

COMPANY NO: 05077532

SYNCHRONICA AMERICA LIMITED

Annual report and financial statements

Year ended 31 December 2014

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SYNCHRONICA AMERICA LIMITED

Company information

Directors	S Dunford R Francis
Registered office	76 King Street Manchester M2 4NH
Registered number	05077532
Independent auditors	PricewaterhouseCoopers LLP 101 Barbirolli Square Lower Mosley Street Manchester M2 3PW

Synchronica America Limited

Strategic Report

The Directors present their strategic report on the Company for the year ended 31 December 2014.

Principal activities

The principal activity of the company, as a 100% owned subsidiary of Synchronica Limited (previously known as Synchronica plc), was the promotion in the US market of the products and services of Synchronica Limited, the immediate parent company. Following the acquisition of the Synchronica Group by Myriad Group AG and the subsequent restructuring process, the company ceased to trade. Expenses incurred in 2014 relate to the settlement of liabilities and closure costs.

Review of the business

The company's results for the year are set out on page 7.

The company recorded an operating profit of £6,085 (2013: operating loss £11,248). In 2013, the Company ceased to trade. The costs mainly relate to foreign exchange gains and losses.

Financial risk management

The company is not exposed to material credit or market price risk. As the company derives its entire turnover from the wider Myriad Group it has managed this liquidity risk by obtaining a written statement of support from the parent company, Myriad Group AG, that it will continue to provide financial support to the company for a period not less than twelve months from the date of this report.

The directors have elected to prepare the financial statements on the going concern basis due to the continued financial support from its ultimate parent company, Myriad Group AG.

Future Developments

During 2013 this company ceased to trade.

Key performance indicators

The directors consider the key performance indicators by which they measure the performance of the company to be operating loss and operating margin which are discussed above.

The Board sets a budget each year and monitors KPI's against this.

Signed on behalf of the Board



Richard Francis

Director

28 September 2015

Synchronica America Limited

Directors' report

The directors present their report and the audited financial statements of the company for the year ended 31 December 2014.

General Information

Synchronica America Limited is a limited company incorporated and domiciled in England under the Companies Act 2006. It is a subsidiary of Myriad Group AG, the ultimate parent company of the group.

Future developments

An indication of the likely future developments of the business is included in the Strategic report on page 2.

Political and charitable contributions

The Company made no political or charitable contributions during the year (2013: £ nil)

Results and dividends

The company's profit after tax for the financial year was £6,085 (2013: loss £11,248).

The directors do not propose the payment of a dividend (2013: £nil).

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows:

S Dunford

R Francis

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors believe that preparing the accounts on a going concern basis is appropriate due to continued financial support of the ultimate parent company Myriad Group AG. The directors have received confirmation that Myriad Group Ag intend to support the company for at least one year after these financial statements are signed.

Synchronica America Limited

Directors' report (continued)

Disclosure of information to auditors

At the date of making this report each of the Company's Directors, as set out on page 3, confirm the following:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each Director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

Independent Auditors

The auditors, PricewaterhouseCoopers LLP have expressed their willingness to continue in office and a resolution to appoint auditors will be proposed at the annual general meeting.

Approval

The Director's report was approved by the Board and signed on its behalf by:



Richard Francis
Director
28 September 2015

Synchronica America Limited

Independent auditors' report to the members of Synchronica America Limited

Report on the financial statements

Our opinion

In our opinion, Synchronica America Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and Loss Account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Synchronica America Limited

Independent auditors' report to the members of Synchronica America Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on pages 3 and 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Ian Marsden (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

28 September 2015

Synchronica America Limited

Profit and loss account

For the year ended 31 December 2014

	Note	2014 £	2013 £
Administrative expenses		6,085	3,636
Operating profit		<u>6,085</u>	<u>3,636</u>
Profit on ordinary activities before taxation		<u>6,085</u>	<u>3,636</u>
Tax on profit on ordinary activities	4	-	(14,884)
Profit (loss) for the financial year	8	<u>6,085</u>	<u>(11,248)</u>

In 2013 the company ceased to trade.

There are no recognised gains and losses other than those passing through the profit and loss account.

There is no material difference between the profit on ordinary activities before taxation and the loss for the financial year stated above and their historical cost equivalents.

Balance sheet

At 31 December 2014

COMPANY NO: 05077532

	Note	2014 £	2013 £
Current Assets			
Debtors	5	109,193	102,802
		<u>109,193</u>	<u>102,802</u>
Current Liabilities			
Creditors: Amounts falling due within one year	6	(5,215)	(4,909)
		<u>103,978</u>	<u>97,893</u>
Net current assets			
		<u>103,978</u>	<u>97,893</u>
Net assets			
		<u>103,978</u>	<u>97,893</u>
Capital and reserves			
Called-up share capital	7	100	100
Profit and loss account	8	103,878	97,793
		<u>103,978</u>	<u>97,893</u>
Total shareholders' funds	9	<u>103,978</u>	<u>97,893</u>

The notes on pages 9 to 12 form an integral part of these financial statements.

