

Blockfree Services Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 May 2021

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Apache

Blockfree Services Limited

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Blockfree Services Limited

Company Information

Directors S R Green
S J Foxlow

Registered office Nottingham Road
Louth
Lincolnshire
LN11 0WB

Blockfree Services Limited

(Registration number: 04441491)

Balance Sheet as at 31 May 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	4	27,035	26,577
Tangible assets	5	787,935	590,156
		<u>814,970</u>	<u>616,733</u>
Current assets			
Stocks	6	8,448	7,053
Debtors	7	494,904	407,709
Cash at bank and in hand		26,592	41,609
		<u>529,944</u>	<u>456,371</u>
Creditors: Amounts falling due within one year	8	<u>(300,255)</u>	<u>(289,683)</u>
Net current assets		<u>229,689</u>	<u>166,688</u>
Total assets less current liabilities		1,044,659	783,421
Creditors: Amounts falling due after more than one year	8	(129,488)	(112,268)
Provisions for liabilities		<u>(143,738)</u>	<u>(111,020)</u>
Net assets		<u>771,433</u>	<u>560,133</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		771,431	560,131
		<u>771,433</u>	<u>560,133</u>
Total equity		<u>771,433</u>	<u>560,133</u>

For the financial year ending 31 May 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 23 February 2022 and signed on its behalf by:

.....
S R Green
Director

.....
S J Foxlow
Director

Blockfree Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

1 General information

The company is a private company limited by share capital incorporated in England and Wales and the company registration number is 04441491.

The address of its registered office is:
Nottingham Road
Louth
Lincolnshire
LN11 0WB

These financial statements cover the individual entity, Blockfree Services Limited.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 including Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest pound.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Government grants

Government grants which become 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 as income in the period in which they become receivable.

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Blockfree Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only 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 balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	20% reducing balance and 25% straight line
Portaloos and equipment	15% and 20% reducing balance
Motor vehicles	15% and 25% reducing balance
Tenants improvements	10% reducing balance and 5% straight line

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life.

Intangible assets

Website costs and separately acquired goodwill are shown at historical cost.

Website costs and goodwill have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	20 years straight line
Website costs	20% reducing balance

Blockfree Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised at the transaction price, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

The cost of finished goods comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transaction price.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Blockfree Services Limited**Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021****Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 11 (2020 - 10).

4 Intangible assets

	Goodwill £	Website costs £	Other intangible assets £	Total £
Cost or valuation				
At 1 June 2020	103,000	3,350	-	106,350
Additions acquired separately	-	-	5,664	5,664
At 31 May 2021	103,000	3,350	5,664	112,014
Amortisation				
At 1 June 2020	79,717	56	-	79,773
Amortisation charge	5,150	56	-	5,206
At 31 May 2021	84,867	112	-	84,979
Carrying amount				
At 31 May 2021	18,133	3,238	5,664	27,035
At 31 May 2020	23,283	3,294	-	26,577

Blockfree Services Limited**Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021****5 Tangible assets**

	Land and buildings	Furniture, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 June 2020	11,206	572,429	585,479	1,169,114
Additions	-	145,196	186,499	331,695
Disposals	-	(7,383)	(51,564)	(58,947)
At 31 May 2021	11,206	710,242	720,414	1,441,862
Depreciation				
At 1 June 2020	675	315,516	262,771	578,962
Charge for the year	582	63,053	55,771	119,406
Eliminated on disposal	-	(5,551)	(38,890)	(44,441)
At 31 May 2021	1,257	373,018	279,652	653,927
Carrying amount				
At 31 May 2021	9,949	337,224	440,762	787,935
At 31 May 2020	10,532	256,916	322,708	590,156

6 Stocks

	2021	2020
	£	£
Raw materials and consumables	8,448	7,053

7 Debtors

	2021	2020
	£	£
Trade debtors	156,071	93,818
Amounts owed by group undertakings	308,422	270,718
Prepayments and accrued income	30,411	43,173
Total current trade and other debtors	494,904	407,709

Blockfree Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

8 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Trade creditors		97,060	32,608
Amounts owed to group undertakings		39,479	29,479
Taxation and social security		29,070	81,471
Other creditors		103,813	110,230
Accruals and deferred income		30,833	35,895
		<u>300,255</u>	<u>289,683</u>

Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
Due after one year			
Loans and borrowings	9	125,738	112,268
Other non-current financial liabilities		3,750	-
		<u>129,488</u>	<u>112,268</u>

Creditors amounts falling within one year on which security has been given includes finance leases of £79,214 (2020 - £70,592).

Creditors amounts falling due after more than one year on which security has been given includes finance leases of £125,738 (2020 - £112,268).

The finance leases are secured against the assets to which they relate.

Blockfree Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

9 Loans and borrowings

	2021 £	2020 £
Non-current loans and borrowings		
Finance lease liabilities	<u>125,738</u>	<u>112,268</u>
Current loans and borrowings		
Finance lease liabilities	79,214	70,592
Other borrowings	<u>23,686</u>	<u>38,175</u>
	<u>102,900</u>	<u>108,767</u>

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

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The total amount of financial commitments not included in the balance sheet is £10,000 (2020 - £20,000).

