REGISTERED NUMBER: 09164342 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

FOR

SYMPHONY VENTURES LTD

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2019

DIRECTORS:	J Chapman J Holder
REGISTERED OFFICE:	1 Bartholomew Lane London EC2N 2AX
REGISTERED NUMBER:	09164342 (England and Wales)
AUDITORS:	Galloways Statutory Auditor 30 New Road Brighton East Sussex BN1 1BN

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their strategic report for the year ended 31 December 2019.

Symphony Ventures Ltd, "Symphony", is a wholly owned subsidiary of Sykes Enterprises Incorporated BV, a company registered in the Netherlands. The ultimate parent company is Sykes Enterprises Inc, a company registered in the USA.

PRINCIPAL ACTIVITIES
Symphony is the leading specialist consulting, implementation, and managed services firm focused on 'Future of Work' technologies. We are global leaders in enterprise digital transformation leveraging Robotic Process Automation (RPA), Artificial Intelligence (AI), and Robotic Business Process Outsourcing (R-BPO).

Symphony provides its customers with a full suite of services focused on Digital Operations, including training, hosting, and the provision of our AI-enabled platforms to provide clients with the ability to work more efficiently and effectively. Symphony has clients in more than 25 countries in every major industry and works with a roster of leading software providers including Automation Anywhere (AA), Blue Prism, UiPath, Thoughtonomy, NICE Systems, eNate, ABBYY and Celaton. In response to changing market trends, the company continues to expand its digital ecosystem of tools to offer expanded solutions for clients.

Symphony is the leading global professional services firm specialising on this enterprise automation sphere. Symphony Ventures Ltd has offices in the United Kingdom, but its subsidiaries have offices in the United States, Poland and India.

REVIEW OF BUSINESS
2019 continued the growth of prior years. Following the acquisition by Sykes Enterprises Inc (SYKES), a US Nasdaq listed company, of the entire Symphony group on 1 November 2018, Symphony has become more integrated with SYKES. This has included adopting SYKES financial systems, integrating IT support systems, joining its global insurance package and utilising support across the group. However, Symphony's underlying business remained consistent.

Total revenue for 2019 was £20.1 million, a 90% increase on 2018 (£10.6 million). Headcount for Symphony Ventures Ltd rose from 61 at the end of 2018 to 63 at the end of 2019 but the majority of the headcount changes were in our subsidiaries as there was a further increase in the volume of work carried out on our behalf by the teams in India and Poland.

Gross profit grew from £1.7 million to £8.3 million. This reflected a lower proportion of the revenue from software sales, which has a lower margin, down from 39% of turnover to 11% and generally higher utilisation of the consulting team. There was a smaller increase in overall headcount across Symphony Ventures and its subsidiaries compared with 2018, so the benefit of the training of the new heads in 2018 is seen in the overall utilisation of direct staff, combined with lower recruitment costs. Gross profit grew from 16% in 2018 to 41% in 2019.

Total administrative costs increased from £4.7 million to £6.9 million (46%), reflecting the increase in the size of the business, but also partly mitigated by some one-off costs in 2018 relating to the acquisition by SYKES . Net interest costs reduced from £179k to £44k as the debt to Livingbridge partners was paid off in the acquisition in late 2018 and much of the intercompany loans from SYKES were refinanced during the year.

Net profit after tax came to £2.2 million (2018 loss of £2.7m).

Following the recapitalisation and the profitable year, total assets turned from a liability of £1.9m in 2018 to a net asset of £3.9 million.

Net cash in the business grew from £0.4m to £2.3m.

SYKES DIGITAL SERVICES (SDS)
Symphony's business model remains focused on bringing the benefits of RPA to large corporations that would most benefit from the efficiencies of automation, recognising the relatively sizeable upfront costs of the implementation. However, as part of Sykes, Symphony has the opportunity to work with other technologies already part of the SYKES family. As such 2020 will be focused on bringing these together under a single umbrella - SYKES Digital Services (SDS) - to both increase the opportunities for cross-selling the different services and increase the benefits for clients from adopting a range of efficiency strategies.

SDS is a collection of SYKES entities, mostly recently acquired, that focus on the automation and digitisation of aspects of business. There are three main entities currently marketing products - Talent Sprout, based in the US, that focuses on online interactive training solutions; Qelp that creates website content enabling customer support online and Symphony. In addition, other areas will be part of the team offering further digital solutions. This will be led by the current President of Symphony, David Brain.

