

Report of the Directors and
Audited Consolidated Financial Statements
For The Period 1 January 2018 to 30 September 2018
for
Castle Computer Services Ltd.



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For The Period 1 January 2018 to 30 September 2018

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Castle Computer Services Ltd.

Company Information
For The Period 1 January 2018 to 30 September 2018

DIRECTORS:

T O'Hara C.A
D M Chazan
A L Turnbull

REGISTERED OFFICE:

Stewart House
Pochard Way
Strathclyde Business Park
Bellshill
ML4 3HB

REGISTERED NUMBER:

SC080997 (Scotland)

INDEPENDENT AUDITORS:

Robb Ferguson
Chartered Accountants & Statutory Auditors
Regent Court
70 West Regent Street
Glasgow
G2 2QZ

Report of the Directors
For The Period 1 January 2018 to 30 September 2018

The directors present their report with the financial statements of the company and the group for the period 1 January 2018 to 30 September 2018.

REVIEW OF BUSINESS

The directors are delighted to report our results for the 9 month period :

	2018 9 months £	2017 £
TURNOVER	6,821,625	8,879,335
PROFIT BEFORE TAXATION	287,885	220,296
AS A % OF TURNOVER	4%	2%

In comparative terms the level of profitability has doubled in the period and significantly improved in the period post acquisition. As with the other companies in the Group the directors are confident that their continued strategies for working with customers, organic growth , recurring revenues, new customer additions, and complimentary acquisitions will drive significant growth in turnover and profitability in future years.

FUTURE DEVELOPMENTS

Acquisitions

In looking at the wider Kick ICT Group Limited position, which the company is part of, we have now successfully integrated Talon Business Solutions Limited, Roxxap, Vozero Limited and Castle Computer Services Limited into the Group. Going into 2019 we continue to identify and work with businesses who will further strengthen our position as one of the UK's leading "single source" technology businesses.

Services

In summary we work with customers in the following areas and provide industry leading products, services and support:

Financial Applications
CRM
O365 and SharePoint
Technical
Communications
Cloud
Data Centre
Software Development

This allows us to be a "single source" of advice and supply to our customers and facilitates the provision of our "roadmap" strategy based on a clear understanding of our customers entire technology platform.

Our Microsoft Gold ERP accreditation in 2018 was a significant milestone and we will continue to work with all of our technology partners on the latest and emerging technologies and enhance our associated accreditations.

Our Own Software

The Kick Group's "Pathfinder" product built on Microsoft Dynamics NAV & CRM and incorporating our own subscription billing technology is now truly "global" and being used in 10 countries with more to follow in 2019.

Our "Constructa" product is now a standard in the construction industry and used by some 40 businesses across the UK. Having completed our latest certification programme we will launch the associated upgrade project in 2019.

Report of the Directors
For The Period 1 January 2018 to 30 September 2018

Data Centre Facility

We are now operating in a "Cloud First" environment. Having our own Data Centre Facility allows us to provide flexibility to customers with varied IT requirements and application sets with many requiring a mixture of "Hybrid", public cloud and on-premise functionality.

People

We are fortunate to have an extremely talented and loyal team and we will continue to invest in their growth and development. In 2018 we introduced our own graduate scheme and employed our first graduates and we look forward to developing and growing our "academy" in the future.

DIRECTORS

The directors who have held office during the period from 1 January 2018 to the date of this report are as follows:

T O'Hara C.A - appointed 13 April 2018
D M Chazan - appointed 13 April 2018
A L Turnbull - appointed 13 April 2018
Ms P Munro - resigned 13 April 2018
G Strathie - resigned 13 April 2018
P McTaggart - resigned 13 April 2018
A Munro - resigned 13 April 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

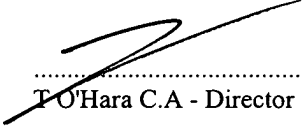
AUDITORS

The auditors, Robb Ferguson, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the Directors
For The Period 1 January 2018 to 30 September 2018

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


.....
T O'Hara C.A - Director

Date: 15 June/17 2019

Report of the Independent Auditors to the Members of
Castle Computer Services Ltd.

