

FRONTIER TECHNOLOGY LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020



FRONTIER TECHNOLOGY LTD

COMPANY INFORMATION

DIRECTOR	E. Wong
REGISTERED NUMBER	05169792
REGISTERED OFFICE	290 Latimer Road London W10 6QW

FRONTIER TECHNOLOGY LTD

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FRONTIER TECHNOLOGY LTD
REGISTERED NUMBER: 05169792

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	As restated 2019 £
FIXED ASSETS			
Tangible assets	4	347,463	396,542
CURRENT ASSETS			
Debtors	5	712,366	1,268,830
Cash at bank and in hand		1,092,590	502,723
		<u>1,804,956</u>	<u>1,771,553</u>
Creditors: amounts falling due within one year	6	(508,681)	(835,891)
		<u>1,296,275</u>	<u>935,662</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,643,738</u>	<u>1,332,204</u>
Creditors: amounts falling due after more than one year	7	(60,079)	(130,206)
PROVISIONS FOR LIABILITIES			
Deferred tax	9	(52,962)	(60,465)
NET ASSETS		<u><u>1,530,697</u></u>	<u><u>1,141,533</u></u>
CAPITAL AND RESERVES			
Called-up share capital	10	800	800
Share premium account		19,380	19,380
Profit and loss account		1,510,517	1,121,353
EQUITY SHAREHOLDERS' FUNDS		<u><u>1,530,697</u></u>	<u><u>1,141,533</u></u>

FRONTIER TECHNOLOGY LTD
REGISTERED NUMBER: 05169792

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2020

The Director considers that the Company is entitled to exemption from the requirement to have an audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.


The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the Director's Report and the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

.....15th December 2020


.....

E. Wong
Director

The notes on pages 3 to 10 form part of these financial statements.

FRONTIER TECHNOLOGY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. GENERAL INFORMATION

Frontier Technology Ltd (Company number: 05169792), having its registered and trading office at 290 Latimer Road, London, W10 6QW, is a private limited company incorporated in England and Wales.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Statement of Cash Flows

The Company has taken advantage of the exemption in Financial Reporting Standard 102, Section 1A.7 from the requirement to produce a Statement of Cash Flows on the grounds that it is a small company.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

FRONTIER TECHNOLOGY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant & machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures & fittings	- 25% reducing balance
Office equipment	- 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the Balance Sheet date.

2.8 Creditors

Short-term creditors are measured at the transaction price.

FRONTIER TECHNOLOGY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.9 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective-interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.11 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Statement of Income and Retained Earnings over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance Sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest.

2.12 Operating leases: The Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight-line basis over the lease-term.

2.13 Leased assets: The Company as lessee

Assets obtained under hire-purchase contracts are capitalised as tangible fixed assets. Assets acquired by hire-purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Income and Retained Earnings so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.14 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Defined benefit pension plan

The Company started operating a defined benefit contribution plan in November 2018. The assets of the scheme are held separately from those of the Company in an independently administered fund.

Contributions to the scheme are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet.

FRONTIER TECHNOLOGY LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. ACCOUNTING POLICIES (CONTINUED)

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries in which the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 14 (2019 - 16).

FRONTIER TECHNOLOGY LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

4. TANGIBLE FIXED ASSETS

	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Office equipment £	Total £
COST					
At 1 April 2019	1,213	113,160	48,931	751,199	914,503
Additions	-	-	1,966	51,248	53,214
At 31 March 2020	<u>1,213</u>	<u>113,160</u>	<u>50,897</u>	<u>802,447</u>	<u>967,717</u>
DEPRECIATION					
At 1 April 2019	1,091	63,323	34,442	419,105	517,961
Charge for the year	31	12,459	3,894	85,909	102,293
At 31 March 2020	<u>1,122</u>	<u>75,782</u>	<u>38,336</u>	<u>505,014</u>	<u>620,254</u>
NET BOOK VALUE					
At 31 March 2020	<u>91</u>	<u>37,378</u>	<u>12,561</u>	<u>297,433</u>	<u>347,463</u>
At 31 March 2019	<u>122</u>	<u>49,837</u>	<u>14,489</u>	<u>332,094</u>	<u>396,542</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2020 £	2019 £
Motor vehicles	32,614	43,485
Furniture, fittings and equipment	135,465	180,620

FRONTIER TECHNOLOGY LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

5. DEBTORS

	2020	<i>As restated</i>
	£	<i>2019</i>
		£
Due within one year		
Trade debtors	509,769	764,580
Other debtors	202,597	500,000
Prepayments and accrued income	-	4,250
	712,366	<i>1,268,830</i>

6. CREDITORS: Amounts falling due within one year

	2020	<i>As restated</i>
	£	<i>2019</i>
		£
Trade creditors	137,171	136,606
Corporation tax	78,749	33,112
Other taxation and social security	168,196	124,425
Obligations under hire purchase contracts	70,396	67,027
Other creditors	21,123	417,327
Accruals and deferred income	33,046	57,394
	508,681	<i>835,891</i>

7. CREDITORS: Amounts falling due after more than one year

	2020	2019
	£	£
Net obligations under hire purchase contracts	60,079	130,206

8. HIRE PURCHASE AND FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	2020	2018
	£	£
Within one year	70,396	67,027
Between 1-2 years	53,166	69,511
Between 2-5 years	6,913	60,695
	130,475	197,233

FRONTIER TECHNOLOGY LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

9. DEFERRED TAXATION

	2020	2019
	£	£
At beginning of year	(60,465)	(50,950)
Charged to profit or loss	7,503	(9,515)
AT END OF YEAR	<u>(52,962)</u>	<u>(60,465)</u>

The provision for deferred taxation is made up as follows:

	2020	2019
	£	£
Accelerated capital allowances	<u>52,962</u>	<u>60,465</u>

10. SHARE CAPITAL

	2020	2019
	£	£
Allotted, called-up and fully-paid		
6,000 (2019 - 6,000) A Ordinary shares of £0.10 each	600	600
2,000 (2019 - 2,000) C Ordinary shares of £0.10 each	200	200
	<u>800</u>	<u>800</u>

11. PRIOR YEAR ADJUSTMENT

An adjustment was made for the year ending 31 March 2019 in order to effectively show the true and fair view of the defined benefit pension scheme that the Company started operating in November 2018.

The effect on the restated Company financial statements were to recognise the contributions payable by the Company to the scheme at 31 March 2019 of £400,000, and show the corresponding pension asset of £400,000.

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**NOTES TO THE FINANCIAL STATEMENTS
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12. PENSION COMMITMENTS

The Company operates a Defined Contribution and a Defined Benefit Pension Scheme. The latter scheme provides retirement benefits on the basis of members' final salary.

The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions paid during the period by the Company to the fund and amounted to £400,000 (2019: £40,000).

At the year end, there were no outstanding contributions due to the fund (2019: £400,000).

13. RELATED PARTIES

Included within other debtors are amounts due from connected companies of £144,396 (2019: £100,000).