

SOLEBAY DESIGN SYSTEMS LIMITED

COMPANY NUMBER 3091517

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2017

KING LOOSE & CO
ACCOUNTANTS
ST JOHN'S HOUSE
5 SOUTH PARADE
SUMMERTOWN
OXFORD OX2 7JL

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SOLEBAY DESIGN SYSTEMS LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 30TH APRIL 2017

Directors S. J. Davidmann
P. J. Davidmann

Secretary P. J. Davidmann

Company number 3091517

Registered office The Old Vicarage
Priest End
Thame
Oxon OX9 3AB

Accountants King Loose & Co
Accountants
St John's House
5 South Parade
Summertown
Oxford OX2 7JL

SOLEBAY DESIGN SYSTEMS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2017

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SOLEBAY DESIGN SYSTEMS LIMITED

**ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE
UNAUDITED FINANCIAL STATEMENTS OF SOLEBAY DESIGN SYSTEMS LIMITED**

In accordance with the engagement letter, and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of the company which comprise the Profit and Loss Account and Balance Sheet and related notes, from the accounting records and information you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permissible by law, we do not accept nor assume responsibility to anyone other than the Company and the Company's Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with the technical guidance issued by the Institute of Chartered Accountants in England and Wales, and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the Balance Sheet your duty to ensure that the company has kept proper accounting records and to prepare financial statements for the year ended 30th April 2017 that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

King Loose
13rd January 2018

King Loose & Co
Accountants
St John's House
5 South Parade
Summertown
Oxford OX2 7JL

SOLEBAY DESIGN SYSTEMS LIMITED

BALANCE SHEET (COMPANY NUMBER 3091517)

AS AT 30TH APRIL 2017

	Notes	<u>2017</u>	<u>2016</u>
		£	£
Fixed Assets			
Tangible assets	4	4,595	3,254
Investments	5	725,778	720,091
		<u>730,373</u>	<u>723,345</u>
Current Assets			
Debtors	6	6,621	8,063
Cash at bank and in hand		3,176	2,060
		<u>9,797</u>	<u>10,123</u>
Creditors: amounts falling due within one year	7	<u>(11,000)</u>	<u>(9,998)</u>
Net Current (liabilities)/assets		<u>(1,203)</u>	<u>125</u>
Total Assets Less Current Liabilities		<u>729,170</u>	<u>723,470</u>
Capital and Reserves			
Called up share capital	8	156	156
Profit and loss account	9	729,014	723,314
Total Shareholders' Funds		<u>729,170</u>	<u>723,470</u>

The directors consider that for the year ended 30th April 2017 the company was entitled to exemption from the requirement to have an audit under the provisions of Section 477 of the Companies Act 2006. No member or members have deposited a notice requesting an audit for the current financial year under Section 476 of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 386 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Sections 393 and 394, and which otherwise comply with the requirements of the Act relating to the financial statements, so far as applicable to the company.

The financial statements are prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies regime.

No profit and loss account is presented in accordance with Section 444(5a) of the Companies Act 2006.

The financial statements were approved by the board of directors on 21/01/2018

.....

S. J. Davidmann
Director

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

SOLEBAY DESIGN SYSTEMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2017

1. Company information

Solebay Design Systems Limited ('the company') is a limited company incorporated in the United Kingdom. The address of the registered office is:

The Old Vicarage
Priest End
Thame
Oxon OX9 3AB

The principal activity of the company throughout the year was that of consultancy in and the development of computer software for the electronic design automation marketplace, and property development.

These financial statements have been presented in sterling (£) as this is the currency of the primary economic environment in which the company operates.

SOLEBAY DESIGN SYSTEMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2017

2. Accounting policies

Basis of preparation

These financial statements have been prepared under the historical cost convention, in accordance with the accounting policies set out below, FRS 102 Section 1A - The Financial Reporting Standard applicable in the UK and Republic of Ireland, and the Companies Act 2006.

Going concern

These financial statements have been prepared on a going concern basis.

The current economic conditions present increased risks for all businesses. In response to such conditions, the directors have carefully considered these risks, including an assessment of uncertainty on future trading projections for a period of at least 12 months from the date of signing the financial statements, and the extent to which they might affect the preparation of the financial statements on a going concern basis.

The directors considers that the going concern basis is appropriate to the presentation of the financial statements.

Revenue recognition

1. Sale of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:-

- a. The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b. the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- c. the amount of revenue can be measured reliably;
- d. it is probable that the economic benefits associated with the transaction will flow to the company; and
- e. the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is therefore recognised when the customer accepts delivery of the product and the product is installed.

2. Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably the company recognises revenue associated with the transaction by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:-

- a. the amount of revenue can be measured reliably;
- b. it is probable that the economic benefits associated with the transaction will flow to the entity;
- c. the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- d. the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue for support services is therefore recognised proportionally over the performance of the service contract.

3. Rental income

SOLEBAY DESIGN SYSTEMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2017

Operating lease income from investment properties is recognised in profit and loss on a straight line basis over the lease term.