Opinion

We have audited the financial statements of Castle Computer Services Ltd. (the 'parent company') and its subsidiaries (the 'group') for the period ended 30 September 2018 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 30 September 2018 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Castle Computer Services Ltd.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Group Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Graham Cantlay CA (Senior Statutory Auditor)
for and on behalf of Robb Ferguson
Chartered Accountants & Statutory Auditors
Regent Court
70 West Regent Street
Glasgow
G2 2QZ

Date: 15 Jan 2019

Consolidated Statement of Comprehensive Income
For The Period 1 January 2018 to 30 September 2018

	Notes	Period 1.1.18 to 30.9.18 £	Year Ended 31.12.17 £
TURNOVER		6,821,625	8,879,335
Cost of sales		<u>2,856,507</u>	<u>3,501,394</u>
GROSS PROFIT		3,965,118	5,377,941
Administrative expenses		<u>3,676,817</u>	<u>5,158,265</u>
OPERATING PROFIT	4	288,301	219,676
Interest receivable and similar income		<u>341</u>	<u>2,608</u>
		288,642	222,284
Interest payable and similar expenses		<u>757</u>	<u>1,989</u>
PROFIT BEFORE TAXATION		287,885	220,295
Tax on profit		<u>49,178</u>	<u>42,346</u>
PROFIT FOR THE FINANCIAL PERIOD		238,707	177,949
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>238,707</u>	<u>177,949</u>
Profit attributable to: Owners of the parent		<u>238,707</u>	<u>177,949</u>
Total comprehensive income attributable to: Owners of the parent		<u>238,707</u>	<u>177,949</u>

The notes form part of these financial statements

Consolidated Statement of Financial Position
30 September 2018

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Intangible assets	6		320,315		332,642
Tangible assets	7		71,484		79,256
Investments	8		-		-
Investment property	9		<u>-</u>		<u>198,181</u>
			391,799		610,079
CURRENT ASSETS					
Stocks		24,171		24,171	
Debtors	10	3,625,751		1,997,278	
Cash at bank and in hand		<u>1,574,977</u>		<u>2,553,850</u>	
		5,224,899		4,575,299	
CREDITORS					
Amounts falling due within one year	11	<u>1,321,542</u>		<u>2,054,287</u>	
NET CURRENT ASSETS			<u>3,903,357</u>		<u>2,521,012</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,295,156		3,131,091
PROVISIONS FOR LIABILITIES			-		(668)
DEFERRED INCOME			<u>(2,952,733)</u>		<u>(2,026,707)</u>
NET ASSETS			<u><u>1,342,423</u></u>		<u><u>1,103,716</u></u>
CAPITAL AND RESERVES					
Called up share capital	13		100,024		100,024
Share premium			26,996		26,996
Capital redemption reserve			78,025		78,025
Retained earnings			<u>1,137,378</u>		<u>898,671</u>
SHAREHOLDERS' FUNDS			<u><u>1,342,423</u></u>		<u><u>1,103,716</u></u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 15 January 2019 and were signed on its behalf by:


.....
T O'Hara C.A - Director

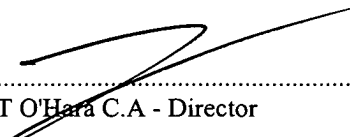
Company Statement of Financial Position
30 September 2018

