

**OVEC SYSTEMS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Ovec Systems Limited
Unaudited Financial Statements
For The Year Ended 31 December 2020

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Ovec Systems Limited
Balance Sheet
As at 31 December 2020

Registered number: SC136128

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	4		1,181,783		1,201,021
			<u>1,181,783</u>		<u>1,201,021</u>
CURRENT ASSETS					
Stocks	5	37,319		35,728	
Debtors	6	148,437		118,712	
Cash at bank and in hand		649,995		4,948,420	
			<u>835,751</u>		<u>5,102,860</u>
Creditors: Amounts Falling Due Within One Year	7	(488,652)		(282,301)	
			<u></u>	<u></u>	
NET CURRENT ASSETS (LIABILITIES)			347,099		4,820,559
			<u></u>		<u></u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,528,882		6,021,580
			<u></u>		<u></u>
PROVISIONS FOR LIABILITIES					
Deferred Taxation			(4,514)		(5,526)
			<u></u>		<u></u>
NET ASSETS			1,524,368		6,016,054
			<u></u>		<u></u>
CAPITAL AND RESERVES					
Called up share capital	9		8		200
Capital redemption reserve			192		-
Profit and Loss Account			1,524,168		6,015,854
			<u></u>		<u></u>
SHAREHOLDERS' FUNDS			1,524,368		6,016,054
			<u></u>		<u></u>

Ovec Systems Limited
Balance Sheet (continued)
As at 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 in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Mrs Anne Campbell

Director

29/09/2021

The notes on pages 3 to 7 form part of these financial statements.

Ovec Systems Limited
Notes to the Financial Statements
For The Year Ended 31 December 2020

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

1.3. Intangible Fixed Assets and Amortisation - Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the separable net assets in 2008. It is amortised to profit and loss account over its estimated economic life of 5 years.

1.4. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold	5% on cost
Plant & Machinery	20% on reducing balance
Motor Vehicles	25% on reducing balance
Fixtures & Fittings	15% on reducing balance
Yacht	10% on reducing balance

1.5. Investment Properties

All investment properties are carried at fair value determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided for. Changes in fair value are recognised in the profit and loss account.

1.6. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

1.7. Financial Instruments

The company only has basic financial instruments.

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Ovec Systems Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2020

1.8. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

1.9. Pensions

The company operates a defined pension contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

1.10. Government Grant

Government grants are recognised in the profit and loss account in an appropriate manner that matches them with the expenditure towards which they are intended to contribute.

Grants for immediate financial support or to cover costs already incurred are recognised immediately in the profit and loss account. Grants towards general activities of the entity over a specific period are recognised in the profit and loss account over that period.

Grants towards fixed assets are recognised over the expected useful lives of the related assets and are treated as deferred income and released to the profit and loss account over the useful life of the asset concerned.

All grants in the profit and loss account are recognised when all conditions for receipt have been complied with.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 19 (2019: 19)

3. Intangible Assets

	Goodwill
	£
Cost	
As at 1 January 2020	5,000
As at 31 December 2020	5,000
Amortisation	
As at 1 January 2020	5,000
As at 31 December 2020	5,000
Net Book Value	
As at 31 December 2020	-
As at 1 January 2020	-

Ovec Systems Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2020

4. Tangible Assets

	Land & Property			
	Freehold	Investment Properties	Plant & Machinery	Motor Vehicles
	£	£	£	£
Cost				
As at 1 January 2020	207,575	1,049,868	117,393	44,630
As at 31 December 2020	207,575	1,049,868	117,393	44,630
Depreciation				
As at 1 January 2020	117,456	-	106,419	30,542
Provided during the period	10,379	-	1,646	3,523
As at 31 December 2020	127,835	-	108,065	34,065
Net Book Value				
As at 31 December 2020	79,740	1,049,868	9,328	10,565
As at 1 January 2020	90,119	1,049,868	10,974	14,088

	Fixtures & Fittings	Yacht	Total
	£	£	£
Cost			
As at 1 January 2020	7,217	80,000	1,506,683
As at 31 December 2020	7,217	80,000	1,506,683
Depreciation			
As at 1 January 2020	5,366	45,879	305,662
Provided during the period	278	3,412	19,238
As at 31 December 2020	5,644	49,291	324,900
Net Book Value			
As at 31 December 2020	1,573	30,709	1,181,783
As at 1 January 2020	1,851	34,121	1,201,021

Ovec Systems Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2020

The analysis of the cost or valuation of the above assets is as follows:

	Land & Property			
	Freehold	Investment Properties	Plant & Machinery	Motor Vehicles
	£	£	£	£
As at 31 December 2020				
At cost	207,575	-	117,393	44,630
At valuation	-	1,049,868	-	-
	<u>207,575</u>	<u>1,049,868</u>	<u>117,393</u>	<u>44,630</u>
As at 1 January 2020				
At cost	207,575	-	117,393	44,630
At valuation	-	1,049,868	-	-
	<u>207,575</u>	<u>1,049,868</u>	<u>117,393</u>	<u>44,630</u>
		Fixtures & Fittings	Yacht	Total
		£	£	£
As at 31 December 2020				
At cost		7,217	80,000	456,815
At valuation		-	-	1,049,868
		<u>7,217</u>	<u>80,000</u>	<u>1,506,683</u>
As at 1 January 2020				
At cost		7,217	80,000	456,815
At valuation		-	-	1,049,868
		<u>7,217</u>	<u>80,000</u>	<u>1,506,683</u>

If investment property had not been revalued it would have been included at the following historical cost of £1,049,868 (2019: £1,049,868)

Investment property was valued on an open market basis on 31 December 2020 by the directors.

5. Stocks

	2020	2019
	£	£
Stock - materials and work in progress	37,319	35,728
	<u>37,319</u>	<u>35,728</u>

6. Debtors

	2020	2019
	£	£
Due within one year		
Trade debtors	133,829	114,729
Other debtors	6,752	-
VAT	7,856	3,983
	<u>148,437</u>	<u>118,712</u>

Ovec Systems Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2020

7. Creditors: Amounts Falling Due Within One Year

	2020	2019
	£	£
Trade creditors	32,147	44,026
Corporation tax	116,811	84,754
Other taxes and social security	21,063	20,608
Other creditors	28,592	25,198
Deposits Received	274,410	11,515
Pension creditor	2,232	-
Accruals and deferred income	5,752	33,075
Directors' loan accounts	7,645	63,125
	<u>488,652</u>	<u>282,301</u>

8. Provisions for Liabilities

	Deferred Tax
	£
As at 1 January 2020	5,526
Additions	(1,012)
Balance at 31 December 2020	<u>4,514</u>

The provision for deferred taxation is made up of accelerated capital allowances.

9. Share Capital

	2020	2019
Allotted, Called up and fully paid	<u>8</u>	<u>200</u>

10. General Information

Ovec Systems Limited is a private company, limited by shares, incorporated in Scotland, registered number SC136128 . The registered office is 5 Brown Street, Coatbridge, Lanarkshire, ML5 4AS.

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.