SUMMARY OF CURRENT STRATEGY
Symphony's current strategy can be summarised as follows:
- Symphony will continue to target major corporations where the benefits of RPA will be greatest utilising our current contact list and that of our sales team
- 2020/2021 will see an increased focus on lead generation and ensuring Symphony's name remains a focus of any business looking for RPA
- Building on our already strong partnerships with RPA software providers, Symphony will look to increase the opportunities via our partners. A new position was created in 2019 to specifically focus on this area
- Part of the sales team will be focused purely on opportunities with SYKES clients globally to both bring opportunities to Symphony and to enable a better offering from our SYKES' partner to the client
- During 2020 Symphony will look to developing the SDS offering and creating a broad digital offering that clients can choose a range of digital opportunities, looking towards synergies within our teams
- In parallel, Symphony will continue to develop new automation solutions that could be rolled out to clients or utilised internally

BUSINESS MODEL/SALES OFFERINGS
SDS will focus on four market areas:
- Growing the current customer base through cross-selling and further automation opportunities
- Continuing to market and sale to corporations looking to make efficiencies and enable remote working
- Offering automation opportunities to the clients of SYKES, either directly or through other SYKES entities that have the client relationship
- Increasing the efficiency through automation within SYKES itself, much of which should benefit SYKES' clients

This will end with a mix of intercompany and third-party sales.

CURRENT TRENDS
At the time of writing, Covid 19 is leading to a period of significant uncertainty and risks, though also opportunities - see below for more on this. After significant growth in the RPA market in 2019, this has caused a significant dip in demand in the first half of 2020 compared with expectations. The outlook, however, has been indicative that longer term there will be a push towards automation due to it enabling businesses to remain more robust for any second wave of the virus or a future pandemic. This is mixed with a reluctance to spend as most business outlooks are uncertain and a desire to conserve cash has overridden longer term considerations. At this stage it is difficult to predict when investment will pick up again, but we see significant latent demand and the focus remains on positioning Symphony to be the go-to partner for automation.

PRINCIPAL RISKS AND UNCERTAINTIES
There are several key risks to the Symphony strategy, but many can be mitigated:
- Due to the short-term nature of the majority of our contracts, we need to continually sell more. Any failure to continually sell will lead to drops in revenue and cashflow issues. However, as part of Sykes, which not only is a \$1.6 billion company but has also benefited in many areas of its business due to Covid 19, we are confident in our funding for the medium term. Additionally, we can balance internal work with third-party clients if there are gaps between contracts.
- Competition from larger, better known companies also in the RPA sector could reduce our revenue. To mitigate this, we are both ensuring our marketing makes Symphony a well-known brand in the business and ensuring our focus is clear, whereas the majority of our competitors are broader, with RPA only part of their offering. We would look to make it clear that Symphony is the only RPA specialist of size and focus on ensuring our reputation based on the quality of work already carried out remains extremely high.
- Covid 19 impacts are still uncertain, particularly how long there will be restrictions on working required. As such, there could be a delay in the recovery of our main revenue stream, though we are also seeing signs that the Covid 19 impact is increasing corporations' interest in additional automation as it future-proofs the company from at least some of the issues seen during the pandemic.
- Brexit and the uncertain political climate. There is still uncertainty as to what trade deal will be struck with the European Union and until that is known there will likely be a drag on investment in several sectors. However, as an international company, we are able to work across the majority of world markets where Brexit is not an issue.

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

SECTION 172(1) STATEMENT
This section describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) Companies Act 2006 in exercising their duty to promote the success of the Company for the benefit of its members as a whole.

Our stakeholders
The directors consider it's employees, customers, suppliers and SYKES family companies to be the Company's key stakeholders.

The Board seeks to understand the respective interests of such stakeholder groups so that these may be properly considered in the Board's decisions. We do this through various methods, including: direct engagement by Board members; receiving reports and updates from members of management who engage with such groups; and coverage in our Board papers of relevant stakeholder interests with regard to proposed courses of action.

Within this Strategic Report the Board has set out it's key strategic decisions and the how it engages with its key stakeholders.

ENVIRONMENTAL
The SYKES Enterprises Inc Group recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the group's activities. Symphony operates in accordance with group policies, which are described in the group's Annual Report which does not form part of this report.

