

Registered number: 02186297

CROWN COMPUTING LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



CROWN COMPUTING LIMITED
REGISTERED NUMBER: 02186297

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	122,721	117,809
Investments	5	135,628	135,628
Investment property	6	173,767	173,767
		432,116	427,204
Current assets			
Stocks	7	7,994	6,644
Debtors: amounts falling due within one year	8	2,058,505	2,299,695
Bank and cash balances		1,958,747	1,957,068
		4,025,246	4,263,407
Creditors: amounts falling due within one year	9	(2,476,963)	(2,826,594)
Net current assets		1,548,283	1,436,813
Total assets less current liabilities		1,980,399	1,864,017
Net assets		1,980,399	1,864,017
Capital and reserves			
Called up share capital		45,390	45,390
Capital redemption reserve		4,610	4,610
Profit and loss account		1,930,399	1,814,017
		1,980,399	1,864,017

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 statement of comprehensive income 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:



J M Dale
 Director

Date: 12th September 2019

CROWN COMPUTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

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 (£). The financial statements are for the year ended 31 December 2018 (2017: year ended 31 December 2017).

2. Accounting policies

2.1 Basis of preparation of financial statements

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:

2.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts. The company derives revenue from hardware sales, software licences, bespoke work, training and consultancy services and software maintenance contracts.

Software licences - Is generally developed in units/modules and is recognised when it has been delivered to the customer, or if earlier, when the acceptance criteria has been met.

Hardware sales - Are recognised once delivered to the customer.

Training, consultancy services and bespoke work - Revenue is recognised as services are performed.

Software maintenance contracts - Revenue is recognised on a straight line basis over the term of the contract. Revenue not recognised in the profit and loss account under this policy is classified as deferred income in the balance sheet.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.3 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.

2.4 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.

2.5 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.

2.6 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 2018

2. Accounting policies (continued)

2.7 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.

2.8 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, loans from banks and other third parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

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

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 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.

2.11 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.

2.12 Dividends

Equity dividends are recognised when they become legally payable.

CROWN COMPUTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.13 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.

2.14 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.

2.15 Employee benefit trust

During the year 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.

3. Employees

The average monthly number of employees, including directors, during the year was 70 (2017 - 69).

CROWN COMPUTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures & fittings and equipment £	Total £
Cost or valuation				
At 1 January 2018	1,045,965	32,001	295,067	1,373,033
Additions	36,582	-	5,985	42,567
At 31 December 2018	<u>1,082,547</u>	<u>32,001</u>	<u>301,052</u>	<u>1,415,600</u>
Depreciation				
At 1 January 2018	936,722	28,000	290,502	1,255,224
Charge for the year	33,510	2,400	1,745	37,655
At 31 December 2018	<u>970,232</u>	<u>30,400</u>	<u>292,247</u>	<u>1,292,879</u>
Net book value				
At 31 December 2018	<u>112,315</u>	<u>1,601</u>	<u>8,805</u>	<u>122,721</u>
At 31 December 2017	<u>109,243</u>	<u>4,001</u>	<u>4,565</u>	<u>117,809</u>

5. Fixed asset investments

	Investments in subsidiary companies £	Other fixed asset investments £	Total £
Cost or valuation			
At 1 January 2018	3	135,625	135,628
At 31 December 2018	<u>3</u>	<u>135,625</u>	<u>135,628</u>
Net book value			
At 31 December 2018	<u>3</u>	<u>135,625</u>	<u>135,628</u>
At 31 December 2017	<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 2018**

6. Investment property

	Freehold investment property £
Valuation	
At 1 January 2018	173,767
At 31 December 2018	<u>173,767</u>

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

7. Stocks

	2018 £	2017 £
Finished goods and goods for resale	7,994	6,644
	<u>7,994</u>	<u>6,644</u>

8. Debtors

	2018 £	2017 £
Trade debtors	1,458,970	1,959,936
Amounts recoverable on contracts	412,170	89,382
Other debtors	24,299	94,716
Prepayments and accrued income	163,066	155,661
	<u>2,058,505</u>	<u>2,299,695</u>

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	87,496	81,653
Corporation tax	-	1,259
Other taxation and social security	273,527	233,279
Other creditors	608,326	923,594
Accruals and deferred income	1,507,614	1,586,809
	<u>2,476,963</u>	<u>2,826,594</u>

CROWN COMPUTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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 £194,554 (2017: £189,921).

11. 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.