

SYMMETRICOM LTD

FINANCIAL STATEMENTS

52 WEEK PERIOD ENDED 1 JULY 2012

Registered number: 2605691



MARKHAMS ACCOUNTANTS LIMITED

CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS

London

SYMMETRICOM LTD

FINANCIAL STATEMENTS

for the 52 week period ended 1 July 2012

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## SYMMETRICOM LTD

## COMPANY INFORMATION

for the 52 week period ended 1 July 2012

INCORPORATED	in England on 26 April 1991
NUMBER	2605691
CHAIRMAN	Mr David Cote
OTHER DIRECTORS	Mr Justin Spencer
SECRETARY	Abogado Nominees Limited
REGISTERED OFFICE	41 Edgehill Drive Daventry Northamptonshire NN11 0GR
BANKERS	National Westminster Bank Plc The Drapery Branch P O Box No 21 41 The Drapery Northampton NN1 2EY
SOLICITORS	Baker & McKenzie LLP 100 New Bridge Street London EC4V 6JA
AUDITORS	Markhams Accountants Limited Chartered Accountants and Statutory Auditors 10 Perrin's Lane Hampstead London NW3 1QY

SYMMETRICOM LTD

DIRECTORS' REPORT

for the 52 week period ended 1 July 2012

The directors present their report and the audited financial statements for the 52 week period ended 1 July 2012

**Principal activity**

The principal activity of the company is sales liaison in support of its parent company, Symmetricom Inc

**Business review**

The company's balance sheet as detailed on page 6 shows a satisfactory position, shareholders' funds amounting to £1,176,944 (2011 £1,020,816)

**Results and dividends**

The results for the period are shown in the profit and loss account on page 5  
The directors do not propose payment of an ordinary dividend

**Directors**

The directors who served the company during the period were as follows

Mr David Cote

Mr Justin Spencer

**Auditors**

In so far as the directors are aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

**Small company exemptions**

This report is prepared in accordance with the small companies regime of the Companies Act 2006.

On behalf of the board



David Cote  
Director

23 October 2012

41 Edgehill Drive  
Daventry  
Northamptonshire  
NN11 0GR

## SYMMETRICOM LTD

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 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 apply them consistently,
- make judgements and 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.

On behalf of the board



David Cote  
Director

## SYMMETRICOM LTD

**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF SYMMETRICOM LTD**

We have audited the financial statements of Symmetricon Ltd for the 52 week period ended 1 July 2012 which comprises of the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Section 475 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 an auditor's report 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.

**Respective responsibilities of the directors and auditors**

As described in the Statement of Directors' Responsibilities on page 3, the company's 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

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.

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 1 July 2012 and of its profit for the period then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and
- have been prepared in accordance with the requirement of the Companies Act 2006

**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.

Contd

SYMMETRICOM LTD

INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF SYMMETRICOM LTD

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 require 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
- the directors were not entitled to prepare the directors' report in accordance with small companies regime.

H S Markham (Senior statutory auditor)  
for and on behalf of Markhams Accountants Limited  
Chartered Accountants & Statutory Auditors

23 October 2012  
10 Perrin's Lane  
Hampstead  
London  
NW3 1QY

## SYMMETRICOM LTD

## PROFIT AND LOSS ACCOUNT

for the 52 week period ended 1 July 2012

	Note	2012 £	2011 £
Turnover	2	869,101	677,815
Cost of sales		(177,041)	(135,950)
Gross profit		692,060	541,865
Net operating expenses			
Administrative expenses		(527,442)	(366,649)
Operating profit	3	164,618	175,216
Other interest receivable	5	1,025	1,110
Profit on ordinary activities before taxation		165,643	176,326
Taxation	6	(35,321)	(48,582)
Retained profit for the 52 week period	12	130,322	127,744

Movements in reserves are shown in note 12.

