Company Registration No. 04058821 (England and Wales)

Abzorb Systems Ltd

Financial Statements

for the year ended 31 October 2018

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Abzorb Systems Ltd

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Abzorb Systems Ltd

Statement of financial position

as at 31 October 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	3		95,114		5,909
Current assets					
Stocks		54,877		21,388	
Debtors	4	4,942,930		145,693	
Cash at bank and in hand		28,293		978,932	
		5,026,100		1,146,013	
Creditors: amounts falling due within one year	5	(4,133,530)		(265,565)	
Net current assets			892,570		880,448
Total assets less current liabilities			987,684		886,357
Provisions for liabilities			(5,180)		(491)
Net assets			982,504		885,866
Capital and reserves					
Called up share capital	7		2		2
Profit and loss reserves			982,502		885,864
Total equity			982,504		885,866

The director of the company has elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered 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 July 2019

S Beeby
Director

Company Registration No. 04058821

1 Accounting policies

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Turnover

Turnover represents the fair value of the consideration receivable for goods and services provided in the normal course of business, and is shown net of VAT. Turnover is recognised on the provision of service obligations where a right to consideration is due.

Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost less depreciation.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & IT equipment	25% reducing balance basis
Motor vehicles	25% reducing balance basis

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 credited or charged to profit or loss.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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.

1 Accounting policies (continued)

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Timing differences represent accumulated differences between the company's taxable profit and its financial profit and arise primarily from the difference between accelerated capital allowances and depreciation.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 36 (2017 - 3).

3 Tangible fixed assets

	Fixtures, fittings & IT equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 November 2017	3,461	2,448	5,909
Additions	110,322	185	110,507
Disposals	-	(2,633)	(2,633)
At 31 October 2018	113,783	-	113,783
Depreciation and impairment			
At 1 November 2017	-	-	-
Depreciation charged in the year	18,669	658	19,327
Eliminated in respect of disposals	-	(658)	(658)
At 31 October 2018	18,669	-	18,669
Carrying amount			
At 31 October 2018	95,114	-	95,114
At 31 October 2017	3,461	2,448	5,909

4 Debtors

Amounts falling due within one year:	2018 £	2017 £
Trade debtors	1,392,429	65,353
Amounts owed by group undertakings	1,351,797	-
Amounts owed by connected companies	1,830,385	80,340
Prepayments and accrued income	368,319	-
	4,942,930	145,693

5 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	2,848,180	83,405
Amounts owed to group undertakings	691,899	93,999
Corporation tax	55,229	57,276
Other taxation and social security	69,212	14,006
Accruals and deferred income	469,010	16,879
	4,133,530	265,565

6 Provisions for liabilities

	2018 £	2017 £
Deferred tax liabilities	5,180	491

7 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
2 Ordinary shares of £1 each	2	2

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Charles R Moorby.
The auditor was B M Howarth Ltd.

9 Related party transactions

At 31 October 2018 the company acquired the trade and assets of its fellow subsidiaries Abzorb Services Ltd and Abzorb Solutions Ltd. In accordance with the exemptions available to the company, related party disclosures in respect of group transactions are not disclosed on the basis that the details of the subsidiary are included in the group financial statements of the parent company.

During the year the company made sales to Abzorb Data Ltd amounting to £55,251 (2017 : £67,439).
During the year the company purchased goods and services from Abzorb Data Ltd amounting to £630,529 (2017 : £1,807).
At 31 October 2018, the amount due to Abzorb Data Ltd was £209,215 (2017 : Debtor £80,340).
S Beeby is a director of Abzorb Data Ltd.

During the year the company made sales to Abzorb U Ltd amounting to £52,450 (2017 : £Nil).
During the year the company purchased goods and services from Abzorb U Ltd amounting to £304,175 (2017 : £Nil).
At 31 October 2018, the amount due to Abzorb U Ltd was £772,013 (2017 : £Nil).
S Beeby is a director of Abzorb U Ltd.

10 Parent company

The parent company of Abzorb Systems Ltd is Abzorb Group Ltd, a company registered in England and Wales, whose registered office is Armytage Road, Brighouse, HD6 1QF. Group accounts are available from Companies House, Crown Way, Maindy, CF14 3UZ.

11 Company information

Abzorb Systems Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Armytage Road, Brighouse, West Yorkshire, HD6 1QF.