

REGISTERED NUMBER: 04025235 (England and Wales)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
CALL SYSTEMS TECHNOLOGY LIMITED

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FOR THE YEAR ENDED 31 MARCH 2023

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CALL SYSTEMS TECHNOLOGY LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2023**

DIRECTORS:

A P Hutchinson
E C Sheppard

SECRETARY:

E C Sheppard

REGISTERED OFFICE:

50 Seymour Street
London
W1H 7JG

REGISTERED NUMBER:

04025235 (England and Wales)

AUDITORS:

Orcom Civvals Audit Limited
Chartered Accountants and
Statutory Auditors
50 Seymour Street
London
W1H 7JG

STATEMENT OF FINANCIAL POSITION
31 MARCH 2023

		2023	2022
	Notes	£	£
FIXED ASSETS			
Intangible assets	5	123,179	-
Tangible assets	6	<u>87,209</u>	<u>87,510</u>
		210,388	87,510
CURRENT ASSETS			
Stocks		659,236	530,025
Debtors	7	1,213,741	946,922
Cash at bank and in hand		<u>211,658</u>	<u>676,623</u>
		2,084,635	2,153,570
CREDITORS			
Amounts falling due within one year	8	<u>1,501,038</u>	<u>1,480,035</u>
NET CURRENT ASSETS		583,597	673,535
TOTAL ASSETS LESS CURRENT LIABILITIES		793,985	761,045
CREDITORS			
Amounts falling due after more than one year	9	(58,093)	(213,542)
PROVISIONS FOR LIABILITIES		(9,693)	(8,240)
NET ASSETS		726,199	539,263
CAPITAL AND RESERVES			
Called up share capital	11	100	100
Retained earnings	12	<u>726,099</u>	<u>539,163</u>
SHAREHOLDERS' FUNDS		726,199	539,263

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 14 December 2023 and were signed on its behalf by:

E C Sheppard - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. STATUTORY INFORMATION

Call Systems Technology Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

Going concern

The directors consider the going concern basis of preparation of the financial statements to be appropriate..

In making their assessment the directors have prepared budgets and cash flow forecasts covering a period of 12 months from the date of approval of these financial statements (the going concern assessment period). Based on their assessment, the directors consider that the company will have sufficient funds to meet its working capital requirements during that period.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

3. ACCOUNTING POLICIES - continued

Significant judgements and estimates

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The notes to the financial statements set out areas involving a higher degree of judgement, or areas where assumptions are significant to the reporting entity and its financial report such as:

- useful economic lives of tangible assets
- fair value of assets and liabilities
- measurement of current and deferred tax liabilities can require significant judgement, particularly where the recoverability of such tax balances relies on the estimation of future taxable profits and management's determination of the likelihood that uncertain tax positions will be accepted by the relevant taxation authority

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Management believes that the estimates used in preparing this financial statements are reasonable. Actual results in the future may differ from those reported and it is therefore reasonably possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from management's assumptions and estimates could require an adjustment to the carrying amounts of the reported assets and liabilities in future reporting periods.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover can be split into two main categories:

- Sales
- Service

Sales turnover is recognised when the significant risk and rewards of ownership of the goods has transferred to the buyer. This is usually the point at which the items have been delivered and installed.

Service turnover is recognised in accordance with the extended maintenance contract. Turnover is deferred and recognised in the period to which it relates.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2023, is being amortised evenly over its estimated useful life of five years.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

3. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvement to Short leasehold	- over the term of the lease
Plant and machinery	- 25% straight line
Fixtures and fittings	- 25% straight line
Computer equipment	- 33.33% straight line

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. The cost of these stock are measured by using the weighted average cost formula and the same cost formula has been used for all stock items having a similar nature and use.

At each reporting date, stocks are assessed to determine whether a provision for any impairment is required by comparing the carrying amount of each item of stock (or group of similar items) with its selling price less costs to complete and sell.

If an item of stock (or group of similar items) is impaired, the carrying amount of the stock (or the group of similar items) is reduced to its selling price less costs to complete and sell. That reduction is an impairment loss and it is recognised immediately in profit or loss

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash and 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 of financed at a rate of interest that is not a market rate or in 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

3. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Leases

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the company recognises annual rent expense to amounts owed to the lessor.

