

Symphonic Solutions Limited
Amended Annual Report and Financial Statements
Registered Number 07932378
For the year ended 31 December 2017



Symphonic Solutions Limited
Amended Annual Report and Financial Statements
For the year ended 31 December 2017

Contents

Company Information	1
Balance Sheet	2
Notes	3

Company Information

Directors

A Lee
T Chow
R Gohil
I Brookes
G Remond
C Samler

Registered Office

2 London Wall Buildings
Lower Ground Floor
London
EC2M 5PP

Registered Number

07932378

Balance Sheet

At 31 December 2017

	<i>Note</i>	2017		Restated 2016	
		£	£	£	£
Fixed assets					
Intangible assets	4		496,264		395,066
Tangible assets	5		2,707		-
			<u>498,971</u>		<u>395,066</u>
Current assets					
Debtors	6	1,044,406		926,382	
		<u>1,044,406</u>		<u>926,382</u>	
Creditors : amounts falling due within one year	7	<u>(1,024,230)</u>		<u>(609,623)</u>	
Net current assets			<u>20,176</u>		<u>316,759</u>
Total assets less current liabilities			<u>519,147</u>		<u>711,825</u>
Creditors : amounts falling due after more than one year	8		<u>(52,500)</u>		<u>(84,567)</u>
Net assets			<u>466,647</u>		<u>627,258</u>
Capital and reserves					
Called up share capital	9		9,409		9,409
Share premium			961,916		961,916
Profit and loss account			<u>(504,678)</u>		<u>(344,067)</u>
Shareholders' funds			<u>466,647</u>		<u>627,258</u>

For the year ending 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question 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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. In accordance with the special provisions applicable to companies subject to the small companies regime as permitted by section 444(5) of the Companies Act 2006, the entity profit and loss account and directors' report is not included as part of these filed financial statements.

These financial statements were approved by the board of directors on 21/03/19 and were signed on its behalf by:

A Lee- Director
Company Registration No: 07932378



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

Notes

(Forming part of the financial statements)

1 Accounting policies

Symphonic Solutions Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK.

These financial statements were prepared in accordance with Section 1A of the Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

The preparation of financial statements in compliance with FRS 102 requires management to exercise judgement in applying the company's accounting policies. The following management judgements have had the most significant effect on the amounts recognised in these financial statements:

Capitalisation of development costs

FRS 102 permits the capitalisation of development costs as internally generated intangible assets only if it can be demonstrated that all the criteria set out in the accounting policy on intangible fixed assets are met. Determining whether these criteria are met and hence whether internal development costs should be capitalised requires significant judgement on the part of management. In appropriate capitalisation of development costs may result in impairments having to be recognised in future periods.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The company's financial statements have been prepared on a going concern basis on the ground that current and future sources of funding or support will be more than adequate for the company's needs. In assessing going concern, the Directors have a reasonable expectation that the company will continue as a going concern and is able to meet all of its obligations as they fall due for a minimum of 12 months from the date of approval of these financial statements.

1.3 Foreign currency

Transactions in foreign currencies are translated to the company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.4 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Notes (Continued)

1 Accounting policies (continued)

1.5 Intangible fixed assets

Research and development

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

Expenditure on development activities may be capitalised if the product or process is technically and commercially feasible and the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve design for, construction or testing of the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the profit and loss account as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses.

Capitalised development costs are not treated as a realised loss for the purpose of determining the Company's distributable profits as the costs meet the conditions permitting them to be treated as an asset in accordance with FRS 102 Section 18.

Amortisation

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Development costs 5 years

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

- Computer equipment 5 years
- Office equipment 5 years

Notes (Continued)

1 Accounting policies (continued)

1.7 Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. 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.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.8 Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Notes (Continued)

1 Accounting policies (continued)

1.9 Turnover

Turnover represents amounts receivable for services net of VAT. The total turnover of the company for the year has been derived from its principal activities. Revenue billed in relation to the initial set up of a client is recognised in the month in which this set up phase is completed. Revenue in relation to the provision of a licence is recognised evenly over the period to which the licence relates. To the extent that this licence period spans a financial year end, the amounts relating to future financial periods are held as deferred income on the balance sheet.

1.10 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of comprehensive income over the term of the lease as an integral part of the total lease expense.

