

Company registration number: 06026359

System-Two Group Limited

Unaudited filleted financial statements

31 December 2018

System-Two Group Limited

Contents

Statement of financial position

Notes to the financial statements

System-Two Group Limited**Statement of financial position****31 December 2018**

	Note	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	5	56,415		2,995	
		<u> </u>	56,415	<u> </u>	2,995
Current assets					
Debtors	6	101,519		261,983	
Cash at bank and in hand		22,251		3,798	
		<u> </u>		<u> </u>	
		123,770		265,781	
Creditors: amounts falling due within one year	7	(105,201)		(139,745)	
		<u> </u>		<u> </u>	
Net current assets			18,569		126,036
Total assets less current liabilities			<u> </u>		<u> </u>
			74,984		129,031
Creditors: amounts falling due after more than one year	8		(48,476)		-
			<u> </u>		<u> </u>
Net assets			26,508		129,031
			<u> </u>		<u> </u>
Capital and reserves					
Called up share capital			2		2
Profit and loss account			26,506		129,029
			<u> </u>		<u> </u>
Shareholders funds			26,508		129,031
			<u> </u>		<u> </u>

For the year ending 31 December 2018 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.

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 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 income and retained earnings has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 17 September 2019 , and are signed on behalf of the board by:

Mr Mark Bjornsgaard

Director

Company registration number: 06026359

System-Two Group Limited

Notes to the financial statements

Year ended 31 December 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Crowts Farmhouse, Tuesley Lane, Godalming, GU7 1UD.

2. Statement of compliance

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

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, 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.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

tangible assets are initially recorded at cost, and are 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. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

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:

Fittings fixtures and equipment	-	25 % reducing balance
Motor vehicles	-	25 % reducing balance

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

Impairment

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. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 2 (2017: 2).

5. Tangible assets

	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost			
At 1 January 2018	11,078	697	11,775
Additions	997	71,228	72,225
At 31 December 2018	12,075	71,925	84,000
Depreciation			
At 1 January 2018	8,475	305	8,780
Charge for the year	900	17,905	18,805
At 31 December 2018	9,375	18,210	27,585
Carrying amount			
At 31 December 2018	2,700	53,715	56,415
At 31 December 2017	2,603	392	2,995

6. Debtors

	2018 £	2017 £
Trade debtors	7,667	96,249
Other debtors	93,852	165,734
	101,519	261,983

7. Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	2,685	4,254
Corporation tax	28,515	27,847
Social security and other taxes	24,537	10,830
Other creditors	49,464	96,814
	105,201	139,745

8. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Other creditors	48,476	-
	<u> </u>	<u> </u>

9. Obligations under finance leases

Company lessee

The total future minimum lease payments under finance lease agreements are as follows:

	2018
	£
Not later than 1 year	17,128
Later than 1 year and not later than 5 years	52,115
	<u> </u>
	69,243
	<u> </u>
Present value of minimum lease payments	69,243
	<u> </u>

The finance lease liabilities are secured against the assets to which they relate.

10. Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

2018

	Balance brought forward	Amounts repaid	Balance o/standing
	£	£	£
Mr Mark Bjornsgaard	42,841	(34,011)	8,830
Ms Rachel Forder	42,841	(34,011)	8,830
	<u>85,682</u>	<u>(68,022)</u>	<u>17,660</u>

2017

	Balance brought forward	Amounts repaid	Balance o/standing
	£	£	£
Mr Mark Bjornsgaard	56,839	(13,998)	42,841
Ms Rachel Forder	54,229	(11,388)	42,841
	<u>111,068</u>	<u>(25,386)</u>	<u>85,682</u>

The loans were unconditional and non interest bearing, they were repaid by way of a dividend shortly after the reporting date.

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