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight line basis.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Contributions to the company's pension scheme are charged to the profit or loss in the period to which they relate.

Debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business. Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally the invoice price, less any allowance for doubtful debts.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

3. ACCOUNTING POLICIES - continued

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 32 (2022 - 28) .

5. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
Additions	<u>153,974</u>
At 31 March 2023	<u>153,974</u>
AMORTISATION	
Amortisation for year	<u>30,795</u>
At 31 March 2023	<u>30,795</u>
NET BOOK VALUE	
At 31 March 2023	<u><u>123,179</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

6. TANGIBLE FIXED ASSETS

	Improvement to Short leasehold £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2022	311,752	223,031	10,608	75,422	620,813
Additions	-	20,753	5,328	42,277	68,358
Disposals	-	(70,461)	(6,760)	(30,988)	(108,209)
At 31 March 2023	<u>311,752</u>	<u>173,323</u>	<u>9,176</u>	<u>86,711</u>	<u>580,962</u>
DEPRECIATION					
At 1 April 2022	311,752	154,819	10,197	56,535	533,303
Charge for year	-	41,342	802	18,036	60,180
Eliminated on disposal	-	(70,461)	(6,760)	(22,509)	(99,730)
At 31 March 2023	<u>311,752</u>	<u>125,700</u>	<u>4,239</u>	<u>52,062</u>	<u>493,753</u>
NET BOOK VALUE					
At 31 March 2023	<u>-</u>	<u>47,623</u>	<u>4,937</u>	<u>34,649</u>	<u>87,209</u>
At 31 March 2022	<u>-</u>	<u>68,212</u>	<u>411</u>	<u>18,887</u>	<u>87,510</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	881,335	653,381
Amounts owed by group undertakings	265,047	207,516
Other debtors	-	16,289
Corporation tax recoverable	35,265	-
Prepayments	32,094	69,736
	<u>1,213,741</u>	<u>946,922</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts	30,449	36,458
Trade creditors	339,656	568,027
Amounts owed to group undertakings	349,376	349,376
Tax	36,977	78,293
Social security and other taxes	43,502	27,706
VAT	113,485	55,014
Other creditors	149,002	125,742
Invoice Discounting	161,546	-
Directors' current accounts	-	10,574
Accruals and deferred income	177,045	228,845
Deferred consideration	100,000	-
	<u>1,501,038</u>	<u>1,480,035</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Bank loans - 1-2 years	24,038	62,500
Bank loans - 2-5 years	<u>34,055</u>	<u>151,042</u>
	<u>58,093</u>	<u>213,542</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Bank loans	<u>88,542</u>	<u>250,000</u>

There is a debenture charge over all the assets of the company in respect of the bank loan from National Westminster Bank Plc.

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023	2022
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

The company has one class of ordinary shares. Ordinary shares have full rights in the company with respect to voting, dividend and capital distribution.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

12. RESERVES

	Retained earnings £
At 1 April 2022	539,163
Profit for the year	186,936
At 31 March 2023	<u>726,099</u>

13. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Aamir Kazi (Senior Statutory Auditor)
for and on behalf of Orcom Civvals Audit Limited

14. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 March 2023 and 31 March 2022:

	2023 £	2022 £
E C Sheppard		
Balance outstanding at start of year	(10,574)	(11,295)
Amounts advanced	-	721
Amounts repaid	10,574	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>(10,574)</u>

15. POST BALANCE SHEET EVENTS

There were no material events subsequent to 31 March 2023 and up until the authorisation of the financial statements for issue, that have not been disclosed elsewhere in the financial statements.

16. CONTROL AND ULTIMATE CONTROLLING PARTY

Call Systems Holdings Limited, a company incorporated in England & Wales, is the immediate controlling party and Call Systems Holdings (UK) Limited, a company incorporated in England & Wales, is the ultimate parent company of Call Systems Technology Limited.

Call Systems Holdings Limited, a company incorporated in England & Wales, is the smallest group and Call Systems Holdings (UK) Limited, a company incorporated in England & Wales, is the largest group of which the company is a member. Copies of their accounts can be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.

Mrs E C Sheppard is the ultimate controlling party by virtue of her majority shareholdings in Call Systems Holdings (UK) Limited, a company incorporated in England & Wales.

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.