EMPLOYEE INVOLVEMENT
Symphony is reliant on the quality of its team. We pride ourselves on being a highly rated employer and with our staff being by far our most significant asset, it is a priority to ensure the team is happy and positive. Symphony has regular calls, meetings and briefings to ensure all employees are kept informed of the operational, financial and economic factors affecting the performance of the company. As a small company, Symphony ensures short communication channels and regular team meetings to both inform and consult on matters affecting the employees current and future interests.

DISABLED EMPLOYEES
Applications for employment from disabled persons are encouraged and given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities In the event an employee becomes disabled, every effort is made to aid them in order that their employment with Symphony can continue. It is the policy of Symphony that the training, career development and promotion of disabled employees should, as far as possible, be identical with that of other employees.

EMPLOYEE GENDER DIVERSITY
As a business in the technical sector, gender diversity has always been a challenge. Our recruitment pool is focused on graduates from a maths, physics, engineering, chemistry or computer studies background who are interested in innovation and new ways of working. This has led to a pool of talent that is predominantly male and is the main reason we had a gender split at the end of 2019 of 75% male and 25% female. Symphony always pushes for more female applicants and longer term we aim to get as close to 50:50 as we can, whilst still appointing the best qualified candidates for the roles.

DIRECTORS
The present membership of the board is set out on page 5. Both directors served throughout the year and to the date of this report.

ON BEHALF OF THE BOARD:

J Chapman - Director

3 December 2020

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report with the financial statements of the company for the year ended 31 December 2019.

DIVIDENDS
No dividends will be distributed for the year ended 31 December 2019.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

J Chapman
J Holder

DISCLOSURE IN THE STRATEGIC REPORT
The company has chosen, in accordance with the Companies Act 2006 s414C(11), to set out in the company's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 elected to prepare 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are 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 audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, Galloways, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

J Chapman - Director

3 December 2020

Opinion
We have audited the financial statements of Symphony Ventures Ltd (the 'company') for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 December 2019 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.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- 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; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

COLIN YOUNG (Senior Statutory Auditor)
for and on behalf of Galloways
Statutory Auditor
30 New Road
Brighton
East Sussex
BN1 1BN

4 December 2020

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2018 £
TURNOVER	3	**20,140,600**	10,579,599
Cost of sales		**11,805,777**	8,917,030
GROSS PROFIT		**8,334,823**	1,662,569
Administrative expenses		**6,962,545**	4,685,055
		1,372,278	(3,022,486)
Other operating income		**134,627**	-
OPERATING PROFIT/(LOSS)	5	**1,506,905**	(3,022,486)
Interest receivable and similar income		**386**	1,959
		1,507,291	(3,020,527)
Interest payable and similar expenses	7	**43,887**	181,326
PROFIT/(LOSS) BEFORE TAXATION		**1,463,404**	(3,201,853)
Tax on profit/(loss)	8	**(746,244)**	(484,045)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		**2,209,648**	(2,717,808)
OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**2,209,648**	(2,717,808)

The notes form part of these financial statements

BALANCE SHEET
31 DECEMBER 2019

	Notes	2019 £	2019 £	2018 £	2018 £
FIXED ASSETS					
Intangible assets	9		**130**		2,483
Tangible assets	10		**12,068**		1,991
Investments	11		**3,277**		3,277
			15,475		7,751
CURRENT ASSETS					
Debtors	12	**5,703,100**		2,408,060	
Cash at bank		**2,345,506**		396,203	
		8,048,606		2,804,263	
CREDITORS					
Amounts falling due within one year	13	**4,121,383**		4,702,274	
NET CURRENT ASSETS/(LIABILITIES)			**3,927,223**		(1,898,011)
TOTAL ASSETS LESS CURRENT LIABILITIES			**3,942,698**		(1,890,260)
CAPITAL AND RESERVES					
Called up share capital	16		**378**		378
Share premium	17		**1,462,374**		1,462,374
Capital contribution reserve	17		**3,989,953**		366,643
Retained earnings	17		**(1,510,007)**		(3,719,655)
SHAREHOLDERS' FUNDS			**3,942,698**		(1,890,260)

The financial statements were approved by the Board of Directors and authorised for issue on 3 December 2020 and were signed on its behalf by:

