
VINCI LEGAL LIMITED

**UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**



VINCI LEGAL LIMITED
REGISTERED NUMBER: 06422362

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 as restated £
Fixed assets			
Intangible assets	4	280,641	327,414
Tangible assets	5	9,451	11,814
Investments	6	213	213
		<u>290,305</u>	<u>339,441</u>
Current assets			
Debtors: amounts falling due within one year	7	831,586	818,594
Cash at bank and in hand		498,584	609,258
		<u>1,330,170</u>	<u>1,427,852</u>
Creditors: amounts falling due within one year	8	(2,878,224)	(2,286,083)
Net current liabilities		<u>(1,548,054)</u>	<u>(858,231)</u>
Total assets less current liabilities		<u>(1,257,749)</u>	<u>(518,790)</u>
Creditors: amounts falling due after more than one year	9	-	(42)
Net liabilities		<u>(1,257,749)</u>	<u>(518,832)</u>
Capital and reserves			
Called up share capital	10	1,000	1,000
Profit and loss account		(1,258,749)	(519,832)
		<u>(1,257,749)</u>	<u>(518,832)</u>

The directors consider that the Company is entitled to exemption from 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 directors acknowledge their 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 statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

VINCI LEGAL LIMITED
REGISTERED NUMBER: 06422362

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2019

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

.....
H A Finger
Director

Date: 18 August 2020

The notes on pages 4 to 11 form part of these financial statements.

VINCI LEGAL LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2018	1,000	(568,470)	(567,470)
Comprehensive income for the year			
Profit for the year	-	48,638	48,638
Total comprehensive income for the year	-	48,638	48,638
At 1 January 2019 (as previously stated)	1,000	(294,056)	(293,056)
Prior year adjustment	-	(225,776)	(225,776)
At 1 January 2019 (as restated)	1,000	(519,832)	(518,832)
Comprehensive income for the year			
Loss for the year	-	(738,917)	(738,917)
Total comprehensive income for the year	-	(738,917)	(738,917)
At 31 December 2019	1,000	(1,258,749)	(1,257,749)

The notes on pages 4 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. General information

The company is a private company limited by shares incorporated in England and Wales.

The principal activity of the company is the development and sale of computer software.

The registered office address of the company is Elsley Court, 20-22 Great Titchfield Street, London W1W 8BE.

The company is a wholly owned subsidiary of Vinciworks Holdings Limited, a company incorporated in Hong Kong.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and 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 Going concern

As at the statement of financial position date the company had net liabilities of £1,257,749 (2018: £518,832 as restated) as a result of prior years losses.

However, liabilities include £2,057,883 of deferred licence revenues and the company has cash balances at the year end of £498,584. The directors consider the business to be a going concern.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Financial instruments

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

(i) Financial assets

Basic financial assets, including trade and other debtors, and amounts due from related companies, are initially recognised at transaction price, 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.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors and accruals, 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.5 Revenue

Revenue represents the net invoiced sales of training and compliance software and ancillary services, excluding Value Added Tax.

Revenue from training software is recognised in the profit and loss over the course of the subscription period. Services are recognised on a performed basis.

2.6 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.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.7 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.8 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life of ten years. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.10 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

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:

Fixtures and fittings	-	20%	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 the Statement of Income and Retained Earnings.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

3. Employees

The average monthly number of employees, including directors, during the year was 5 (2018 - 5).

VINCI LEGAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

4. Intangible assets

	Patents £
Cost	
At 1 January 2019	467,733
At 31 December 2019	<u>467,733</u>
Amortisation	
At 1 January 2019	140,319
Charge for the year on owned assets	46,773
At 31 December 2019	<u>187,092</u>
Net book value	
At 31 December 2019	<u>280,641</u>
At 31 December 2018	<u>327,414</u>

VINCI LEGAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

5. Tangible fixed assets

	Fixtures and fittings £
Cost or valuation	
At 1 January 2019	21,348
At 31 December 2019	<u>21,348</u>
Depreciation	
At 1 January 2019	9,534
Charge for the year on owned assets	2,363
At 31 December 2019	<u>11,897</u>
Net book value	
At 31 December 2019	<u>9,451</u>
<i>At 31 December 2018</i>	<u>11,814</u>

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2019	213
At 31 December 2019	<u>213</u>
Net book value	
At 31 December 2019	<u>213</u>
<i>At 31 December 2018</i>	<u>213</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

7. Debtors

	2019 £	2018 as restated £
Trade debtors	698,996	785,932
Amounts owed by group undertakings	124,551	13,766
Other debtors	4,139	8,768
Prepayments and accrued income	3,900	10,128
	<u>831,586</u>	<u>818,594</u>

8. Creditors: Amounts falling due within one year

	2019 £	2018 as restated £
Bank overdrafts	-	163
Trade creditors	81,536	44,177
Amounts owed to group undertakings	549,838	581,231
Other taxation and social security	129,427	217,762
Other creditors	54,541	4,206
Accruals and deferred income	2,062,882	1,438,544
	<u>2,878,224</u>	<u>2,286,083</u>

Accruals and deferred income includes deferred income amounting to £2,057,883 (2017: £1,398,544). Deferred income represents actual income or turnover received for subscription-based products or services licensed to clients on annual or multi-annual contracts. Deferred income is recognised in the income statement as the revenue is gradually earned over the period of the contract.

9. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Accruals and deferred income	-	42
	<u>-</u>	<u>42</u>

VINCI LEGAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

10. Share capital

	2019	2018
	£	£
Allotted, called up and fully paid		
1,000 (2018 - 1,000) Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

11. Prior year adjustment

The 2018 numbers have been restated to account for a material intercompany charge that had not been included. The impact was to increase the amount due to group companies by £225,776 with a corresponding charge to the profit and loss account.

12. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions totaling £67 (2018: £67) were due from the fund at the statement of financial position date and are included in debtors.

13. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019	2018
	£	£
Not later than 1 year	37,525	38,065
	<u>37,525</u>	<u>38,065</u>

14. Related party transactions

The company is taking advantage of the FRS 102 Section 1A paragraph 1AC.35 exemption from disclosing transactions between wholly owned group companies.

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.