

Company registration number: 06784391

Linn Systems Ltd

Unaudited filleted financial statements

31 December 2019

LINN SYSTEMS LTD

Contents

Statement of financial position

Notes to the financial statements

LINN SYSTEMS LTD

STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2019

	Note	31/12/19 £	£	31/01/19 £	£
Fixed assets					
Intangible assets	5	18,926		12,654	
Tangible assets	6	353,218		204,854	
Investments	7	9,756		9,756	
		<u> </u>	381,900	<u> </u>	227,264
Current assets					
Debtors	8	2,642,672		1,327,973	
Cash at bank and in hand		1,510,779		2,607,724	
		<u> </u>		<u> </u>	
		4,153,451		3,935,697	
Creditors: amounts falling due within one year	9	(2,642,652)		(3,015,134)	
		<u> </u>		<u> </u>	
Net current assets			1,510,799		920,563
			<u> </u>		<u> </u>
Total assets less current liabilities			1,892,699		1,147,827
Creditors: amounts falling due after more than one year	10		(113,618)		(140,803)
			<u> </u>		<u> </u>
Net assets			1,779,081		1,007,024
			<u> </u>		<u> </u>
Capital and reserves					
Called up share capital			109		109
Share premium account	11		906,274		906,274
Profit and loss account	11		872,698		100,641
			<u> </u>		<u> </u>
Shareholders funds			1,779,081		1,007,024
			<u> </u>		<u> </u>

For the period ending 31 December 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 financial statements for the period in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 11 May 2020 , and are signed on behalf of the board by:

Mr Callum Campbell

Director

Company registration number: 06784391

LINN SYSTEMS LTD

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2019

1. General information

The company is a private company limited by shares, registered in England. The address of the registered office is Suite 3, 2-4 Southgate, Chichester, West Sussex, PO19 8DJ.

Principal activity

The principal activity of the company is that of software authors

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at a revalued amount, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- Over 5 years
Fixtures, fittings, tools and equipment	- Over 5 years
Motor vehicles	- 25 %

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the period amounted to 59 (2019: 54).

5. Intangible assets

	Other intangible assets £	Total £
Cost		
At 1 February 2019	12,654	12,654
Additions	6,272	6,272
At 31 December 2019	18,926	18,926
Amortisation		
At 1 February 2019 and 31 December 2019	-	-
Carrying amount		
At 31 December 2019	18,926	18,926
At 31 January 2019	12,654	12,654

6. Tangible assets

	Leasehold Improvements	Office Equipment	Computer Equipment & Software	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 February 2019	-	13,239	168,344	224,633	406,216
Additions	198,157	12,285	22,128	-	232,570
At 31 December 2019	198,157	25,524	190,472	224,633	638,786
Depreciation					
At 1 February 2019	-	4,069	84,975	112,318	201,362
Charge for the year	3,632	4,918	24,177	51,479	84,206
At 31 December 2019	3,632	8,987	109,152	163,797	285,568
Carrying amount					
At 31 December 2019	194,525	16,537	81,320	60,836	353,218
At 31 January 2019	-	9,170	83,369	112,315	204,854

7. Investments

	Shares in group undertakings and participating interests	Total
	£	£
Cost		
At 1 February 2019 and 31 December 2019	9,756	9,756
Impairment		
At 1 February 2019 and 31 December 2019	-	-
Carrying amount		
At 31 December 2019	9,756	9,756
At 31 January 2019	9,756	9,756

8. Debtors

	31/12/19	31/01/19
	£	£
Trade debtors	575,348	473,345
Amounts owed by group undertakings and undertakings in which the company has a participating interest	817,909	204,441
Other debtors	1,249,415	650,187
	<u>2,642,672</u>	<u>1,327,973</u>

9. Creditors: amounts falling due within one year

	31/12/19	31/01/19
	£	£
Bank loans and overdrafts	150,959	120,750
Trade creditors	377,682	445,095
Accruals and deferred income	1,403,256	1,868,398
Social security and other taxes	251,716	354,258
Other creditors	459,039	226,633
	<u>2,642,652</u>	<u>3,015,134</u>

The hire purchase liability of £29,609 (2019: £28,584) is secured on the asset to which it relates .

10. Creditors: amounts falling due after more than one year

	31/12/19	31/01/19
	£	£
Other creditors	113,618	140,803
	<u>113,618</u>	<u>140,803</u>

The above liability relates to a hire purchase liability which is secured on the asset to which it relates.

11. Reserves

Profit and loss account: This reserve records retained earnings and accumulated losses.

12. Directors advances, credits and guarantees

During the period the directors entered into the following advances and credits with the company:

	Loans to / (from) directors at 1 February 2019 £	Loans to / (from) the directors £	Balance at 31 December 2019 £
Directors	(194,310)	56,199	(138,111)
	<hr/>	<hr/>	<hr/>
	Loans to / (from) directors at 1 February 2018 £	Loans to / (from) the directors £	Balance at 31 January 2019 £
Directors	(194,310)	-	(194,310)
	<hr/>	<hr/>	<hr/>

13. Related party transactions

During the year a shareholder advanced an interest free loan to the company. As at 31 December 2019 the balance owing to the shareholder was £108,001 (2019: £108,001). This loan has no fixed date for repayment.

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.