None of the company's activities were acquired or discontinued during the above two financial years

There were no recognised gains and losses in 2012 or 2011 other than the profit for the 52 week period

The notes on page 7a to 7g form part of these accounts



## SYMMETRICOM LTD

Company number: 2605691

## BALANCE SHEET

at 1 July 2012

	Note	2012		2011	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	7	-	-	-	-
Tangible assets	8	35,020	-	-	-
		<u>35,020</u>		<u>-</u>	
<b>Current assets</b>					
Debtors	9	178,670	227,415		
Cash at bank and in hand		<u>1,276,986</u>	<u>1,078,482</u>		
		1,455,656	1,305,897		
Creditors: amounts falling due within one year	10	<u>(313,732)</u>	<u>(285,081)</u>		
<b>Net current assets</b>		<u>1,141,924</u>	<u>1,020,816</u>		
<b>Total assets less current liabilities</b>		<u><u>1,176,944</u></u>	<u><u>1,020,816</u></u>		
<b>Capital and reserves</b>					
Called up share capital	11	250,000	250,000		
Profit and loss account	12	<u>926,944</u>	<u>770,816</u>		
<b>Total shareholders' funds</b>	13	<u><u>1,176,944</u></u>	<u><u>1,020,816</u></u>		

The financial statements on pages 5 to 7 were approved by the board of directors on 23 October 2012 and signed on its behalf by



David Cote  
Director

The notes on page 7a to 7g form part of these accounts

## SYMMETRICOM LTD

## NOTES ON FINANCIAL STATEMENTS

1 July 2012

**1 Accounting policies****Basis of accounting**

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted by the directors are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Intangible fixed assets**

Intangible fixed assets relating to intellectual property have been fully amortised on a straight line basis over their useful economic lives.

**Tangible fixed assets**

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value on a straight line basis over their estimated useful lives of 3 years.

**Operating leases**

Rentals paid under operating leases are charged to income as incurred.

**Deferred taxation**

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

No material liability to deferred tax is expected to arise from these accounts.

**Foreign currencies**

Assets and liabilities denominated in foreign currencies are translated into sterling at year end exchange rate. The transactions on the profit and loss account are translated into sterling at the average exchange rates ruling during the financial year.

The principal exchange rates used for translation of foreign currencies were as follows:-

	<u>Average</u>	<u>Year End</u>
US Dollar	1.58832	1.56996

Exchange differences arising on the translation of the assets and liabilities, are taken to reserves. Other exchange differences are taken to the profit and loss account.

**Pensions****Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

**Cash flow statement**

The company has not prepared a cash flow statement because it is taking advantage of the exemptions under the revised FRS1 standard.

## SYMMETRICOM LTD

## NOTES ON FINANCIAL STATEMENTS

1 July 2012

## 2 Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities stated net of value added tax. Turnover is attributable to two activities, the support of systems and software, and income receivable by the company under agreements with the parent company.

The analysis of turnover by geographical area is as follows

	2012	2011
	£	£
United States of America	456,050	301,367
Europe (including UK)	413,051	376,448
	<u>869,101</u>	<u>677,815</u>

## 3 Operating profit

	2012	2011
	£	£
Operating profit is stated after charging:		
Auditors' remuneration	7,338	7,566
Auditors' remuneration - non-audit work	5,743	6,239
Rentals under operating leases		
Land and building	-	706
Other operating leases	9,968	8,258
Loss on foreign exchange	9,813	15,228
	<u>          </u>	<u>          </u>

## SYMMETRICOM LTD

## NOTES ON FINANCIAL STATEMENTS

1 July 2012

## 4 Directors

No remuneration was paid by this company to either of the directors. Both are directors of the parent company from whom they receive remuneration for their services to the group as directors. The amount of remuneration allocated in respect of their services to the company is £ nil (2011 £ nil)

	2012	2011
	£	£
Employees		
Average number employed including executive directors:		
Office and management	2	2
Sales and administration staff	6	3
	<u>8</u>	<u>5</u>

	2012	2011
	£	£
Employees		
Staff cost incurred during the period in respect of these employees were:		
Wages and salaries	328,438	251,529
Social security costs	42,483	37,250
Pension costs	12,076	10,687
	<u>382,997</u>	<u>299,466</u>

