

SYMMETRICOM LTD

FINANCIAL STATEMENTS

52 WEEK PERIOD ENDED 29 JUNE 2014

Registered number: 2605691

MARKHAMS ACCOUNTANTS LIMITED

CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS

London

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SYMMETRICOM LTD

FINANCIAL STATEMENTS

for the 52 week period ended 29 June 2014

CONTENTS

	Page
Company information	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8

SYMMETRICOM LTD

COMPANY INFORMATION

for the 52 week period ended 29 June 2014

INCORPORATED	in England on 26 April 1991
NUMBER	2605691
CHAIRMAN	Mr Hoang Ngo (appointed on 26/11/2013)
OTHER DIRECTORS	Mr Justin Spencer (resigned on 26/11/2013) Ms Elizabeth Ann Fetter (resigned on 26/11/2013)
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 29 June 2014

The directors present their report and the audited financial statements for the 52 week period ended 29 June 2014.

Principal activity

The principal activity of the company is sales liaison in support of its parent company, Microsemi Frequency and Time Corporation, formerly known as Symmetricom, Inc.

Business review

The company's balance sheet as detailed on page 7 shows a satisfactory position, shareholders' funds amounting to £1,378,287 (2013: £1,473,616)

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 Hoang Ngo (appointed on 26/11/2013)

Mr Justin Spencer (resigned on 26/11/2013)

Ms Elizabeth Ann Fetter (resigned on 26/11/2013)

Auditors

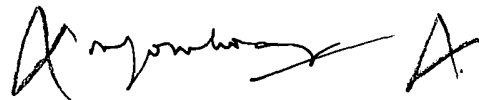
In so far as the directors are aware:

- 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



Hoang Ngo
Director

20 March 2015

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

Hoang Ngo
Director

SYMMETRICOM LTD

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF SYMMETRICOM LTD

We have audited the financial statements of Symmetricom Ltd for the 52 week period ended 29 June 2014 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 Generally Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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 29 June 2014 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- have been prepared in accordance with the requirement of the Companies Act 2006; and

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year 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; or
- the directors were not entitled to prepare the directors' report in accordance with small companies regime.

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

20 March 2015

10 Perrin's Lane
Hampstead
London
NW3 1QY

SYMMETRICOM LTD

PROFIT AND LOSS ACCOUNT

for the 52 week period ended 29 June 2014

	Note	2014 £	2013 £
Turnover	2	525,768	1,117,736
Cost of sales		(151,185)	(185,675)
Gross profit		374,583	932,061
Net operating expenses			
Administrative expenses		(292,260)	(601,652)
Operating profit	3	82,323	330,409
Other interest receivable	5	6,671	1,115
Profit on ordinary activities before taxation		88,994	331,524
Taxation	6	(22,918)	(78,219)
Retained profit for the 52 week period	13	66,076	253,305

Movements in reserves are shown in note 13.

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

The notes on page 8a to 8g form part of these accounts

SYMMETRICOM LTD

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the 52 week period ended 29 June 2014

	2014	2013
	£	£
Profit for the financial 52 week period	66,076	253,305
Unrealised gain on investment (note 14)	787	-
Total gains recognised since last report	<u>66,863</u>	<u>253,305</u>

SYMMETRICOM LTD

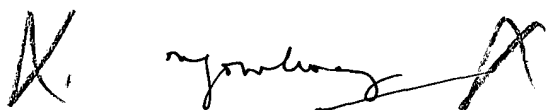
Company number: 2605691

BALANCE SHEET

at 29 June 2014

	Note	2014		2013	
		£	£	£	£
Fixed assets					
Intangible assets	7	-	-	-	-
Tangible assets	8	18,718		39,108	
		<u>18,718</u>		<u>39,108</u>	
Current assets					
Debtors	9	263,043	303,120		
Investments	10	941,796	1,150,680		
Cash at bank and in hand		439,917	406,990		
		<u>1,644,756</u>	<u>1,860,790</u>		
Creditors: amounts falling due within one year	11	(285,187)	(426,282)		
Net current assets		<u>1,359,569</u>	<u>1,434,508</u>		
Total assets less current liabilities		<u>1,378,287</u>	<u>1,473,616</u>		
Capital and reserves					
Called up share capital	12	250,000	250,000		
Profit and loss account	13	1,127,500	1,223,616		
Revaluation reserve	14	787			
Total shareholders' funds	15	<u>1,378,287</u>	<u>1,473,616</u>		

The financial statements on pages 5 to 8 were approved by the board of directors on 20 March 2015 and signed on its behalf by:



Hoang Ngo
Director

The notes on page 8a to 8g form part of these accounts

SYMMETRICOM LTD

NOTES ON FINANCIAL STATEMENTS

29 June 2014

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	1.61180	1.70276

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 standard FRS 1.

SYMMETRICOM LTD

NOTES ON FINANCIAL STATEMENTS

29 June 2014

2 Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities which is stated net of value added tax. Turnover is attributable to the support and sale 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:

	2014 £	2013 £
United States of America	162,671	474,141
Europe (including UK)	363,097	643,595
	<u>525,768</u>	<u>1,117,736</u>

3 Operating profit

	2014 £	2013 £
Operating profit is stated after charging:		
Auditors' remuneration	6,408	7,634
Auditors' remuneration - non-audit work	6,782	6,248
Rentals under operating leases		
Other operating leases	7,568	8,256
Loss on foreign exchange	12,746	10,358
	<u> </u>	<u> </u>
Depreciation of tangible fixed assets (note 8):		
owned assets	<u>17,128</u>	<u>14,086</u>

SYMMETRICOM LTD

NOTES ON FINANCIAL STATEMENTS

29 June 2014

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 (2013: £ nil).

