

COMPANY REGISTRATION NUMBER: 04222785

RTMS Limited

Filleted Unaudited Financial Statements

31 December 2021

RTMS Limited

Financial Statements

Year ended 31 December 2021

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RTMS Limited

Statement of Financial Position

31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	5	475,056	395,705
Tangible assets	6	22,571	22,326
		497,627	418,031
Current assets			
Stocks		7,005	16,948
Debtors	7	111,471	641,873
Cash at bank and in hand		60,812	205,829
		179,288	864,650
Creditors: amounts falling due within one year	8	187,649	108,862
Net current (liabilities)/assets		(8,361)	755,788
Total assets less current liabilities		489,266	1,173,819
Creditors: amounts falling due after more than one year	9	3,038,108	4,599,576
Net liabilities		(2,548,842)	(3,425,757)
Capital and reserves			
Called up share capital		60	60
Share premium account		14,535,428	14,862,098
Profit and loss account		(17,084,330)	(18,287,915)
Shareholders deficit		(2,548,842)	(3,425,757)

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' 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 directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

RTMS Limited

Statement of Financial Position *(continued)*

31 December 2021

These financial statements were approved by the board of directors and authorised for issue on 24 June 2022 , and are signed on behalf of the board by:

J S Farr

Director

Company registration number: 04222785

RTMS Limited

Notes to the Financial Statements

Year ended 31 December 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Ground Floor Unit 15-16 Royal Star Arcade, High Street, Maidstone, Kent, United Kingdom, ME14 1JL.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The directors have prepared detailed financial projections including a cash flow forecast that indicate the company will return to profit and build up suitable cash reserves in the following year. The directors therefore believe the company will continue to be able to operate as a going concern and as a result they have prepared the accounts on this basis.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover comprises (1) the fair value of the sale of equipment and services to external customers, (2) operating lease income relating to business equipment on operating leases to external customers and (3) maintenance service contracts. These are adjusted for rebates, discounts and returns, net of value added tax. (1) Sales of equipment and services - turnover is recognised at the time of shipment or customer acceptance respectively, with the exception of sales of equipment requiring installation before it can be used by the customer, where turnover is recognised following delivery, installation and customer acceptance. (2) Operating lease income - turnover is recognised on a straight line basis over the term of the lease contract. The rental of the asset also acts as a warranty enabling the customer to receive a replacement if the equipment fails under normal working conditions. (3) Maintenance service contracts - turnover is recognised based on expected usage over the term of the underlying maintenance contract, which generally has a term of between three to five years. Deferred income consists of invoiced unearned maintenance contract turnover. Related costs are charged to the profit and loss account as incurred.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Intangible assets

Intangible assets comprise wholly of software development. Software development represents all costs associated with the development of the software. It is then amortised in equal annual instalments over their estimated useful lives, which are currently assessed to be 4 years. All intangible assets are assessed for impairment on an annual basis.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Software development - 25% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	33% straight line
Motor vehicles	-	25% straight line

Assets under construction are not depreciated until they are completed and brought into use at which time they are transferred to Rental assets.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stock has been reclassified as assets under construction. These assets are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the asset to its present location and condition.

Government grants

Government grants are recognised using the accrual model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses. Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 9 (2020: 10).

5. Intangible assets

	Software Development £
Cost	
At 1 January 2021	2,570,448
Additions	329,778

At 31 December 2021	2,900,226

Amortisation	
At 1 January 2021	2,174,743
Charge for the year	250,427

At 31 December 2021	2,425,170

Carrying amount	
At 31 December 2021	475,056

At 31 December 2020	395,705

6. Tangible assets

	Fixtures and fittings £	Motor vehicles £	Total £
Cost			
At 1 January 2021	28,287	19,077	47,364
Additions	13,480	–	13,480
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At 31 December 2021	41,767	19,077	60,844
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Depreciation			
At 1 January 2021	5,961	19,077	25,038
Charge for the year	13,235	–	13,235
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At 31 December 2021	19,196	19,077	38,273
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Carrying amount			
At 31 December 2021	22,571	–	22,571
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At 31 December 2020	22,326	–	22,326
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7. Debtors

	2021 £	2020 £
Trade debtors	94,432	274,044
Other debtors	17,039	367,829
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	111,471	641,873
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8. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	23,458	19,975
Social security and other taxes	19,236	9,053
Other creditors	144,955	79,834
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	187,649	108,862
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9. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Debenture loans	2,906,146	2,906,146
Other creditors	131,962	1,693,430
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	3,038,108	4,599,576
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The debenture loans include an amount of £2,766,146 from J L Mogford, a Director and also the majority shareholder of the company, and the loan was provided to finance the long term development of the company. The company is not charged any interest for this loan and the current intention is for this loan to remain outstanding to continue to support the company.

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.