

**CROWN COMPUTING LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**



**CROWN COMPUTING LIMITED**  
**REGISTERED NUMBER: 02186297**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

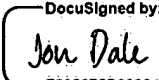
	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	3	174,111	122,721
Investments	4	135,628	135,628
Investment property	5	173,767	173,767
		483,506	432,116
<b>Current assets</b>			
Stocks		6,886	7,994
Debtors: amounts falling due within one year	6	2,871,211	2,058,505
Bank and cash balances		761,555	1,958,747
		3,639,652	4,025,246
Creditors: amounts falling due within one year	7	(2,008,289)	(2,476,963)
<b>Net current assets</b>		1,631,363	1,548,283
<b>Total assets less current liabilities</b>		2,114,869	1,980,399
<b>Net assets</b>		2,114,869	1,980,399
<b>Capital and reserves</b>			
Called up share capital	8	45,390	45,390
Capital redemption reserve	9	4,610	4,610
Profit and loss account	9	2,064,869	1,930,399
		2,114,869	1,980,399

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:  
  
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**J M Dale**  
 Director

Date: 13 January 2021

## CROWN COMPUTING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

Crown Computing Limited (the company) is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is disclosed on the company information page.

The financial statements are prepared in sterling (£), and are prepared for the year ended 31 December 2019 (2018: year ended 31 December 2018).

The financial statements have been prepared on a going concern basis under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102 (FRS 102), the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Group accounts have not been prepared as all of the company's subsidiaries are permitted to be excluded from group accounts by virtue of sections 402 and 405 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The following accounting policies have been applied consistently throughout the year:

##### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Since the year end, there has been an outbreak of Coronavirus which has developed into a global pandemic. The directors are naturally concerned about the impact this will have on the employees, suppliers and customers of the company and are constantly monitoring what those impacts might be. However, based on the positive trading results for 2020, the current strong cash reserves in the business and the forecasts for the coming year, the directors believe the company is well placed to trade through the uncertain times caused by the Coronavirus pandemic.

On this basis the directors are confident that the company has adequate resources to continue in operation and, accordingly, have adopted the going concern basis in preparing the financial statements.

**CROWN COMPUTING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**1. Accounting policies (continued)**

**1.3 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The company derives revenue from hardware sales, software licences, bespoke work, training and consultancy services and software maintenance contracts, as follows:

**Sale of goods**

Turnover from the sale of hardware is recognised when all of the following conditions are met:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

The above criteria are met upon delivery of goods to the customer.

**Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

The above conditions are considered to be met as follows:

Software licences – licences are generally developed in units or modules. Revenue is recognised on each module upon delivery to the customer.

Bespoke work, training and consultancy services – turnover relating to bespoke work and training and consultancy services is recognised on a stage of completion basis, as services are performed.

Software maintenance contracts – turnover on software maintenance contracts is recognised on a straight line basis over the term of the contract. Any amounts received which relate to future periods are included within deferred income on the balance sheet.

## CROWN COMPUTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**1. Accounting policies (continued)****1.4 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Repairs and maintenance are charged to the profit and loss account during the period in which they are incurred.

Depreciation is provided at rates calculated to write off the costs of fixed assets, less their residual value over their expected useful lives on the following basis:

Plant and machinery	- 33% straight line
Motor vehicles	- 33% straight line
Fixtures and fittings and equipment	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within administrative expenses in the profit and loss account.

At each balance sheet date, the company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately in the profit and loss account.

**1.5 Operating leases**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**1.6 Investment properties**

Investment properties are carried at fair value. No depreciation is provided on investment properties. Changes in fair value are recognised in the profit and loss account. Deferred tax is provided on these changes at the rate expected to apply when the property is sold.

**1.7 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the profit and loss account.

## CROWN COMPUTING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 1. Accounting policies (continued)

##### 1.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in equity instruments which are not subsidiaries are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the profit and loss account, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### 1.9 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts debtors and creditors.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost, less any impairment

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date

##### 1.10 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking in to account the risks and uncertainties surrounding the obligation.

##### 1.11 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

##### 1.12 Dividends

Equity dividends are recognised when they become legally payable.

**CROWN COMPUTING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**1. Accounting policies (continued)**

**1.13 Current and deferred taxation**

The tax charge for the year comprises of current and deferred tax.