	Notes	2018	2017
		£	£
FIXED ASSETS			
Intangible assets	6	320,315	-
Tangible assets	7	71,484	77,905
Investments	8	3	5
Investment property	9	<u>-</u>	<u>-</u>
		391,802	77,910
CURRENT ASSETS			
Stocks		24,171	24,171
Debtors	10	3,625,751	3,021,039
Cash at bank and in hand		<u>1,574,975</u>	<u>2,553,850</u>
		5,224,897	5,599,060
CREDITORS			
Amounts falling due within one year	11	<u>1,321,542</u>	<u>1,466,811</u>
NET CURRENT ASSETS		<u>3,903,355</u>	<u>4,132,249</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,295,157	4,210,159
PROVISIONS FOR LIABILITIES		-	(668)
DEFERRED INCOME		<u>(2,952,733)</u>	<u>(2,026,707)</u>
NET ASSETS		<u>1,342,424</u>	<u>2,182,784</u>
CAPITAL AND RESERVES			
Called up share capital	13	100,024	100,024
Share premium		26,996	26,996
Capital redemption reserve		78,025	78,025
Retained earnings		<u>1,137,379</u>	<u>1,977,739</u>
SHAREHOLDERS' FUNDS		<u>1,342,424</u>	<u>2,182,784</u>

As permitted by s408 Companies Act 2006, the company has not presented its own Statement of Comprehensive Income. The company's profit/(loss) for the year was £(840,360), 2017 - £425,239, as detailed in note 5.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 15 January 2019 and were signed on its behalf by:


T O'Hara C.A - Director

The notes form part of these financial statements

Consolidated Statement of Changes in Equity
For The Period 1 January 2018 to 30 September 2018

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 January 2017	100,024	832,490	26,996	78,025	1,037,535
Changes in equity					
Dividends	-	(111,768)	-	-	(111,768)
Total comprehensive income	-	177,949	-	-	177,949
Balance at 31 December 2017	<u>100,024</u>	<u>898,671</u>	<u>26,996</u>	<u>78,025</u>	<u>1,103,716</u>
Changes in equity					
Total comprehensive income	-	238,707	-	-	238,707
Balance at 30 September 2018	<u>100,024</u>	<u>1,137,378</u>	<u>26,996</u>	<u>78,025</u>	<u>1,342,423</u>

The notes form part of these financial statements

Company Statement of Changes in Equity
For The Period 1 January 2018 to 30 September 2018

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 January 2017	100,024	1,664,268	26,996	78,025	1,869,313
Changes in equity					
Dividends	-	(111,768)	-	-	(111,768)
Total comprehensive income	-	425,239	-	-	425,239
Balance at 31 December 2017	<u>100,024</u>	<u>1,977,739</u>	<u>26,996</u>	<u>78,025</u>	<u>2,182,784</u>
Changes in equity					
Total comprehensive loss	-	(840,360)	-	-	(840,360)
Balance at 30 September 2018	<u>100,024</u>	<u>1,137,379</u>	<u>26,996</u>	<u>78,025</u>	<u>1,342,424</u>

The notes form part of these financial statements

Notes to the Consolidated Financial Statements
For The Period 1 January 2018 to 30 September 2018

1. STATUTORY INFORMATION

Castle Computer Services Ltd. is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the General Information page.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Turnover and cost of sales

Turnover comprises the value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts. Revenue is not recognised until the amount of revenue can be measured reliably and it is probable that the company will receive the consideration due. Turnover includes maintenance contract income that is recognised over the period of a contract on a straight line basis. Revenue from the sale of goods is recognised once the company has transferred the significant risk and rewards of ownership to the buyer.

Maintenance contract costs are recognised over the period of a contract on a straight line basis and included in cost of sales.

Goodwill

Goodwill, being the amount paid by the subsidiary company Castle Computer Services (Dynamics) Limited in connection with the acquisition of a business in 2011, is being amortised evenly over its useful life of ten years. This goodwill was transferred to Castle Computer Services Limited in 2018.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of ten years.

Tangible fixed assets

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

Fixed plant and equipment	- 33.33% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on cost

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

Notes to the Consolidated Financial Statements - continued
For The Period 1 January 2018 to 30 September 2018

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Consolidated 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 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 period 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.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Interest income

Interest income is recognised in the Consolidated Statement of Income and Retained Earnings using the effective interest method.