## 5 Other interest receivable

	2012	2011
	£	£
Bank interest receivable	<u>1,025</u>	<u>1,110</u>

## SYMMETRICOM LTD

## NOTES ON FINANCIAL STATEMENTS

1 July 2012

## 6 Taxation

## (a) Analysis of charge in the period

	2012 £	2011 £
UK Corporation tax:		
Current tax on income for the period at 24% & 26% (2011 26% & 28%)	35,321	48,582
Total current tax	<u>35,321</u>	<u>48,582</u>

## (b) Factors affecting tax charge for the period

	2012 £	2011 £
Profit on ordinary activities before taxation	165,643	176,326
Profit on ordinary activities multiplied by the effective standard rate of corporation tax in the UK of 25.5027% (2011: 27.5014%)	42,243	48,492
Effect of		
Expenses not deductible for tax purposes	696	688
Capital allowances in excess of depreciation	(6,629)	
Marginal small companies relief	(989)	(598)
Total current tax	<u>35,321</u>	<u>48,582</u>

## SYMMETRICOM LTD

## NOTES ON FINANCIAL STATEMENTS

1 July 2012

## 7 Intangible fixed assets

Intellectual  
Property  
£

## Cost

4 July 2011  
and  
1 July 2012

153,545

## Amortisation

4 July 2011  
and  
1 July 2012

153,545

## Net book amount

At 1 July 2012

-

At 4 July 2011

-

## 8 Tangible fixed assets

Plant and  
Machinery  
etc  
£

## Cost

Additions

36,021

1 July 2012

36,021

## Depreciation

Charge for the period  
Translation adjustment

989

12

1 July 2012

1,001

## Net book amount

1 July 2012

35,020

## 9 Debtors

2012  
£2011  
£

## Amounts falling due within one year

Trade debtors  
Amounts owed by parent company  
Other debtors

115,451

29,331

33,888

93,773

133,133

509

178,670

227,415

## SYMMETRICOM LTD

## NOTES ON FINANCIAL STATEMENTS

1 July 2012

## 10 Creditors: amounts falling due within one year

	2012 £	2011 £
Amounts owed to group undertakings	17,670	-
Corporation tax	35,321	48,582
Other taxation and social security	22,163	18,201
Other creditors	4,349	18,138
Accruals and deferred income	234,229	200,160
	<u>313,732</u>	<u>285,081</u>

## 11 Called up share capital

	2012		2011	
	Number of shares	£	Number of shares	£
Allotted called up and fully paid				
Equity shares				
Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>

## 12 Profit and loss account

	2012 £	2011 £
4 July 2011	770,816	708,316
Retained profit for the period	130,322	127,744
Translation gain/(loss)	25,806	(65,244)
1 July 2012	<u>926,944</u>	<u>770,816</u>

## 13 Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Profit for the period	130,322	127,744
Translation (loss)/gain	<u>25,806</u>	<u>(65,244)</u>
Net addition to/(subtraction from) shareholders' funds	156,128	62,500
Opening shareholders' funds	<u>1,020,816</u>	<u>958,316</u>
Closing shareholders' funds	<u>1,176,944</u>	<u>1,020,816</u>

## SYMMETRICOM LTD

## NOTES ON FINANCIAL STATEMENTS

1 July 2012

**14 Guarantees and other financial commitments**

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the period to 30 June 2013

	2012 Plant & Other £	2011 Plant & Other £
Expiring		
Within one year	-	6,961
Within two to five years	8,256	-
	<u>8,256</u>	<u>7,593</u>

**15 Related parties**

The company has taken advantage of the provision of FRS 8 Accordingly, transactions with other group companies are not disclosed

**16 Ultimate parent undertaking**

The company's ultimate parent company and controlling party is Symmetricom, Inc., a company incorporated in the State of Delaware, United States of America Symmetricom, Inc is the parent company of the group which includes the company and for which group accounts are prepared Copies of the group financial statement of Symmetricom, Inc are available from 2300 Orchard Parkway, San Jose, California 95131-1017, USA