Company Registration No. 176133 (Scotland)

C2 Software Limited

Annual report and unaudited financial statements

for the year ended 31 December 2015

pages for filing with Registrar



C2 Software Limited

Company information

Directors	F. Carmichael K. Potter R. Tindall
Secretary	K. Potter
Company number	176133
Registered office	Unit 2, Valentine Court Kinnoull Road Dunsinane Industrial Estate Dundee DD2 3QB
Accountants	Henderson Loggie The Vision Building 20 Greenmarket Dundee DD1 4QB
Bankers	Royal Bank of Scotland 3 High Street Dundee DD1 9LY

C2 Software Limited

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C2 Software Limited

Balance sheet

as at 31 December 2015

	Notes	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	3		**27,374**		37,680
Investments	4		**190,692**		174,776
			218,066		212,456
Current assets					
Debtors	5	**242,965**		246,791	
Cash at bank and in hand		**161,885**		192,652	
		404,850		439,443	
Creditors: amounts falling due within one year	6	**(115,305)**		(176,399)	
Net current assets			**289,545**		263,044
Total assets less current liabilities			**507,611**		475,500
Creditors: amounts falling due after more than one year	7		**-**		(835)
Net assets			**507,611**		474,665
Capital and reserves					
Called up share capital	8		**100**		100
Capital redemption reserve	9		**50**		50
Profit and loss reserves	10		**507,461**		474,515
Total equity			**507,611**		474,665

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2015 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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.

The financial statements were approved by the board of directors and authorised for issue on 28 June 2016 and are signed on its behalf by:



F. Carmichael
Director

Company Registration No. 176133

1 Accounting policies

Company information

C2 Software Limited is a private company limited by shares incorporated in Scotland. The registered office is Unit 2, Valentine Court, Kinnoull Road, Dunsinane Industrial Estate, Dundee, DD2 3QB.

1.1 Accounting convention

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.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2015 are the first financial statements of C2 Software Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 13.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% reducing balance; 10%-20% straight line
Computer equipment	2 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1 Accounting policies (continued)

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.5 Cash and cash equivalents

Cash and cash equivalents 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.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies (continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies (continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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 reporting end date.

1 Accounting policies (continued)

Deferred tax
Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2015 Number	2014 Number
Total	**21**	21

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2015	**107,747**
Additions	**7,285**
At 31 December 2015	**115,032**
Depreciation and impairment	
At 1 January 2015	**70,067**
Depreciation charged in the year	**17,591**
At 31 December 2015	**87,658**
Carrying amount	
At 31 December 2015	**27,374**
At 31 December 2014	37,680

4 Fixed asset investments

	2015 £	2014 £
Listed investments	**190,692**	174,776

4 Fixed asset investments (continued)

Movements in fixed asset investments

	Investments other than loans £
Cost or valuation	
At 1 January 2015	**174,776**
Additions	**12,000**
Valuation changes	**3,916**
At 31 December 2015	**190,692**
Carrying amount	
At 31 December 2015	**190,692**
At 31 December 2014	**174,776**

Fixed asset investments comprise of listed investments which are measured at fair value using the quoted market price in an active market.

5 Debtors

Amounts falling due within one year:	**2015** £	2014 £
Trade debtors	**206,802**	229,999
Corporation tax recoverable	**5,872**	10,497
Other debtors	**13,606**	6,295
	226,280	246,791
Deferred tax asset	**16,685**	-
	242,965	246,791

6 Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	**26,555**	20,517
Corporation tax	**104**	129
Other taxation and social security	**60,761**	75,626
Other creditors	**27,885**	80,127
	115,305	176,399

7 Creditors: amounts falling due after more than one year

	2015	2014
	£	£
Other creditors	**-**	835

8 Called up share capital

	2015	2014
	£	£
Ordinary share capital		
Authorised		
1,000 Ordinary shares of £1 each	**1,000**	1,000
Issued and fully paid		
100 Ordinary shares of £1 each	**100**	100

Called-up share capital represents the nominal value of shares that have been issued.

9 Capital redemption reserve

This reserve records the amount above nominal value of shares repurchased by the company.

10 Profit and loss reserves

Profit and loss reserve includes all current and prior period retained profit and losses. Included in the profit and loss reserve are undistributable reserves arising on the unrealised revaluation of listed investments to fair value amounting to £27,692 (2014 - £23,776).

11 Related party transactions

No guarantees have been given or received.

12 Directors' transactions

The following table shows the amounts due from the directors as at 31 December 2015 was £1,125.

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
F. Carmichael - Director	-	(18,973)	19,348	-	-	375
R. Tindall - Director	-	(1,462)	1,837	-	-	375
K. Potter - Director	-	(6,387)	6,762	-	-	375
		(26,822)	27,947	-	-	1,125

13 Reconciliations on adoption of FRS 102

Reconciliations and descriptions of the effect of the transition to FRS 102 on; (i) equity at the date of transition to FRS 102; (ii) equity at the end of the comparative period; and (iii) profit or loss for the comparative period reported under previous UK GAAP are given below.

Reconciliation of equity

	Notes	1 January 2014 £	31 December 2014 £
Equity as reported under previous UK GAAP		408,384	450,889
Adjustments arising from transition to FRS 102:			
Investments	1	15,580	23,776
Equity reported under FRS 102		423,964	474,665

13 Reconciliations on adoption of FRS 102 (continued)

Reconciliation of profit or loss

	Notes	2014 £
Profit or loss as reported under previous UK GAAP		97,229
Adjustments arising from transition to FRS 102:		
Investments	1	8,196
Profit or loss reported under FRS 102		105,425

Notes to reconciliations on adoption of FRS 102

1. Investments restated at fair value

Under FRS 102 fixed asset investments are required to be measured at fair value, unless their fair value cannot be measured reliably, where they were previously valued at cost. The fixed asset investments comprise of listed investments and the fair value has been determined using the quoted market price in an active market. The unrealised revaluations are included in the profit and loss account as required by FRS 102 which is disclosed in the notes to the financial statements that these amounts are undistributable.

No deferred tax was applied on the revaluations due to the fact that the company has tax losses to cover the deferred tax liability that would arise.