
SINEFO GROUP LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE PERIOD ENDED 31 DECEMBER 2018



SINEFO GROUP LIMITED
REGISTERED NUMBER: 09709350

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	31 December 2018 £	31 July 2017 £
Fixed assets			
Investments	4	7,941	-
		<u>7,941</u>	<u>-</u>
Current assets			
Debtors: amounts falling due within one year	5	1,947	1,548
		<u>1,947</u>	<u>1,548</u>
Creditors: amounts falling due within one year	6	(6,277,584)	(24,390)
		<u>(6,277,584)</u>	<u>(24,390)</u>
Net current liabilities		(6,275,637)	(22,842)
Total assets less current liabilities		(6,267,696)	(22,842)
Net liabilities		(6,267,696)	(22,842)
Capital and reserves			
Called up share capital	7	1	1
Profit and loss account		(6,267,697)	(22,843)
		<u>(6,267,696)</u>	<u>(22,842)</u>

SINEFO GROUP LIMITED
REGISTERED NUMBER: 09709350

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2018

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the period in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



S Salant
Director

Date: Sep 29, 2019

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

SINEFO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

1. General information

The principal activity of Sinefo Group Limited ("the Company") is software development.

The Company is a private company limited by shares and is incorporated in England and Wales.

The Registered Office address is UK House, 180 Oxford Street, London, W1D 1NN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on the going concern basis which assumes that the Company will continue to trade for the foreseeable future, being a period of at least twelve months from the date of approval of these financial statements, and will be able to meet its debts as they fall due.

The Company made a loss of £6,244,854 during the year and had net current liabilities of £6,275,637 and net liabilities of £6,267,696.

As with any business, the Company relies upon the availability of working capital and generation of profits and cash in future to meet its liabilities as they fall due. There are also amounts due to other related party entities of £6,277,584. The Company is reliant on the ongoing support from its parent company and other related party entities which the directors have confirmed.

As a result, the directors are confident that the Company's access to working capital and future profit generation will be sufficient to support the business in the foreseeable future, and accordingly, consider it appropriate to prepare the financial statements on a going concern basis.

2.3 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.4 Financial instruments

The Company only enters into basic financial instruments and transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to and from related parties.

(i) Financial assets

Basic financial assets, including trade and other debtors, and amounts due from related companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Income and Retained Earnings.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors and accruals, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Pounds Sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

2.6 Taxation

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Employees

The average monthly number of employees, including directors, during the period was 2 (2017 - 3).

SINEFO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018

4. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
Additions	7,941
At 31 December 2018	<u>7,941</u>
Net book value	
At 31 December 2018	<u>7,941</u>
At 31 July 2017	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

4. Fixed asset investments (continued)

The following were subsidiary undertakings of the Company:

Direct subsidiary undertakings

Name	Country of incorporation	Principal activity
SinefoMedia Limited	Cyprus	Development software
Dcore Systems Ltd	United Kingdom	Development software
Streamvibe Global Ltd	United Kingdom	Development software
Chatsuite Ltd	United Kingdom	Development software
Brandtix Global Ltd	United Kingdom	Development software

Indirect Subsidiary undertakings

Name	Country of incorporation	Principal activity
Sinefo SA	Switzerland	Development software
Brandtix SA	Switzerland	Development software
Dcore Slovakia S.R.O	Serbia	Development software
Streamvibe Ltd	United Kingdom	Development software
Brandtix Ltd	United Kingdom	Development software
Betterbrand Solutions Ltd	United Kingdom	Development software

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

4. Fixed asset investments (continued)

The aggregate of the share capital and reserves as at 31 December 2018 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves	Profit/(loss)
	£	£
SinefoMedia Limited - year ended 31 December 2017	1,984	(25,654)
Sinefo SA	(1,007,662)	113,717
Brandtix SA	(646,142)	43,675
Dcore Systems Ltd	(137,997)	31,705
Dcore Slovakia S.R.O	4,373	50,561
Streamvibe Global Ltd	(1,753,522)	(494,093)
Streamvibe Ltd	(63,798)	(4,282)
Chatsuite Ltd	(1,455,453)	(350,744)
Betterbrand Solutions Ltd	(98,990)	(4,951)
Brandtix Global Limited	(1,514,313)	(424,544)
Brandtix Ltd	(140,062)	56,071
	<u> </u>	<u> </u>

5. Debtors

	31 December 2018 £	31 July 2017 £
Amounts owed by group undertakings	-	1
Other debtors	1,947	1,547
	<u>1,947</u>	<u>1,548</u>

SINEFO GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

6. Creditors: Amounts falling due within one year

	31 December 2018 £	31 July 2017 £
Amounts owed to group undertakings	6,277,584	22,890
Accruals and deferred income	-	1,500
	<u>6,277,584</u>	<u>24,390</u>

7. Share capital

	31 December 2018 £	31 July 2017 £
Allotted, called up and fully paid		
1 (2017 - 1) Ordinary share of £1	<u>1</u>	<u>1</u>

8. Related party transactions

Where possible the Company has taken advantage of the exemption conferred by Section 33.1A of Financial Reporting Standard 102: Related Party Disclosures, from the requirement to disclose transaction with wholly-owned group undertakings.

9. Post balance sheet events

Following the year-end, there have been substantial recapitalisations across the group with the result being that amounts currently shown within intercompany balances in debtors that have been provided against, have now been capitalised within fixed asset investments as cost of investment in subsidiary undertakings.

10. Controlling party

The immediate parent undertaking is Willful Holdings Limited, a Company incorporated in England and Wales whose Registered Office address is UK House, 180 Oxford Street, London, W1D 1NN.