J Chapman - Director

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

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2018	346	(1,007,189)	1,425,904
Changes in equity			
Total comprehensive income	-	(2,712,466)	-
Issue of share capital	32	-	36,470
Balance at 31 December 2018	378	(3,719,655)	1,462,374
Changes in equity			
Total comprehensive income	-	2,209,648	-
Balance at 31 December 2019	378	(1,510,007)	1,462,374

	Share-based payment reserve £	Capital contribution reserve £	Total equity £
Balance at 1 January 2018	5,342	-	424,403
Changes in equity			
Total comprehensive income	(5,342)	-	(2,717,808)
Capital contribution	-	366,643	366,643
Issue of share capital	-	-	36,502
Balance at 31 December 2018	-	366,643	(1,890,260)
Changes in equity			
Total comprehensive income	-	-	2,209,648
Capital contribution	-	3,623,310	3,623,310
Balance at 31 December 2019	-	3,989,953	3,942,698

1. STATUTORY INFORMATION

Symphony Ventures Ltd is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern
The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 2 to 4. It also summarises the financial position of the company and it's financial risk management objectives.

The company meets its day-to-day working capital requirements through cash reserves, cash generated from operating activities and funding from group undertakings. AT 31 December 2019 the company's cash balance was £2,345,506 (2018: £396,203).

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of it's current funding.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

At the date of approval of the financial statements the directors have considered the impact of the current COVID-19 outbreak on the operations of the company. Despite the challenging operating conditions, demand for the company's services has remained strong and the directors consider that this will continue to be the case for the foreseeable future.

Financial Reporting Standard 102 - reduced disclosure exemptions
The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Symphony Ventures Limited meets the definition of a qualifying entity under FRS 102 as its ultimate parent, outlined at Note 18, prepares publicly available consolidated financial statements, and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to presentation of a cash flow statement and remuneration of key management personnel.

Preparation of consolidated financial statements
The financial statements contain information about Symphony Ventures Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Sykes Enterprises, Incorporated, SYKES Corporate Headquarters, 400 North Ashley Drive, Tampa, Florida 33602 USA..

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2. **ACCOUNTING POLICIES - continued**

Significant judgements and estimates
Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical areas of judgement
In the course of preparing the financial statements, no judgements have been made in the process of applying the Group's accounting policies, other than those involving estimations, that have had a significant effect on the amounts recognised in the financial statements.

Critical accounting estimates and assumptions
The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Within the tax charge is a credit of £766,239 (2018: £nil) relating to recognition of the net benefit of unused tax losses arising in earlier years, this has been estimated based on the prevailing rate of tax at the time of the approval of these financial statements. The ultimate utilisation of these losses is now considered probable as a result of the restructuring of the business.

A contingent liability has been disclosed in the accounts (see note 17).

Turnover
Turnover represents revenue in respect of software sales, consulting, service and training contracts, net of discounts and value added tax. Revenue for the sale of software is recognised when the company has transferred the risks and rewards of ownership to the customer.

Revenue from long term consulting, support and training contracts is recognised by reference to the stage of completion of the contract determined by the value of services provided at the balance sheet date as a proportion of the total value of the contract. Where the amount of revenue is contingent on future events, this is only recognised where the amount of revenue can be measured reliably and it is probable economic benefits will be received. Revenue recognised at the balance sheet date which has not been invoiced is included in debtors as amounts recoverable on contracts.

Intangible assets
Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of three years.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33.3% straight line

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Investments in subsidiaries
Investments in subsidiary undertakings are recognised at cost, less impairment.

Financial instruments
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

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2. **ACCOUNTING POLICIES - continued**

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Research and development
Research and development expenditure is written off in the profit and loss account in the period in which it is incurred.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Provisions and contingencies
Provisions are recognised in the financial statements when the company has an obligation at the reporting date as a result of a past event and it is probable that there will be a requirement to transfer economic benefits in settlement, and the amount of the obligation can be estimated reliably. Significant judgement is required in both the determination of probability and the determination as to whether the amount can be reliably estimated. In the event the Company determines that an obligation is not probable, but is reasonably possible, and it is able to develop a reasonable range of a possible loss, the Company will include disclosures related to such a contingent liability as appropriate.