Interest receivable and interest payable

Interest income and interest payable are recognised in the profit and loss account as they accrue, using the effective interest method.

1.11 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

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.

1.12 Prior year adjustment

A prior year adjustment has been made to correct the share capital and share premium figures for shares allotted in 2016. In addition, the opening 2016 balance has been restated to correct a further error in previous allotments of shares. This has impacted the accounts by reducing the share premium by £9,412 and reducing other debtors by £9,412 at the end of 2016.

2 Staff numbers

The average number of persons employed by the company (including directors) during the year was 11 (2016: 8).

Notes (Continued)

3 Taxation

Total tax recognised in the profit and loss account

	2017	2016
	£	£
<i>Current tax</i>		
Research and development tax credit for the year	<u>(75,845)</u>	<u>(140,232)</u>
Total current tax	<u><u>(75,845)</u></u>	<u><u>(140,232)</u></u>

The company has prepared a research and development claim for the financial year ending 31 December 2017. The expected value of the tax refund relating to this claim has been provided for within these financial statements. The claim is still subject to review and acceptance from HM Revenue and Customs.

4 Intangible fixed assets

	Development costs
	£
Cost	
At 1 January 2017	493,833
Additions	<u>249,955</u>
At 31 December 2017	<u><u>743,788</u></u>
Amortisation	
At 1 January 2017	98,767
Charge for the year	<u>148,757</u>
At 31 December 2017	<u><u>247,524</u></u>
Net Book Value	
At 31 December 2017	<u><u>496,264</u></u>
Net Book Value	
At 31 December 2016	<u><u>395,066</u></u>

Notes (Continued)

5 Tangible fixed assets

	Computer equipment £	Office equipment £	Total £
Cost			
Additions	405	2,528	2,933
At 31 December 2017	<u>405</u>	<u>2,528</u>	<u>2,933</u>
Depreciation			
Charge for the year	34	192	226
At 31 December 2017	<u>34</u>	<u>192</u>	<u>226</u>
Net Book Value At 31 December 2017	<u><u>371</u></u>	<u><u>2,336</u></u>	<u><u>2,707</u></u>
Net Book Value At 31 December 2016	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

6 Debtors

	2017 £	Restated 2016 £
Trade debtors	585,244	218,852
Other debtors	451,223	707,530
Prepayments and accrued income	7,939	-
	<u><u>1,044,406</u></u>	<u><u>926,382</u></u>

7 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	75,094	83,107
Trade creditors	271,465	85,056
Taxation and social security	156,000	139,821
Other creditors	249,629	114,941
Accruals and deferred income	272,042	186,698
	<u><u>1,024,230</u></u>	<u><u>609,623</u></u>

Notes (Continued)

8 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Other creditors	52,500	84,567
	<u>52,500</u>	<u>84,567</u>

9 Called up share capital

Allotted, issued and fully paid:

	2017	2016
	£	£
940,875 Ordinary shares at £0.01 each	9,409	9,409
	<u>9,409</u>	<u>9,409</u>

10 Operating leases

As at 31 December 2017 the company had future minimum payments under non-cancellable operating leases as follows:

	2017	2016
	£	£
Less than one year	6,353	6,353
Between one and five years	3,201	9,554
	<u>9,554</u>	<u>15,907</u>

Notes (Continued)

11 Related party transactions

During the year ended 31 December 2017, the company received loans from A Lee of £36,106 (2016: Nil) and repaid £25,655 (2016: Nil). As at 31 December 2017, the company owed £10,451 (2016: Nil) to A Lee, a director of the company. The loan is interest free and repayable on demand.

During the year ended 31 December 2017, the company received loans from R Gohil of £149,842 (2016: Nil) and repaid £129,138 (2016: Nil). As at 31 December 2017, the company owed £20,704 (2016: Nil) to R Gohil, a director of the company. The loan is interest free and repayable on demand.

During the year ended 31 December 2017, the company received repayments totalling £128,979 (2016: £285,682) from Symphonic Americas a company in which the directors of Symphonic Solutions Limited also have control. As at 31 December 2017, Symphonic Solutions Limited was owed £373,182 (2016: £508,124) by the said company. All balances attract a nil rate of interest and are repayable on demand.