

**COMPANY REGISTRATION NUMBER: 09988870**

**SEP2 Limited**

**Filleted unaudited financial statements**

**28 February 2021**

# SEP2 Limited

## Statement of financial position

28 February 2021

		2021		2020	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5		59,545		40,236
<b>Current assets</b>					
Debtors	6	560,073		348,101	
Cash at bank and in hand		572,914		312,168	
		1,132,987		660,269	
<b>Creditors: amounts falling due within one year</b>	7	835,662		695,720	
<b>Net current assets/(liabilities)</b>			297,325		( 35,451)
<b>Total assets less current liabilities</b>			356,870		4,785
<b>Creditors: amounts falling due after more than one year</b>	8		42,500		—
<b>Net assets</b>			314,370		4,785
<b>Capital and reserves</b>					
Called up share capital	9		600		600
Profit and loss account			313,770		4,185
<b>Shareholders funds</b>			314,370		4,785

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 comprehensive income has not been delivered.

For the year ending 28th February 2021 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 .

## **SEP2 Limited**

### **Statement of financial position** *(continued)*

**28 February 2021**

These financial statements were approved by the board of directors and authorised for issue on 28 May 2021 , and are signed on behalf of the board by:

Mr P E Starr

Mr M J Goodwin

Director

Director

Company registration number: 09988870

# SEP2 Limited

## Notes to the financial statements

### year ended 28th February 2021

#### 1. General information

The principal activity of the company is the provision of cyber security services and equipment . The company is a private limited company, which is incorporated in England and Wales (no 09988870 ). The address of the registered office is 51a St Pauls Street, Leeds, LS1 2TE.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the 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 . The financial statements have been prepared on the basis that the company can continue to operate as a going concern. The directors are of the opinion, based on forecasts prepared, that the company has adequate working capital to execute its operations over the next 12 months. This conclusion was made having considered the impact of the worldwide Covid-19 pandemic on future operations and a potentially reduced level of trade. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

##### 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 for assets and liabilities as at the date of the statement of financial position and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates . Details of these judgements are set out in the accounting policies.

##### Revenue recognition

Turnover is measured at the fair value of the consideration received for services rendered, net of discounts and Value Added Tax. In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced.

##### Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, 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.

**Foreign currencies**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

**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 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.

**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:

Equipment	-	25% straight line
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**Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

## Financial instruments

A financial asset or a financial liability is recognised only when the entity 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. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. 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 as a finance cost 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 20 (2020: 15 ).

## 5. Tangible assets

	<b>Equipment</b>
	<b>£</b>
<b>Cost</b>	
At 1st March 2020	78,695
Additions	49,234
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<b>At 28th February 2021</b>	<b>127,929</b>
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<b>Depreciation</b>	
At 1st March 2020	38,459
Charge for the year	29,925
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<b>At 28th February 2021</b>	<b>68,384</b>
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<b>Carrying amount</b>	
<b>At 28th February 2021</b>	<b>59,545</b>
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At 29th February 2020	40,236
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## 6. Debtors

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade debtors	527,517	251,059
Other debtors	32,556	97,042
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	<b>560,073</b>	<b>348,101</b>
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**7. Creditors: amounts falling due within one year**

	2021	2020
	£	£
Bank loans and overdrafts	7,500	–
Trade creditors	398,844	388,265
Corporation tax	23,574	–
Social security and other taxes	118,619	12,410
Other creditors	287,125	295,045
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	<b>835,662</b>	695,720
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**8. Creditors: amounts falling due after more than one year**

	2021	2020
	£	£
Bank loans and overdrafts	42,500	–
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**9. Called up share capital****Issued, called up and fully paid**

	2021		2020	
	No.	£	No.	£
Ordinary shares of £ 0.01 each	54,000	540	54,000	540
Ordinary A shares of £ 0.01 each	6,000	60	6,000	60
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	<b>60,000</b>	<b>600</b>	60,000	600
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The ordinary shares carry full voting, dividend and capital distribution rights. The Ordinary A shares carry no voting rights, but are entitled to dividends and to participate in the capital on sale or a winding up after a set value has been achieved. 1,500 of the Ordinary A shares have EMI options over them, which have been granted to 7 individuals. 4,200 of the Ordinary A shares are being held in anticipation of granting options to other individuals in the future. The exercise price is £0.01 per share.

**10. Operating leases**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	–	951
Later than 1 year and not later than 5 years	59,901	–
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	<b>59,901</b>	951
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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.