3. **TURNOVER**

The turnover and profit (2018 - loss) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2019	2018
	£	£
Consultancy	**17,412,408**	5,352,053
Software	**2,162,420**	4,084,723
Training	**21,409**	297,171
Support and maintenance	**519,532**	526,650
Other	**24,831**	319,002
	20,140,600	10,579,599

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4. EMPLOYEES AND DIRECTORS

	2019	2018
	£	£
Wages and salaries	**5,383,513**	4,144,663
Social security costs	**586,538**	477,815
Other pension costs	**200,237**	154,593
	6,170,288	4,777,071

The average number of employees during the year was as follows:

	2019	2018
C&I and training	**37**	27
Executives	**6**	6
Finance & admin	**3**	4
HR	**2**	2
IT	**1**	-
Operations management & support	**3**	11
Sales	**6**	6
Software development	**5**	5
	63	61

	2019	2018
	£	£
Directors' remuneration	**-**	518,627
Directors' pension contributions to money purchase schemes	**-**	3,000

No directors exercised share options during the year (2018 - one director).

The number of directors for whom retirement benefits are accruing under defined contribution schemes was nil (2018 - 1).

The highest paid director received remuneration of nil (2018 - £211,372) and contributions into a defined contribution pension scheme of nil (2018 - nil).

5. OPERATING PROFIT/(LOSS)

The operating profit (2018 - operating loss) is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation - owned assets	**4,634**	17,543
Profit on disposal of fixed assets	**-**	(35,323)
Computer software amortisation	**2,353**	2,483
Research and development costs	**531,422**	590,469
Operating lease rentals	**358,910**	331,456
Auditors remuneration - audit services	**27,650**	32,500
Auditors remuneration - non-audit services	**20,438**	33,523

continued...

5. OPERATING PROFIT/(LOSS) - continued

Fees payable to the company's auditor and its associates in respect of both audit and non-audit services are as follows;

	2019	2018
£ £		
Audit services - statutory audit of the company	**27,650**	32,500
Non-audit services - tax compliance	**14,310**	2,725
Non-audit services - other services	**6,128**	30,798
	48,088	66,023

6. EXCEPTIONAL ITEMS

Exceptional items of nil (2018: £197,838) are included within administrative expenses in the company's income statement. These represent costs relating to the raising of funds during the year.

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019 £	2018 £
Loan Interest	**43,887**	156,971
Invoice discounting charges	**-**	24,355
	43,887	181,326

8. TAXATION

Analysis of the tax credit
The tax credit on the profit for the year was as follows:

	2019 £	2018 £
Current tax:		
UK corporation tax	**25,579**	(480,235)
Foreign tax	**19,995**	4,620
Total current tax	**45,574**	(475,615)
Deferred tax	**(791,818)**	(8,430)
Tax on profit/(loss)	**(746,244)**	(484,045)

continued...

8. **TAXATION - continued**

Reconciliation of total tax credit included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2019	2018
	£	£
Profit/(loss) before tax	1,463,404	(3,201,853)
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	278,047	(608,352)
Effects of:		
Expenses not deductible for tax purposes	1,527	54,287
Income not taxable for tax purposes	(13,463)	(6,711)
Capital allowances in excess of depreciation	(1,467)	-
Depreciation in excess of capital allowances	-	15,736
Utilisation of tax losses	(264,644)	-
Share issue	-	(499,678)
Trading losses brought forward now recognised as a deferred tax asset	(766,239)	1,044,718
Research and development credit	-	(480,235)
Foreign tax	19,995	4,620
Deferred tax	-	(8,430)
Total tax credit	(746,244)	(484,045)

The UK corporation tax charge in the year relates to R&D Expenditure Credit claimed for the years ended 31 December 2018 and 31 December 2019 which has been restricted due to losses brought forward.

The deferred tax credit comprises £25,579 R&D Expenditure Credit carried forward and £766,239 deferred tax asset in relation to trading losses.

The actual current tax charge for the current year was impacted by trading loss relief. The company has brought forward tax losses of £5,425,699. After utilisation against current year trading profits it is now considered probable that the remaining losses will be recoverable against future trading profits and a deferred tax asset of £766,239 has now been recognised in relation to the remaining losses. The UK standard tax corporation tax rate of 19% has been used to determine the deferred tax asset.

