

COMPANY REGISTRATION NUMBER: 11247014

Upper Sigma Ltd

Filleted Financial Statements

28 February 2022

Upper Sigma Ltd

Financial Statements

Year ended 28 February 2022

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Upper Sigma Ltd

Statement of Financial Position

28 February 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	5	19,767	13,923
Current assets			
Debtors	6	272,720	88,283
Cash at bank and in hand		18,102	3,739
		-----	-----
		290,822	92,022
Creditors: amounts falling due within one year	7	319,307	180,153
		-----	-----
Net current liabilities		28,485	88,131
		-----	-----
Total assets less current liabilities		(8,718)	(74,208)
Creditors: amounts falling due after more than one year	8	50,000	65,000
		-----	-----
Net liabilities		(58,718)	(139,208)
		-----	-----
Capital and reserves			
Called up share capital		100	100
Profit and loss account		(58,818)	(139,308)
		-----	-----
Shareholders deficit		(58,718)	(139,208)
		-----	-----

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.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 2 September 2022, and are signed on behalf of the board by:

Mr EG Van Den Berg

Director

Company registration number: 11247014

02/09/2022

Upper Sigma Ltd

Notes to the Financial Statements

Year ended 28 February 2022

1. General information

The company is a private company limited by shares, registered in England and Wales (Company number 11247014). The address of the registered office is C/- Sable Accounting, 13th Floor, One Croydon, 12-16 Addiscombe Road, Croydon, CR0 0XT. The trading address is Adam House, Suite 10, 10 Adam St, London, WC2N 6AA

2. Statement of compliance

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

These accounts have been prepared on the going concern basis on the understanding that the immediate parent company will continue to provide financial support, as required, to enable the company to continue trading for a period of at least 12 months from the date of approval of these financial statements. The directors have considered the impact of COVID-19 in relation to their assessment of going concern and in their opinion have taken all reasonable steps to mitigate these factors. The company has made use of the job retention scheme grants offered by the UK government. The use of this has now ceased. The company has also offered discount to customers which has impacted the growth of the company. None of these has impacted the going concern of the company.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered relating to business and domestic software development, stated net of discounts and of Value Added Tax. Revenue is recognised when the time is worked on the customer or when software costs are incurred by the company.

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.

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.

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.

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. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, 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 equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity 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:

Equipment	-	33% straight line
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Impairment of fixed assets

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. For the purposes of impairment testing, 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 largely independent of the cash inflows from other assets or groups of assets.

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. Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. The Company only enters into basic financial instrument contracts that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans with related parties. 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. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. 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. Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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 13 (2021: 7).

5. Tangible assets

	Equipment
	£
Cost	
At 1 March 2021	20,947
Additions	14,638

At 28 February 2022	35,585

Depreciation	
At 1 March 2021	7,024
Charge for the year	8,794

At 28 February 2022	15,818

Carrying amount	
At 28 February 2022	19,767

At 28 February 2021	13,923

6. Debtors

	2022	2021
	£	£
Trade debtors	144,803	48,265
Amounts owed by group undertakings	—	808
Other debtors	127,917	39,210
	-----	-----
	272,720	88,283
	-----	-----

Other debtors includes a deferred tax asset balance of £14,843 (2021-£28,234).

7. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	15,000	10,000
Trade creditors	8,026	35,553
Amounts owed to group undertakings	104,694	84,923
Social security and other taxes	52,984	17,278
Other creditors	138,603	32,399
	-----	-----
	319,307	180,153
	-----	-----

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

	2022	2021
	£	£
Bank loans and overdrafts	50,000	65,000
	-----	-----

9. Deferred tax

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

	2022	2021
	£	£
Unused tax losses	14,843	28,234

The deferred tax balance is included in other debtors as stated in Note 6.

10. Summary audit opinion

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditors' report was unqualified

The senior statutory auditor was Mark Rogers FCCA

The auditor was HJS (Reading) Ltd

11. Related party transactions

The company has taken advantage of the exemption available under FRS 102 paragraph 33.1a whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

Amounts owed by related parties:

	2022	2021
	£	£
Group companies	1,455	19,106

Amounts owed to related parties:

	2022	2021
	£	£
Group companies	103,239	92,979

Group companies:

	2022	2021
	£	£
Sales	7,776	252,915
Purchases	23,718	65,676

Included in the other creditors at 28 February 2022 is a balance owing to Mr EG Van Den Berg of £15,000 (2021: £15,000).

12. Ultimate controlling party

The ultimate controlling party is Dynamic Technologies Holdings (Pty) Ltd , a company incorporated in South Africa.

The largest and smallest group which the company is consolidated into is Dynamic Technologies Holdings (Pty) Ltd.

The business address is: 2 Venus Street, Melrose estate, Johannesburg, South Africa.

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.