

Company registration number: 04061932

Autoflow Limited

Unaudited filleted financial statements

31 December 2020

Autoflow Limited

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Directors and other information

Directors

Mr Paul Austin
Mr Eamonn Dunne
Mr Graham Eyles
Mr Christopher Mckie

Company number

04061932

Registered office

Wellington House
The Embankment
Wellingborough
NN8 1LD

Business address

Sirius House
Alderley Road
Chelford
Cheshire
SK11 9AP

Accountants

Forshaws Accountants Limited
Crossens Way Business Park
Crossens Way
Southport
Merseyside
PR9 9LY

Autoflow Limited

Chartered accountants report to the board of directors on the preparation of the unaudited statutory financial statements of Autoflow Limited

Year ended 31 December 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Autoflow Limited for the year ended 31 December 2020 as set out on pages 3 to 12 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the board of directors of Autoflow Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Autoflow Limited and state those matters that we have agreed to state to the board of directors of Autoflow Limited as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Autoflow Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that Autoflow Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Autoflow Limited. You consider that Autoflow Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Autoflow Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Forshaws Accountants Limited

Chartered Accountants

Crossens Way Business Park

Crossens Way

Southport

Merseyside

PR9 9LY

11 August 2021

Autoflow Limited

Statement of financial position

31 December 2020

	Note	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	6	318,816		158,014	
Investments	7	969		-	
		<u> </u>	319,785	<u> </u>	158,014
Current assets					
Stocks		26,491		-	
Debtors	8	4,050,539		3,613,229	
Cash at bank and in hand		752,192		473,686	
		<u> </u>		<u> </u>	
		4,829,222		4,086,915	
Creditors: amounts falling due within one year	9	(1,701,750)		(1,181,465)	
		<u> </u>		<u> </u>	
Net current assets			3,127,472		2,905,450
			<u> </u>		<u> </u>
Total assets less current liabilities			3,447,257		3,063,464
Creditors: amounts falling due after more than one year	10		(81,474)		(18,323)
Provisions for liabilities			(53,019)		(20,808)
			<u> </u>		<u> </u>
Net assets			3,312,764		3,024,333
			<u> </u>		<u> </u>
Capital and reserves					
Called up share capital	13		100		100
Profit and loss account			3,312,664		3,024,233
			<u> </u>		<u> </u>
Shareholders funds			3,312,764		3,024,333
			<u> </u>		<u> </u>

For the year ending 31 December 2020 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 year 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 Section 1A of 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 income and retained earnings has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 11 August 2021 , and are signed on behalf of the board by:

Mr Paul Austin Mr Graham Eyles

Director Director

Company registration number: 04061932

Autoflow Limited

Notes to the financial statements

Year ended 31 December 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Wellington House, The Embankment, Wellingborough, NN8 1LD.

The principal activity of the company is that of writing and modification of computer programs and the sale of computer software and hardware.

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'. The Triennial review 2017 amendments to the standard have been early adopted.

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.

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 perpetual software licences is recognised when the significant risks and rewards of ownership relating to the licence have been transferred and it is probable that the economic benefits associated with the transaction will flow to the company. This is when the software is installed or the licence is renewed. In respect of the provision of ongoing support services included in the annual licence fee, turnover is recognised in the profit and loss account on a straight line basis over the term of the agreement at the estimated cost per user site. When products and services are bundled together to be sold to a customer, it is necessary to apply the recognition criteria to the separately identifiable components of a single transaction in order to reflect the substance of the transaction.

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.

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:

Short leasehold property	- Over life of the lease
Fittings fixtures and equipment	- 15 % straight line
Motor vehicles	- 25 % straight line
Computer equipment	- 33.33 % straight line

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.

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.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

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. Debt instruments are subsequently measured at amortised cost. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

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.

Current asset investments

Current asset investments are initially recorded at cost. Current asset investments are revalued at their fair value at each reporting date and any changes in fair value are recognised in profit or loss.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 30 (2019: 26).