9. **INTANGIBLE FIXED ASSETS**

	Computer software
	£
COST	
At 1 January 2019 and 31 December 2019	7,449
AMORTISATION	
At 1 January 2019	4,966
Amortisation for year	2,353
At 31 December 2019	7,319
NET BOOK VALUE	
At 31 December 2019	130
At 31 December 2018	2,483

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10. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2019	**4,133**	**31,759**	**35,892**
Additions	**-**	**14,711**	**14,711**
At 31 December 2019	**4,133**	**46,470**	**50,603**
DEPRECIATION			
At 1 January 2019	**2,787**	**31,114**	**33,901**
Charge for year	**699**	**3,935**	**4,634**
At 31 December 2019	**3,486**	**35,049**	**38,535**
NET BOOK VALUE			
At 31 December 2019	**647**	**11,421**	**12,068**
At 31 December 2018	1,346	645	1,991

11. FIXED ASSET INVESTMENTS

The company's investments at the Balance Sheet date in the share capital of companies comprise the following:

Company	Registered office	Nature of business	Class of shares	Interest
Symphony Ventures Inc.	745 Atlantic AvenueBoston, MA 02111 US	ITconsultancy	Ordinary	100%
Symphony Ventures SP Zoo	ul. Rynek Glowny, nr 6, lok., miejsc. Krakow, Poland	ITconsultancy	Ordinary	100%
Sym RPA Private Ltd	Survey No 414/1 90/13, Suite No 208, 2nd Floor, PSR Complex, Govinda Reddy Layout, Bannerghatta Road Bangalore-560076, Karnataka, India	Support services	Ordinary	99%

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	**3,632,834**	1,407,919
Amounts owed by group undertakings	**615,955**	604,591
Other debtors	**28,206**	56,811
Tax	**109,048**	-
Deferred tax asset	**791,818**	-
Amount recoverable on contracts	**449,453**	109,400
Prepayments and accrued income	**75,786**	229,339
	5,703,100	2,408,060

The deferred tax asset comprises £25,579 R&D Expenditure Credit carried forward and £766,239 in relation to unrelieved trading losses arising in prior years. It is now considered probable that the remaining brought forward trading losses will be relieved against future trading profits and that the deferred tax asset will be recovered by 31 December 2021. The UK standard tax corporation tax rate of 19% has been used to determine the deferred tax asset.

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13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	**1,293,245**	705,441
Amounts owed to group undertakings	**1,565,748**	3,211,623
Social security and other taxes	**296,414**	354,975
Pension	**22,963**	19,875
Other creditors	**-**	13,468
Accruals and deferred income	**943,013**	396,892
	4,121,383	4,702,274

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018
	£	£
Within one year	**133,464**	251,419
Between one and five years	**27,454**	143,606
	160,918	395,025

15. DEFERRED TAX

	£
Trading losses	**(766,239)**
RDEC notional tax charge	**(25,579)**
Balance at 31 December 2019	**(791,818)**

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019 £	2019 £
5,905,173	Ordinary	0.00005p	295	295
656,250	Ordinary B	0.00005p	33	33
49,343,750	Ordinary C	0.000001p	49	49
900,000	Ordinary D	0.000001p	1	1
			378	378

No shares were issued during the year.

The Ordinary shares and Ordinary B shares have full voting rights and are entitled to 99.9% of any dividend paid.

The Ordinary C shares and Ordinary D shares have no rights to attend or vote at any general meeting and are entitled to 0.1% of any dividend paid.

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17. RESERVES

Share premium
Consideration received for shares issued above their nominal value net of transaction costs.

Capital contribution reserve
Additional capital sums contributed to the company's reserves by the owners.

Retained earnings
Cumulative profit and loss net of distributions to owners.

18. CONTINGENT LIABILITIES

The Company and its advisers are in ongoing discussions with HMRC regarding the value assigned to granted share options under an EMI scheme in 2018. At the time the options were issued the valuation of the shares did not consider the potential acquisition of the Company. In the event that the options are determined to have been granted at a discount or to be non-tax advantaged, they would be subject to income tax and national insurance contributions. The maximum income tax and national insurance liability exposure is estimated at £1.57 million, of which £367,000 is Employers National Insurance and other charges.

19. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with the company's parent company or wholly owned subsidiaries within the group.

20. ULTIMATE CONTROLLING PARTY

The company's immediate parent undertaking is Sykes Enterprises Inc. B.V., the company's ultimate parent undertaking and controlling party is Sykes Enterprises, Inc. which is registered in the United States of America.

The largest and smallest group in which the results of this company are consolidated is that headed by the ultimate parent company, Sykes Enterprises, Inc.

Copies of the ultimate parent undertaking's consolidated financial statements may be obtained from its registered office and principal place of business at 400 North Ashley Drive, Tampa, Florida 33602 USA.