The financial statements on pages 7 to 12 were approved by the Board and authorised for issue on 28 September 2015 and were signed on its behalf by:



Richard Francis
Director

28 September 2015

Notes to the Financial Statements

31 December 2014

1. Accounting policies

Basis of accounting

The financial statements are prepared in accordance with applicable United Kingdom accounting standards under the historical cost convention and the Companies Act 2006. Accounting policies have been applied consistently, other than where new policies have been adopted.

Basis of preparation

The financial statements have been prepared on the going concern basis, which the directors believe to be appropriate for the following reason: the ultimate parent company, Myriad Group AG has indicated that for a period of at least twelve months from the date of approval of these financial statements it will continue to make available such funds as are needed by the Company.

As permitted by Financial Reporting Standard No. 1 (revised 1996), the company has not produced a cash flow statement, as it is a wholly-owned subsidiary undertaking of Myriad Group AG which has produced consolidated financial statements that are publicly available.

Foreign currencies

Transactions in foreign currencies are recorded at the exchange rate ruling at the date that the transaction occurred. Monetary assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at 31 December 2014. Exchange differences are taken to the profit and loss account as and when identified.

Turnover

Revenue is recognised when the service is performed, in accordance with the terms of the contractual arrangement. Services include sales and marketing support, development and customer support.

Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related Party Disclosures' not to disclose transactions with members of the group headed by Myriad Group AG on the grounds that 100% of the voting rights in the company are controlled within that group and the company is included in the consolidated financial statements.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that resulted in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Notes to the Financial Statements (continued)

31 December 2014

2. Staff costs

Average monthly number of employees, including directors is:

	2014 No.	2013 No.
Directors	2	2
	<u>2</u>	<u>2</u>

3. Directors' remuneration

The directors received no remuneration from the company during the year; their costs have been borne and paid by a fellow group company.

4. Tax on profit on ordinary activities

(a) Factors affecting the tax charge for the year

	2014 £	2013 £
United Kingdom Corporation Tax		
Current tax on profit for the financial year	-	-
	<u>-</u>	<u>-</u>
Foreign Tax		
Current tax on profit for the financial year	-	-
Adjustments in respect of prior years	-	14,884
	<u>-</u>	<u>14,884</u>
Tax on profit on ordinary activities	<u>-</u>	<u>14,884</u>

(b) Current tax reconciliation

The tax assessed for the year is lower (2013: higher) than the standard rate of corporation tax in the UK. (21.50%) The differences are explained below.

	2014 £	2013 £
Profit on ordinary activities before taxation	6,085	3,636
	<u>6,085</u>	<u>3,636</u>
Theoretical tax at UK corporation tax rate 21.5% (2012: 23.25%)	1,308	782
Effects of:		
- items disallowed for taxation	(1,308)	(782)
- overseas taxes at a different rate	-	-
- adjustments in respect of prior years	-	14,884
	<u>-</u>	<u>14,884</u>
Current charge for the year	<u>-</u>	<u>14,884</u>

Notes to the Financial Statements (continued)
31 December 2014

5. Debtors

	2014 £	2013 £
Amounts owed by group undertakings	109,193	102,802
	<u>109,193</u>	<u>102,802</u>

6. Creditors: amounts falling due within one year

	2014 £	2013 £
Trade creditors	5,215	4,909
	<u>5,215</u>	<u>4,909</u>

7. Called up share capital

	2014 £	2013 £
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
Allotted and fully paid		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

8. Profit and loss account

	£
At 1 January 2014	97,793
Profit for the financial year	6,085
At 31 December 2014	<u>103,878</u>

Notes to the Financial Statements (continued)

31 December 2014

9. Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Opening shareholders' funds	97,893	109,141
Profit (loss) for the financial year	6,085	(11,248)
Closing shareholders' funds	<u>103,978</u>	<u>97,893</u>

10. Immediate and ultimate controlling party

The immediate parent undertaking is Synchronica Limited, previously known as Synchronica plc, which is incorporated in the United Kingdom.

The ultimate parent undertaking is Myriad Group AG, which is incorporated in Switzerland. The largest and smallest group to consolidate these financial statements is that headed by Myriad Group AG. The consolidated financial statements are available to the public and may be obtained from Myriad Group AG, care of GHR Rechtsanwälte AG, Bahnhofstrasse 64, 8021 Zurich, Switzerland.

11. Audit Fee

Auditors remuneration for 2014 of £1,697 (2013: £2,000) was borne by the ultimate parent company Myriad Group AG.