5. Tax on profit

Major components of tax expense

	2020	2019
	£	£
Current tax:		
UK current tax expense	169,928	150,642
	<hr/>	<hr/>
Deferred tax:		
Origination and reversal of timing differences	32,211	14,971
	<hr/>	<hr/>
Tax on profit	202,139	165,613
	<hr/>	<hr/>

6. Tangible assets

	Short leasehold property £	Fixtures, fittings and equipment £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 January 2020	17,985	126,863	77,969	302,303	525,120
Additions	-	-	42,853	256,005	298,858
At 31 December 2020	<u>17,985</u>	<u>126,863</u>	<u>120,822</u>	<u>558,308</u>	<u>823,978</u>
Depreciation					
At 1 January 2020	17,985	95,792	32,074	221,255	367,106
Charge for the year	-	4,332	22,890	110,834	138,056
At 31 December 2020	<u>17,985</u>	<u>100,124</u>	<u>54,964</u>	<u>332,089</u>	<u>505,162</u>
Carrying amount					
At 31 December 2020	-	26,739	65,858	226,219	318,816
At 31 December 2019	-	31,071	45,895	81,048	158,014

Obligations under finance leases

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Motor vehicles £
At 31 December 2020	17,883
At 31 December 2019	<u>32,538</u>

7. Investments

	Shares in group undertakings and participating interests	Total
	£	£
Cost		
At 1 January 2020	-	-
Additions	969	969
At 31 December 2020	<u>969</u>	<u>969</u>
	<u> </u>	<u> </u>
Impairment		
At 1 January 2020 and 31 December 2020	-	-
	<u> </u>	<u> </u>
Carrying amount		
At 31 December 2020	969	969
	<u> </u>	<u> </u>
At 31 December 2019	-	-
	<u> </u>	<u> </u>

8. Debtors

	2020	2019
	£	£
Trade debtors	2,036,421	1,593,530
Other debtors	2,014,118	2,019,699
	<u>4,050,539</u>	<u>3,613,229</u>
	<u> </u>	<u> </u>

9. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	142,933	43,129
Corporation tax	165,643	146,357
Social security and other taxes	573,361	351,132
Other creditors	819,813	640,847
	<u>1,701,750</u>	<u>1,181,465</u>
	<u> </u>	<u> </u>

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

	2020	2019
	£	£
Trade creditors	78,462	-
Other creditors	3,012	18,323
	<u>81,474</u>	<u>18,323</u>

11. Obligations under finance leases

Company lessee

The total future minimum lease payments under finance lease agreements are as follows:

	2020	2019
	£	£
Not later than 1 year	56,721	62,271
Later than 1 year and not later than 5 years	32,345	87,216
	<u>89,066</u>	<u>149,487</u>
Present value of minimum lease payments	<u>89,066</u>	<u>149,487</u>

12. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2020	2019
	£	£
Included in provisions (note)	53,019	20,808

The deferred tax account consists of the tax effect of timing differences in respect of:

	2020	2019
	£	£
Accelerated capital allowances	51,903	20,808

13. Called up share capital

Authorised share capital

	2020		2019	
	No	£	No	£
Ordinary shares shares of £ 1.00 each	100	100	100	100
	<hr/>	<hr/>	<hr/>	<hr/>

Issued, called up and fully paid

	2020		2019	
	No	£	No	£
Ordinary shares shares of £ 1.00 each	100	100	100	100
	<hr/>	<hr/>	<hr/>	<hr/>

14. Related party transactions

The company has provided security to the bank of a related party by means of a fixed and floating charge over all assets of the company. The company is a related party by virtue of the significant influence that it has over Autoflow Limited 's financial and operating policies. The company has also provided security in the form of a fixed and floating charge over its intellectual property in favour of the former shareholders. Other debtors includes an amount of £1,965,533 (2019 : £1,920,533) due from its parent undertaking.

15. Controlling party

The company is under the control of Madison Enterprises Limited due to it holding 100% of the issued share capital.

16. Going concern

The Covid-19 pandemic has had an impact across the entire economy. The company has continued trading during the period and has taken steps to protect the future of the business by limiting expenditure where possible and taking advantage of the numerous government-backed support packages. The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

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.