

Sofant Technologies Ltd
Filleted Financial Statements
For the year ended
30 September 2017



Sofant Technologies Ltd
Financial Statements
Year ended 30 September 2017

Contents	Pages
Statement of financial position	1
Notes to the financial statements	2 to 6

Sofant Technologies Ltd

Statement of Financial Position

30 September 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	5	82,747	89,171
Tangible assets	6	5,575	17,471
		<u>88,322</u>	<u>106,642</u>
Current assets			
Debtors	7	32,587	58,954
Cash at bank and in hand		173,334	247,074
		<u>205,921</u>	<u>306,028</u>
Creditors: amounts falling due within one year	8	<u>376,058</u>	<u>442,155</u>
Net current liabilities		<u>170,137</u>	<u>136,127</u>
Total assets less current liabilities		<u>(81,815)</u>	<u>(29,485)</u>
Net liabilities		<u>(81,815)</u>	<u>(29,485)</u>
Capital and reserves			
Called up share capital		326	276
Share premium account		1,596,977	1,129,778
Profit and loss account		(1,679,118)	(1,159,539)
Members deficit		<u>(81,815)</u>	<u>(29,485)</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'.

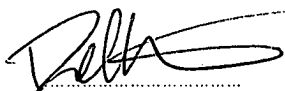
In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 30 September 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.

These financial statements were approved by the board of directors and authorised for issue on 18 Dec 2017, and are signed on behalf of the board by:



D M Wither
Director

Company registration number: SC409777

Sofant Technologies Ltd

Notes to the Financial Statements

Year ended 30 September 2017

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 5th Floor, 125 Princess Street, Edinburgh, EH2 4AD, Scotland.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

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

Going concern

The financial statements have been prepared on a going concern basis. The directors have assessed the Company's ability to continue as a going concern and have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. On this basis they continue to adopt the going concern basis of accounting in preparing these financial statements.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 October 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 10.

Taxation

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.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Intangible assets

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

Sofant Technologies Ltd

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

3. Accounting policies *(continued)*

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:

Patents	-	10% straight line
Licences	-	20% 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.

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:

Plant & equipment	-	25% straight line
Fixtures & fittings	-	25% straight line
Office equipment	-	25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Sofant Technologies Ltd

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

3. Accounting policies *(continued)*

Government grants *(continued)*

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

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

Basic financial assets, which include trade and other receivables and cash and bank balances, 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 receipts discounted at the market rate of interest for a similar debt instrument.

Basic financial liabilities, which include trade creditors and other payables, 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 receipts discounted at the market rate of interest for a similar debt instrument.

At each reporting date the company assesses whether there is objective evidence that any financial asset has been impaired. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due. The amount of the provision is recognised immediately in profit or loss.

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, including the directors, amounted to 7 (2016: 8).

Sofant Technologies Ltd

Notes to the Financial Statements (continued)

Year ended 30 September 2017

5. Intangible assets

	Patents £	Licences £	Total £
Cost			
At 1 October 2016	98,354	50,000	148,354
Additions from internal developments	23,068	—	23,068
Disposals	(5,478)	—	(5,478)
At 30 September 2017	115,944	50,000	165,944
Amortisation			
At 1 October 2016	18,766	40,417	59,183
Charge for the year	14,895	9,583	24,478
Disposals	(464)	—	(464)
At 30 September 2017	33,197	50,000	83,197
Carrying amount			
At 30 September 2017	82,747	—	82,747
At 30 September 2016	79,588	9,583	89,171

6. Tangible assets

	Plant and equipment £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 Oct 2016 and 30 Sep 2017	1,300	398	33,465	35,163
Depreciation				
At 1 October 2016	298	265	17,129	17,692
Charge for the year	325	100	11,471	11,896
At 30 September 2017	623	365	28,600	29,588
Carrying amount				
At 30 September 2017	677	33	4,865	5,575
At 30 September 2016	1,002	133	16,336	17,471

7. Debtors

	2017 £	2016 £
Other debtors	32,587	58,954

8. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	59,867	35,736
Social security and other taxes	7,178	9,759
Other creditors	309,013	396,660
	376,058	442,155

Sofant Technologies Ltd

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

9. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 £	2016 £
Not later than 1 year	<u>1,667</u>	<u>-</u>

10. Transition to FRS 102

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

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