

COMPANY REGISTRATION NUMBER: 03563803

**SYNCRONICITY LIMITED**

**FILLETED UNAUDITED FINANCIAL STATEMENTS**

**31 May 2017**

# **SYNCRONICITY LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 MAY 2017**

---

<b>Contents</b>	<b>Pages</b>
Statement of financial position	<b>1 to 2</b>
Notes to the financial statements	<b>3 to 8</b>

# SYNCRONICITY LIMITED

## STATEMENT OF FINANCIAL POSITION

31 May 2017

		2017	2016
	Note	£	£
<b>Fixed assets</b>			
Intangible assets	5	95,227	177,563
Tangible assets	6	21,250	23,195
		<u>116,477</u>	<u>200,758</u>
<b>Current assets</b>			
Stocks		3,985	5,137
Debtors	7	134,067	51,412
Cash at bank and in hand		640	1,843
		<u>138,692</u>	<u>58,392</u>
<b>Creditors: amounts falling due within one year</b>	8	( 122,160)	( 178,899)
<b>Net current assets/(liabilities)</b>		<u>16,532</u>	<u>( 120,507)</u>
<b>Total assets less current liabilities</b>		<u>133,009</u>	<u>80,251</u>
<b>Creditors: amounts falling due after more than one year</b>	9	( 57,700)	—
<b>Net assets</b>		<u>75,309</u>	<u>80,251</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		75,209	80,151
<b>Shareholders funds</b>		<u>75,309</u>	<u>80,251</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

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

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 .

# **SYNCRONICITY LIMITED**

## **STATEMENT OF FINANCIAL POSITION** *(continued)*

**31 May 2017**

---

These financial statements were approved by the board of directors and authorised for issue on 28 February 2018 ,  
and are signed on behalf of the board by:

G Lane

Director

Company registration number: 03563803

# **SYNCRONICITY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **YEAR ENDED 31 MAY 2017**

---

#### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Chase Golf Club, Pottal Pool Road, Penkridge, Staffordshire, ST19 5RN.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 June 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 11.

##### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. (i) Estimated useful lives and residual values of fixed assets Depreciation of tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take into account estimated useful lives used by other companies operating in the sector and actual asset lives and residual values, as evidenced by disposals during the current and prior accounting periods.

##### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

##### **Corporation tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

### **Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Development costs	-	3 years straight line
-------------------	---	-----------------------

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

**Research and development**

Expenditure on research and development is written off in the year of expenditure through the profit and loss account in those circumstances where the outcome of those projects are assessed as not being reasonably certain as regards viability and technical feasibility. Development expenditure is written off in the year of expenditure in accordance with SSAP13, except in the following circumstances when it is deferred to future periods: (a) there is a clearly defined project, and (b) the related expenditure is separately identifiable, and (c) the outcome of such project has been assessed with reasonable certainty as to: (i) its technical feasibility, and (ii) its ultimate commercial viability considered in the light of such factors as likely market conditions (including competing products), public opinion, consumer and environmental legislation, and (d) the aggregate of the deferred development costs, any further developments costs, and related production, selling and administration costs is reasonably expected to be exceeded by related future sales or other revenue, and (e) adequate resources exist, or are reasonably expected to be available, to enable the project to be completed and to provide any consequential increases in working capital. Research and development costs that are deferred to future periods are amortised straight line over the estimated period of sale for which these units are expected to be sold as. The amortisation commences with the commercial production or application of the product, service, process or system. Deferred development expenditure for each project is reviewed at the end of each accounting period and where the circumstances which have justified the deferral of the expenditure no longer apply, or are considered doubtful, the expenditure, to the extent to which it is considered to be irrecoverable, is written off immediately project by project.

**Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

## **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

	-	Straight line over the life of the lease
Fixtures and fittings	-	15% reducing balance
Motor vehicles	-	25% reducing balance

## **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

## **Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

## **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.



#### 4. Employee numbers

The average number of persons employed by the company during the year amounted to 10 (2016: 15 ).

#### 5. Intangible assets

	Development costs £
<b>Cost</b>	
At 1 June 2016	345,245
Additions	49,119
<b>At 31 May 2017</b>	<b>394,364</b>
<b>Amortisation</b>	
At 1 June 2016	167,682
Charge for the year	131,455
<b>At 31 May 2017</b>	<b>299,137</b>
<b>Carrying amount</b>	
<b>At 31 May 2017</b>	<b>95,227</b>
At 31 May 2016	177,563

#### 6. Tangible assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 June 2016	3,123	109,995	5,000	118,118
Additions	—	1,838	—	1,838
<b>At 31 May 2017</b>	<b>3,123</b>	<b>111,833</b>	<b>5,000</b>	<b>119,956</b>
<b>Depreciation</b>				
At 1 June 2016	3,123	87,081	4,719	94,923
Charge for the year	—	3,713	70	3,783
<b>At 31 May 2017</b>	<b>3,123</b>	<b>90,794</b>	<b>4,789</b>	<b>98,706</b>
<b>Carrying amount</b>				
<b>At 31 May 2017</b>	<b>—</b>	<b>21,039</b>	<b>211</b>	<b>21,250</b>
At 31 May 2016	—	22,914	281	23,195

#### 7. Debtors

	2017 £	2016 £
Trade debtors	25,325	50,770
Other debtors	108,742	642
	<b>134,067</b>	<b>51,412</b>

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

	2017	2016
	£	£
Bank loans and overdrafts	22,175	19,885
Trade creditors	8,277	36,663
Corporation tax	68	68
Social security and other taxes	57,241	35,861
Other creditors	34,399	86,422
	122,160	178,899

Secured creditors totalled £22,175 due within one year (2016 £19,885)

**9. Creditors: amounts falling due after more than one year**

	2017	2016
	£	£
Other creditors	57,700	—

**10. Related party transactions**

During the year the company owed £57,700 to the directors (2016 £55,143) All transactions undertaken with the directors are deemed to be conducted under normal market conditions and/or are not material. The recharges in the sum of £97,910 including VAT related to recharges to a partnership business Associated Consultancy Services, of which Mr G Lane and Mr A Buck are partners.

**11. Transition to FRS 102**

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 June 2015.

No transitional adjustments were required in equity or profit or loss for the year.

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.