Finance costs

Finance Costs are charged to the Consolidated Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the period was 71 (2017 - 78).

4. OPERATING PROFIT

The operating profit is stated after charging:

	Period 1.1.18 to 30.9.18 £	Year Ended 31.12.17 £
Depreciation - owned assets	32,989	57,067
Goodwill amortisation	22,354	29,805
Computer software amortisation	25,466	29,445
Auditors remuneration	<u>11,445</u>	<u>14,750</u>

5. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements. During the year, the company waived an intercompany debt of £1,079,067 owed by its subsidiary, Castle Computer Services (Dynamics) Limited, resulting in an exceptional loss in the current year.

Notes to the Consolidated Financial Statements - continued
For The Period 1 January 2018 to 30 September 2018

6. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Computer software £	Totals £
COST			
At 1 January 2018	298,049	339,547	637,596
Additions	-	35,493	35,493
At 30 September 2018	298,049	375,040	673,089
AMORTISATION			
At 1 January 2018	173,922	131,032	304,954
Amortisation for period	22,354	25,466	47,820
At 30 September 2018	196,276	156,498	352,774
NET BOOK VALUE			
At 30 September 2018	101,773	218,542	320,315
At 31 December 2017	124,127	208,515	332,642

Company

	Goodwill £	Computer software £	Totals £
COST			
Additions	-	35,493	35,493
Reclassification/transfer	298,049	339,547	637,596
At 30 September 2018	298,049	375,040	673,089
AMORTISATION			
Amortisation for period	22,354	25,466	47,820
Reclassification/transfer	173,922	131,032	304,954
At 30 September 2018	196,276	156,498	352,774
NET BOOK VALUE			
At 30 September 2018	101,773	218,542	320,315

Notes to the Consolidated Financial Statements - continued
For The Period 1 January 2018 to 30 September 2018

7. TANGIBLE FIXED ASSETS

Group

	Fixed plant and equipment £	Fixtures and fittings £	Motor vehicles £	Computer Equipment £	Totals £
COST					
At 1 January 2018	488,785	91,010	21,220	19	601,034
Additions	28,948	4,376	-	-	33,324
Disposals	-	-	(17,647)	(19)	(17,666)
At 30 September 2018	<u>517,733</u>	<u>95,386</u>	<u>3,573</u>	<u>-</u>	<u>616,692</u>
DEPRECIATION					
At 1 January 2018	422,253	83,644	15,881	-	521,778
Charge for period	32,169	3,569	(2,749)	-	32,989
Eliminated on disposal	-	-	(9,559)	-	(9,559)
At 30 September 2018	<u>454,422</u>	<u>87,213</u>	<u>3,573</u>	<u>-</u>	<u>545,208</u>
NET BOOK VALUE					
At 30 September 2018	<u>63,311</u>	<u>8,173</u>	<u>-</u>	<u>-</u>	<u>71,484</u>
At 31 December 2017	<u>66,532</u>	<u>7,366</u>	<u>5,339</u>	<u>19</u>	<u>79,256</u>

Company

	Fixed plant and equipment £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 January 2018	462,850	91,010	21,220	575,080
Additions	30,280	4,376	-	34,656
Disposals	-	-	(17,647)	(17,647)
At 30 September 2018	<u>493,130</u>	<u>95,386</u>	<u>3,573</u>	<u>592,089</u>
DEPRECIATION				
At 1 January 2018	397,650	83,644	15,881	497,175
Charge for period	32,169	3,569	(2,749)	32,989
Eliminated on disposal	-	-	(9,559)	(9,559)
At 30 September 2018	<u>429,819</u>	<u>87,213</u>	<u>3,573</u>	<u>520,605</u>
NET BOOK VALUE				
At 30 September 2018	<u>63,311</u>	<u>8,173</u>	<u>-</u>	<u>71,484</u>
At 31 December 2017	<u>65,200</u>	<u>7,366</u>	<u>5,339</u>	<u>77,905</u>