4. Commission income

Commission revenue is earned where the company acts as an agent to provide services to third parties. Commissions are recognised as revenue when there is no obligation to provide further service.

5. Interest income

Interest income is recognised as interest accrues using the effective interest rate method.

6. Dividend income

Dividend income receivable is recognised when the rights to receive the distributions have been established.

Taxation

Tax expense for the period comprises current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, gives rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Foreign currencies

Foreign currency transactions are translated into Pounds Sterling using the exchange rate prevailing at the date the transactions took place. Where this is not possible to determine, income and expense items are translated using an average exchange rate for the period.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are reported at the rates of exchange prevailing at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities are reported in profit and loss.

SOLEBAY DESIGN SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2017

Tangible fixed assets

Tangible fixed assets held for the company's own use are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives at the following rates:

Computer equipment	-	25% straight line basis
Fixtures and fittings	-	25% straight line basis

Assets held under finance leases are depreciated in the same way as owned assets.

At each balance sheet date the company reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If such an indication exists the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that the obligation will be required to be settled, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are discounted when the time value of money is material.

Financial instruments

Financial assets and liabilities are recognised when the company becomes party to the contractual provisions of the financial instrument. The company holds basic financial instruments, which comprise cash and cash equivalents, trade and other receivables, equity investments, trade and other payables, and loans and borrowings. The company has chosen to apply the provisions of Section 11 Basic Financial Instruments in full.

Financial assets - classified as basic financial instruments

- i) Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held with banks, and other short term highly liquid investments with original maturities of three months or less.
- ii) Trade and other receivables
Trade and other receivables that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

SOLEBAY DESIGN SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2017

At the end of each reporting period, the company assesses whether there is objective evidence that any receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit and loss.

- iii) **Equity investments**
Equity investments comprise ordinary equity shares, publicly traded in active markets for which a reliable fair value can be measured. Equity investments are initially recognised at fair value, which is the transaction price excluding transaction costs and subsequent changes in fair value are recognised through profit and loss.
- iv) **Trade and other payables and loans and borrowings**
Trade and other payables that are payable within one year are measured at the undiscounted amount of the cash expected to be paid.

Critical accounting judgements and key sources of estimation uncertainty

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amount of assets and liabilities. The estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. Employees		<u>2017</u>	<u>2016</u>
		<u>Number</u>	<u>Number</u>
Number of employees			
The average monthly numbers of employees (including the directors) during the year were:		2	2
		<u> </u>	<u> </u>
Employment costs		<u>2017</u>	<u>2016</u>
		<u>£</u>	<u>£</u>
Wages and salaries		10,000	11,000
Social security costs		367	-
		<u>10,367</u>	<u>11,000</u>

SOLEBAY DESIGN SYSTEMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2017

4. Tangible assets

	<u>Computer equipment</u>	<u>Fixtures and fittings</u>	<u>Total</u>
	£	£	£
Cost			
At 1st May 2016	14,098	14,393	28,491
Additions	3,221	154	3,375
At 30th April 2017	17,319	14,547	31,866
Depreciation			
At 1st May 2016	10,844	14,393	25,237
Charge for the year	1,995	39	2,034
At 30th April 2017	12,839	14,432	27,271
Net book value			
At 30th April 2017	4,480	115	4,595
At 30th April 2016	3,254	-	3,254

5. Fixed asset investments

	<u>Listed investments</u>	<u>Other unlisted investments</u>	<u>Total</u>
	£	£	£
Cost			
At 1st May 2016	9,313	710,778	720,091
Additions	-	15,000	15,000
Disposals	(9,313)	-	(9,313)
At 30th April 2017	-	725,778	725,778
Net book values			
At 30th April 2017	-	725,778	725,778
At 30th April 2016	9,313	710,778	720,091

6. Debtors

	<u>2017</u>	<u>2016</u>
	£	£
Trade debtors	3,621	2,255
Other debtors	-	2,808
Prepayments and accrued income	3,000	3,000
	6,621	8,063

SOLEBAY DESIGN SYSTEMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2017

7. Creditors: amounts falling due within one year	<u>2017</u> £	<u>2016</u> £
Other taxes and social security costs	713	-
Directors' current account	7,437	8,698
Accruals and deferred income	2,850	1,300
	<u>11,000</u>	<u>9,998</u>

The directors' current account is unsecured and currently non interest bearing.

8. Share capital	<u>2017</u> £	<u>2016</u> £
Authorised		
1,000,000 ordinary shares of £10 pence each	<u>100,000</u>	<u>100,000</u>
Issued and fully paid		
1,560 ordinary shares of 10 pence each	<u>156</u>	<u>156</u>

9. Equity Reserves	<u>Profit and loss account</u> £	<u>Total</u> £
At 1st May 2016	723,314	723,314
Profit for the year	5,700	5,700
At 30th April 2017	<u>729,014</u>	<u>729,014</u>