	2014	2013
	£	£
Employees		
Average number employed including executive directors:		
Office and management	1	2
Sales and administration staff	1	3
	<u>2</u>	<u>5</u>

	2014	2013
	£	£
Employees		
Staff cost incurred during the period in respect of these employees were:		
Wages and salaries	147,447	336,835
Social security costs	17,019	57,812
Pension costs	7,657	14,115
	<u>172,123</u>	<u>408,762</u>

5 Other interest receivable

	2014	2013
	£	£
Bank interest receivable	<u>6,671</u>	<u>1,115</u>

SYMMETRICOM LTD

NOTES ON FINANCIAL STATEMENTS

29 June 2014

6 Taxation

(a) Analysis of charge in the period

	2014 £	2013 £
UK Corporation tax:		
Current tax on income for the period at 21% & 23% (2013 23% & 24%)	22,918	78,219
Total current tax	<u>22,918</u>	<u>78,219</u>

(b) Factors affecting tax charge for the period

	2014 £	2013 £
Profit on ordinary activities before taxation	88,994	331,524
Profit on ordinary activities multiplied by the effective standard rate of corporation tax in the UK of 22.5014% (2013: 23.7506%)	20,025	78,739
Effect of:		
Expenses not deductible for tax purposes	240	622
Depreciation in excess of capital allowance	3,554	(1,142)
Marginal small companies relief	(901)	-
Total current tax	<u>22,918</u>	<u>78,219</u>

7 Intangible fixed assets

Intellectual
Property
£

Cost

1 July 2013	153,545
and	
29 June 2014	<u> </u>

Amortisation

1 July 2013	153,545
and	
29 June 2014	<u> </u>

Net book amount

At 29 June 2014	<u> </u>
At 30 June 2013	<u> </u>

SYMMETRICOM LTD

NOTES ON FINANCIAL STATEMENTS

29 June 2014

8 Tangible fixed assets

	Plant and Machinery etc £
Cost	
1 July 2013	54,455
Translation adjustment	(5,817)
29 June 2014	<u>48,638</u>
Depreciation	
1 July 2013	15,347
Charge for the period	17,128
Translation adjustment	(2,555)
29 June 2014	<u>29,920</u>
Net book amount	
29 June 2014	<u><u>18,718</u></u>
30 June 2013	<u><u>39,108</u></u>

9 Debtors

	2014 £	2013 £
Amounts falling due within one year		
Trade debtors	88,026	230,095
Amounts owed by parent company	174,211	63,688
Other debtors	806	9,337
	<u>263,043</u>	<u>303,120</u>

10 Current asset investments

	2014 £	2013 £
Short term investment	<u>941,796</u>	<u>1,150,680</u>

The investment has been stated at market value (2013: £1,147,865) and any unrealised gain or loss on investment is written off to revaluation reserve.

SYMMETRICOM LTD

NOTES ON FINANCIAL STATEMENTS

29 June 2014

11 Creditors: amounts falling due within one year

	2014	2013
	£	£
Amounts owed to group undertakings	178,160	39,243
Corporation tax	999	78,219
Other taxation and social security	3,292	7,850
Other creditors	-	3,714
Accruals and deferred income	102,736	297,256
	<u>285,187</u>	<u>426,282</u>

12 Called up share capital

	2014		2013	
	Number of shares	£	Number of shares	£
Allotted called up and fully paid				
Equity shares				
Ordinary shares of £1 each	250,000	250,000	250,000	250,000

13 Profit and loss account reserve

	2014	2013
	£	£
1 July 2013	1,223,616	926,944
Retained profit for the period	66,076	253,305
Translation gain/(loss)	(162,192)	43,367
29 June 2014	<u>1,127,500</u>	<u>1,223,616</u>

14 Revaluation reserve

	2014	2013
	£	£
Unrealised gain on investment (note 15)	<u>787</u>	-
29 June 2014	<u>787</u>	-

SYMMETRICOM LTD

NOTES ON FINANCIAL STATEMENTS

29 June 2014

15 Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit for the period	66,076	253,305
Translation gain/(loss)	(162,192)	43,367
Unrealised gain on investment (note 14)	787	-
Net addition to/(subtraction from) shareholders' funds	(95,329)	296,672
Opening shareholders' funds	1,473,616	1,176,944
Closing shareholders' funds	1,378,287	1,473,616

16 Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the period to 28 June 2015:

	2014 Plant & Other £	2013 Plant & Other £
Expiring		
Within one year	8,256	-
Within two to five years	-	8,256
	8,256	8,256

17 Related parties

The company has taken advantage of the provision of FRS 8 (Related Party Disclosures) transactions with other group companies are not disclosed.

18 Ultimate parent undertaking

The company's ultimate parent company and controlling party is Microsemi Corporation, a company incorporated in the State of Delaware, USA. Microsemi Frequency and Time Corporation formerly known as Symmetricom, Inc., is the company's immediate parent and is a wholly owned subsidiary of Microsemi Corporation. Copies of the group financial statements of Microsemi Frequency and Time Corporation, formerly known as Symmetricom, Inc. are available from 3870N.1st Street, San Jose, California 95134, USA.