Notes to the Consolidated Financial Statements - continued
For The Period 1 January 2018 to 30 September 2018

8. FIXED ASSET INVESTMENTS

Company

	Other investments £
COST	
At 1 January 2018	5
Disposals	<u>(2)</u>
At 30 September 2018	<u>3</u>
NET BOOK VALUE	
At 30 September 2018	<u><u>3</u></u>
At 31 December 2017	<u><u>5</u></u>

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Castle Computer Services (Glasgow) Limited

Registered office: Stewart House Pochard Way, Strathclyde Business Park, Bellshill, North Lanarkshire, ML4 3HB

Nature of business: Dormant company

	%
Class of shares:	holding
Ordinary	100.00

Castle Computer Services (UK) Limited

Registered office: Suite 1 3rd Floor St. James's Square, London, England, SW1Y 4LB

Nature of business: Dormant company

	%
Class of shares:	holding
Ordinary	100.00

Castle Computer Services (Dynamics) Limited

Registered office: Stewart House Pochard Way, Strathclyde Business Park, Bellshill, ML4 3HB

Nature of business: Dormant company

	%
Class of shares:	holding
Ordinary	100.00

Notes to the Consolidated Financial Statements - continued
For The Period 1 January 2018 to 30 September 2018

9. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
At 1 January 2018	198,181
Disposals	<u>(198,181)</u>
At 30 September 2018	<u>-</u>
NET BOOK VALUE	
At 30 September 2018	<u>-</u>
At 31 December 2017	<u>198,181</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	1,098,495	964,172	1,098,495	569,065
Amounts owed by group undertakings	1,433,181	-	1,433,181	1,587,035
Prepayments	<u>1,094,075</u>	<u>1,033,106</u>	<u>1,094,075</u>	<u>864,939</u>
	<u>3,625,751</u>	<u>1,997,278</u>	<u>3,625,751</u>	<u>3,021,039</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	797,469	1,128,251	797,469	935,580
Amounts owed to group undertakings	100,001	-	100,001	-
Tax	89,040	39,862	89,040	39,862
Social security and other taxes	82,637	108,144	82,637	108,144
VAT	124,499	228,537	124,499	228,537
Other creditors	-	123,314	-	123,314
Accrued expenses	<u>127,896</u>	<u>426,179</u>	<u>127,896</u>	<u>31,374</u>
	<u>1,321,542</u>	<u>2,054,287</u>	<u>1,321,542</u>	<u>1,466,811</u>

12. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Notes to the Consolidated Financial Statements - continued
For The Period 1 January 2018 to 30 September 2018

Group

	Non-cancellable operating leases	
	2018	2017
	£	£
Within one year	55,291	61,737
Between one and five years	-	40,656
	<u>55,291</u>	<u>102,393</u>

Company

	Non-cancellable operating leases	
	2018	2017
	£	£
Within one year	55,291	61,737
Between one and five years	-	40,656
	<u>55,291</u>	<u>102,393</u>

The 2017 non-cancellable operating lease disclosure figures have been restated to reflect the rental commitment up until the lease break point rather than the end point of the lease. The total value of the adjustment made was £236,251.

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018	2017
			£	£
100,000	Ordinary	£1	100,000	100,000
20	A Ordinary	£1	20	20
4	B Ordinary	£1	4	4
			<u>100,024</u>	<u>100,024</u>

14. CONTINGENT LIABILITIES

A cross guarantee exists between the group and its parent company, Kick ICT Group Limited, and other group companies, Talon Business Solutions Limited and Vozero Limited. The total contingent liability at 30 September 2018 is £3,270,742.

15. ULTIMATE CONTROLLING PARTY

The ultimate parent company is Kick ICT Group Limited. The ultimate parent company was under the control of T O'Hara C.A, D M Chazan and A L Turnbull at the end of the accounting period.