paid in the year in respect of shares held by the company's directors.