Current or deferred tax is recognised in the profit and loss account, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current or deferred tax is also recognised in other comprehensive income or directly in equity respectively.

The current and deferred tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**1.14 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**1.15 Employee benefit trust**

During the year to 31 December 1999, the company established an employee benefit trust (EBT) for the benefit of its employees. The EBT has one asset, a property in Florida. All of the income and expenditure for the property and the property itself is accounted for in these financial statements in accordance with FRS 102 section 9.

**2. Employees**

The average monthly number of employees, including directors, during the year was 71 (2018: 70).

## CROWN COMPUTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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## 3. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures & fittings and equipment £	Total £
<b>Cost</b>				
At 1 January 2019	1,082,547	32,001	301,052	1,415,600
Additions	83,759	-	7,314	91,073
At 31 December 2019	<u>1,166,306</u>	<u>32,001</u>	<u>308,366</u>	<u>1,506,673</u>
<b>Depreciation</b>				
At 1 January 2019	970,232	30,400	292,247	1,292,879
Charge for the year	30,386	1,601	7,696	39,683
At 31 December 2019	<u>1,000,618</u>	<u>32,001</u>	<u>299,943</u>	<u>1,332,562</u>
<b>Net book value</b>				
At 31 December 2019	<u>165,688</u>	<u>-</u>	<u>8,423</u>	<u>174,111</u>
At 31 December 2018	<u>112,315</u>	<u>1,601</u>	<u>8,805</u>	<u>122,721</u>

## 4. Fixed asset investments

	Investments in subsidiary companies £	Other fixed asset investments £	Total £
<b>Cost or valuation</b>			
At 1 January 2019 and 31 December 2019	3	135,625	135,628
	<u>3</u>	<u>135,625</u>	<u>135,628</u>

## CROWN COMPUTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

## 5. Investment property

	Freehold investment property £
<b>Valuation</b>	
At 1 January 2019 and 31 December 2019	173,767

The directors believe that there is no change to the valuation of the investment property and as such the valuation represents fair value which is based on an existing use basis.

## 6. Debtors

	2019 £	2018 £
Trade debtors	2,257,380	1,458,970
Amounts recoverable on contracts	362,945	412,170
Other debtors	112,712	24,299
Prepayments and accrued income	138,174	163,066
	<u>2,871,211</u>	<u>2,058,505</u>

## 7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	136,171	87,496
Corporation tax	459	-
Other taxation and social security	286,224	273,527
Other creditors	21,168	608,326
Accruals and deferred income	1,564,267	1,507,614
	<u>2,008,289</u>	<u>2,476,963</u>

## CROWN COMPUTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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## 8. Share capital

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
25,390 (2018: 25,390) Ordinary I shares of £1 each	25,390	25,390
20,000 (2018: 20,000) Ordinary T shares of £1 each	20,000	20,000
	<u>45,390</u>	<u>45,390</u>

## 9. Reserves

**Capital redemption reserve**

The capital redemption reserve represents the amount of share capital cancelled and re-purchased.

**Profit and loss account**

The profit and loss account includes all current and prior period retained profits and losses. This reserve includes £11,188 of undistributable reserves in relation to fair value movements on the investment property.

## 10. Pension commitments

The company operates a defined contribution pension scheme. The scheme and its assets are held independently from the company. The pension charge in the profit and loss account represents contributions due from the company and amounted to £332,623 (2018: £194,554).

## 11. Post balance sheet events

Subsequent to the year end there has been an outbreak of Coronavirus which has developed into a global pandemic. The directors are naturally concerned about the impact this will have on the employees, suppliers and customers of the company and are constantly monitoring what those impacts might be. However, based on the forecasts for the coming year, the directors believe the company is well placed to trade through the uncertain times caused by the Coronavirus pandemic, and that the company has adequate resources to continue in operation.

## 12. Controlling party

Crown Computing Limited is a wholly owned subsidiary of Crown Computing Group Limited  
Crown Computing Group Limited is controlled by M J Hawkesford.

**CROWN COMPUTING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**13. Auditor's information**

As the profit and loss account 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 auditor was Cooper Parry Group Limited.

Paul Rowley BA ACA signed the auditor's report as senior statutory auditor.