

**HYDRA MANAGEMENT LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**



**HYDRA MANAGEMENT LIMITED**  
03000419

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets	4	1,023,157	912,184
Tangible assets	5	8,510	10,351
		<u>1,031,667</u>	<u>922,535</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	260,957	533,068
Cash at bank and in hand	7	119	113
		<u>261,076</u>	<u>533,181</u>
Creditors: amounts falling due within one year	8	(653,143)	(987,661)
<b>Net current liabilities</b>		<u>(392,067)</u>	<u>(454,480)</u>
<b>Total assets less current liabilities</b>		<u>639,600</u>	<u>468,055</u>
Creditors: amounts falling due after more than one year	9	(571,237)	(546,526)
<b>Net assets/(liabilities)</b>		<u><u>68,363</u></u>	<u><u>(78,471)</u></u>
<b>Capital and reserves</b>			
Called up share capital		783,264	275,092
Profit and loss account		(714,901)	(353,563)
		<u><u>68,363</u></u>	<u><u>(78,471)</u></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 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 income statement 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

02/05/2018

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**HYDRA MANAGEMENT LIMITED**  
**03000419**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2017**

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**J Manrique**  
Director

The notes on pages 3 to 9 form part of these financial statements.

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## HYDRA MANAGEMENT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 1. General information

During the year the principal activity of the company was that of development, distribution and support of computer software and services for the programme/project management market.

#### 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 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

##### Rendering of services

Revenue 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 revenue 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.

##### 2.3 Intangible assets

##### Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Income statement over its useful economic life.

##### Other 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. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

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## HYDRA MANAGEMENT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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## 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

L/Term Leasehold Property	- 10% straight line
Fixtures and fittings	- 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 the Income statement.

### 2.5 Development costs

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

### 2.6 Debtors

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.

### 2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 2.8 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

### 2.9 Creditors

Short term 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.

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## HYDRA MANAGEMENT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 2. Accounting policies (continued)

##### 2.10 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.

##### 2.11 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 the Income statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

##### 2.12 Borrowing costs

All borrowing costs are recognised in the Income statement in the year in which they are incurred.

##### 2.13 Taxation

Tax is recognised in the Income statement, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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**HYDRA MANAGEMENT LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**2. Accounting policies (continued)**

**2.14 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**3. Employees**

Staff costs, including directors' remuneration, were as follows:

The average monthly number of employees, including directors, during the year was 11 (2016 - 12).

**4. Intangible assets**

	Branding/ Website £	Develop- ment £	IPR £	Goodwill £	Total £
<b>Cost</b>					
At 1 January 2017	14,808	1,134,596	60,000	157,658	1,367,062
Additions	-	249,370	-	-	249,370
At 31 December 2017	<u>14,808</u>	<u>1,383,966</u>	<u>60,000</u>	<u>157,658</u>	<u>1,616,432</u>
<b>Amortisation</b>					
At 1 January 2017	14,808	222,412	60,000	157,658	454,878
Charge for the year	-	138,397	-	-	138,397
At 31 December 2017	<u>14,808</u>	<u>360,809</u>	<u>60,000</u>	<u>157,658</u>	<u>593,275</u>
<b>Net book value</b>					
At 31 December 2017	<u>-</u>	<u>1,023,157</u>	<u>-</u>	<u>-</u>	<u>1,023,157</u>
At 31 December 2016	<u>-</u>	<u>912,184</u>	<u>-</u>	<u>-</u>	<u>912,184</u>

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**HYDRA MANAGEMENT LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**5. Tangible fixed assets**

	L/Term Leasehold Property £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 January 2017	953	28,868	29,821
Additions	-	874	874
At 31 December 2017	953	29,742	30,695
<b>Depreciation</b>			
At 1 January 2017	328	19,142	19,470
Charge for the year on owned assets	62	2,650	2,712
At 31 December 2017	390	21,792	22,182
<b>Net book value</b>			
At 31 December 2017	563	7,950	8,513
<i>At 31 December 2016</i>	625	9,726	10,351



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**HYDRA MANAGEMENT LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**6. Debtors**

	2017 £	2016 £
Trade debtors	74,529	308,106
Other debtors	10,000	10,000
Prepayments and accrued income	5,000	12,036
Tax recoverable	171,428	202,926
	<u>260,957</u>	<u>533,068</u>

**7. Cash and cash equivalents**

	2017 £	2016 £
Cash at bank and in hand	119	113
Less: bank overdrafts	(17,929)	(38,872)
	<u>(17,810)</u>	<u>(38,759)</u>

**8. Creditors: Amounts falling due within one year**

	2017 £	2016 £
Bank overdrafts	17,929	38,872
Trade creditors	79,289	145,590
Amounts owed to group undertakings	272,720	508,171
Other taxation and social security	43,748	52,313
Other creditors	53,627	92,901
Accruals and deferred income	185,830	149,814
	<u>653,143</u>	<u>987,661</u>

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## HYDRA MANAGEMENT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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

	2017 £	2016 £
Other loans	556,704	546,098
Accruals and deferred income	14,533	428
	<u>571,237</u>	<u>546,526</u>

#### 10. 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. The pension cost charge represents contributions payable by the company to the fund and amounted to £4,469 (2016: £5,530). Contributions of £1,212 (2016: £6,580) were payable to the fund at the balance sheet date and are included in creditors.

#### 11. Controlling party

During the year the company's ultimate parent undertaking was Etask Technologies Limited, a company registered in England and Wales, registration number 6488933, registered office Wey Court West, Union Road, Farnham, Surrey, GU9 7PT.

During the year, the company was under the control of F Manrique, the father of the director and shareholder J Manrique.