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Registration number: 09943751

# Cipher Group Limited

Unaudited Financial Statements

for the Year Ended 30 June 2019

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# **Cipher Group Limited**

## **Contents**

Balance Sheet	1 to 2
Notes to the Financial Statements	3 to 6

# Cipher Group Limited

(Registration number: 09943751)

## Balance Sheet as at 30 June 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	2	1,285,625	1,313,125
Investments	3	920	920
		<u>1,286,545</u>	<u>1,314,045</u>
<b>Current assets</b>			
Debtors	4	357,179	215,179
Cash at bank and in hand		276,229	394,380
		<u>633,408</u>	<u>609,559</u>
<b>Creditors: Amounts falling due within one year</b>	5	<u>(105,497)</u>	<u>(104,085)</u>
<b>Net current assets</b>		<u>527,911</u>	<u>505,474</u>
<b>Total assets less current liabilities</b>		1,814,456	1,819,519
<b>Creditors: Amounts falling due after more than one year</b>	5	<u>(274,775)</u>	<u>(353,572)</u>
<b>Net assets</b>		<u>1,539,681</u>	<u>1,465,947</u>
<b>Capital and reserves</b>			
Called up share capital		99	99
Profit and loss account		<u>1,539,582</u>	<u>1,465,848</u>
<b>Total equity</b>		<u>1,539,681</u>	<u>1,465,947</u>

The company's annual accounts and reports have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime. The directors' report and profit and loss account have therefore not been filed.

For the financial year ending 30 June 2019 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

**Cipher Group Limited**

**(Registration number: 09943751)**

**Balance Sheet as at 30 June 2019 (continued)**

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A Small Entities, were approved and authorised for issue by the Board on 11 November 2019 and signed on its behalf by:



.....  
P J Drabble  
Director



.....  
R A Drabble  
Director

**Cipher Group Limited**  
**Notes to the Financial Statements**  
**for the Year Ended 30 June 2019**

**1 Accounting policies**

**Statutory information**

Cipher Group Limited is a private company, limited by shares, domiciled in England and Wales, company number 09943751. The registered office is at Unit C5b, Parkway Industrial Estate, Nunnery Drive, Sheffield, South Yorkshire, S2 1TA.

**Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. There has been no material departure from this standard.

**Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value. The presentation currency is United Kingdom pounds sterling. The financial statements are those of the company as an individual entity.

**Group accounts not prepared**

The financial statements contain information about Cipher Group Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 383 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings comprise a small group.

**Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts. Income is recognised when services have been delivered to the customer such that risks and rewards of ownership have transferred to them.

**Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

# **Cipher Group Limited**

## **Notes to the Financial Statements**

### **for the Year Ended 30 June 2019 (continued)**

#### **1 Accounting policies (continued)**

##### **Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

##### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold buildings	2% straight line

##### **Investments**

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

##### **Financial instruments**

Basic financial instruments are recognised at amortised cost, except for investments in non-convertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit or loss.

# Cipher Group Limited

## Notes to the Financial Statements

for the Year Ended 30 June 2019 (continued)

### 2 Tangible assets

	Freehold land and buildings £
<b>Cost or valuation</b>	
At 1 July 2018 and at 30 June 2019	<u>1,375,000</u>
<b>Depreciation</b>	
At 1 July 2018	61,875
Charge for the year	<u>27,500</u>
At 30 June 2019	<u>89,375</u>
<b>Carrying amount</b>	
At 30 June 2019	<u>1,285,625</u>
At 30 June 2018	<u>1,313,125</u>

### 3 Investments

	2019 £	2018 £
Investments in subsidiaries	<u>920</u>	<u>920</u>
<b>Subsidiaries</b>		£
<b>Cost or valuation</b>		
At 1 July 2018 and 30 June 2019		<u>920</u>
<b>Carrying amount</b>		
At 1 July 2018 and 30 June 2019		<u>920</u>

### 4 Debtors

	2019 £	2018 £
Amounts owed by group undertakings	<u>357,179</u>	<u>215,179</u>

# Cipher Group Limited

## Notes to the Financial Statements

for the Year Ended 30 June 2019 (continued)

### 5 Creditors

	2019 £	2018 £
<b>Due within one year</b>		
Bank loans	80,924	78,531
Taxation and social security	24,573	24,554
Accruals	-	1,000
	<u>105,497</u>	<u>104,085</u>
<b>Due after one year</b>		
Bank loans	<u>274,775</u>	<u>353,572</u>
	2019 £	2018 £
Repayable after more than five years by instalments	<u>-</u>	<u>15,516</u>

Bank loan liabilities comprise amounts due to HSBC plc which are secured by a fixed and floating charge over the assets of the company. The liability is repayable in monthly instalments over 14 years and 4 months. The company is making increased monthly capital repayments which are anticipated to continue, leading to an earlier repayment date than that stated in the loan terms. Interest is charged on a day to day rate at 2.70% per annum over the Bank of England base rate.

### 6 Financial commitments, guarantees and contingencies

An unlimited composite company guarantee has been given by Cipher Group Limited and Cipher International Limited to secure all liabilities of each other.

### 7 Related party transactions

#### Summary of transactions with subsidiaries

At the balance sheet date, debtors due within one year included an amount of £357,179 (2018: £215,179) owed by Cipher International Limited. That company was also charged £144,000 (2018: £144,000) in respect on annual rental costs by Cipher Group Limited.

### 8 Non adjusting events after the financial period

Subsequent to the balance sheet date, the company sold part of the freehold land and buildings at market value of £865,000 to the Cipher Small Self Administered Scheme (SSAS). An element of the proceeds was used to repay the bank loan liabilities recognised in creditors at the year end.