

Company registration number: 06784391

Linn Systems Ltd

Unaudited filleted financial statements

31 December 2020



LINN SYSTEMS LTD

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LINN SYSTEMS LTD

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020

	Note	31/12/20		31/12/19	
		£	£	£	£
Fixed assets					
Intangible assets	5	24,494		18,926	
Tangible assets	6	338,232		353,218	
Investments	7	9,756		9,756	
			372,482		381,900
Current assets					
Debtors	8	3,294,074		2,642,672	
Cash at bank and in hand		2,119,613		1,510,779	
		5,413,687		4,153,451	
Creditors: amounts falling due within one year	9	(3,857,443)		(2,642,652)	
Net current assets			1,556,244		1,510,799
Total assets less current liabilities			1,928,726		1,892,699
Creditors: amounts falling due after more than one year	10				(113,618)
Net assets			1,928,726		1,779,081
Capital and reserves					
Called up share capital			112		109
Share premium account	11		986,384		906,274
Profit and loss account	11		942,230		872,698
Shareholders funds			1,928,726		1,779,081

The notes on pages 3 to 9 form part of these financial statements.

LINN SYSTEMS LTD

STATEMENT OF FINANCIAL POSITION (CONTINUED)
31 DECEMBER 2020

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:

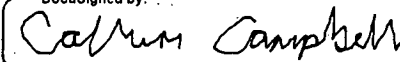
- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation 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 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.

19 April 2021 | 09:59 F

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

DocuSigned by:

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Mr Callum Campbell
Director

Company registration number: 06784391

The notes on pages 3 to 9 form part of these financial statements.

LINN SYSTEMS LTD

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. 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.

LINN SYSTEMS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 DECEMBER 2020

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.

LINN SYSTEMS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 DECEMBER 2020

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.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowing or current liabilities.

LINN SYSTEMS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2020

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 year amounted to 66 (2019: 59).

5. Intangible assets

	Other intangible assets £	Total £
Cost		
At 1 January 2020	18,926	18,926
Additions	5,568	5,568
At 31 December 2020	<u>24,494</u>	<u>24,494</u>
Amortisation		
At 1 January 2020 and 31 December 2020	<u>-</u>	<u>-</u>
Carrying amount		
At 31 December 2020	<u>24,494</u>	<u>24,494</u>
At 31 December 2019	<u>18,926</u>	<u>18,926</u>

LINN SYSTEMS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2020

6. Tangible assets	Leasehold Improvements	Office Equipment	Computer Equipment & Software	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2020	198,157	25,524	190,472	224,633	638,786
Additions	2,795	3,352	74,151	-	80,298
At 31 December 2020	<u>200,952</u>	<u>28,876</u>	<u>264,623</u>	<u>224,633</u>	<u>719,084</u>
Depreciation					
At 1 January 2020	3,632	8,987	109,152	163,797	285,568
Charge for the year	3,618	4,558	35,629	51,479	95,284
At 31 December 2020	<u>7,250</u>	<u>13,545</u>	<u>144,781</u>	<u>215,276</u>	<u>380,852</u>
Carrying amount					
At 31 December 2020	<u>193,702</u>	<u>15,331</u>	<u>119,842</u>	<u>9,357</u>	<u>338,232</u>
At 31 December 2019	<u>194,525</u>	<u>16,537</u>	<u>81,320</u>	<u>60,836</u>	<u>353,218</u>
7. Investments				Shares in group undertakings and participating interests	Total
				£	£
Cost					
At 1 January 2020 and 31 December 2020				<u>9,756</u>	<u>9,756</u>
Impairment					
At 1 January 2020 and 31 December 2020				<u>-</u>	<u>-</u>
Carrying amount					
At 31 December 2020				<u>9,756</u>	<u>9,756</u>
At 31 December 2019				<u>9,756</u>	<u>9,756</u>

LINN SYSTEMS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2020

8. Debtors	31/12/20	31/12/19
	£	£
Trade debtors	319,827	575,348
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,807,783	817,909
Other debtors	1,166,464	1,249,415
	<u>3,294,074</u>	<u>2,642,672</u>

9. Creditors: amounts falling due within one year	31/12/20	31/12/19
	£	£
Bank loans and overdrafts	145,687	150,959
Trade creditors	724,408	377,682
Accruals and deferred income	2,115,090	1,403,256
Social security and other taxes	636,310	251,716
Other creditors	235,948	459,039
	<u>3,857,443</u>	<u>2,642,652</u>

The hire purchase liability of £113,618 (2019: £28,584) is secured on the asset to which it relates.

10. Creditors: amounts falling due after more than one year	31/12/20	31/12/19
	£	£
Other creditors	-	113,618
	<u>-</u>	<u>113,618</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. Events after the end of the reporting period

Although there are no specific known factors which could have an impact on the company's financial statements, it should be noted that as at the end of the financial year there was instability relating to the global health emergency in respect of Coronavirus.

LINN SYSTEMS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2020**13. Directors advances, credits and guarantees**

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

	Loans to / (from) directors at 1 January 2020	Loans to / (from) the directors	Balance at 31 December 2020
	£	£	£
Directors	<u>(138,111)</u>	<u>60,034</u>	<u>(78,077)</u>

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

14. Related party transactions

As at 31 December 2020, £143,492 (2019: £143,292) had been loaned to the company by shareholders. The loan is interest free and has no fixed date for repayment.