

CICERO CONSULTING LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR

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COMPANIES HOUSE

CICERO CONSULTING LIMITED

COMPANY INFORMATION

Directors

I W Anderson
J K Swan
M Twigg
H M Walsh
T A Frackowiak
J W Rowland
P Namazi (Appointed 12 October 2018)

Secretary

K J Grant

Company number

04071207

Registered office

10 Old Bailey
Old Bailey
London
EC4M 7NG

Accountants

Leigh Saxton Green LLP
Mutual House
70 Conduit Street
London
W1S 2GF

CICERO CONSULTING LIMITED

CONTENTS

	Page
Group statement of financial position	1 - 2
Company statement of financial position	3 - 4
Notes to the financial statements	5 - 12

CICERO CONSULTING LIMITED

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Goodwill	4		207,487		33,540
Property, plant and equipment	5		61,988		81,348
			<u>269,475</u>		<u>114,888</u>
Current assets					
Trade and other receivables	8	1,820,741		1,037,117	
Cash and cash equivalents		136,542		356,017	
		<u>1,957,283</u>		<u>1,393,134</u>	
Current liabilities	9	(1,730,756)		(1,144,106)	
Net current assets			<u>226,527</u>		<u>249,028</u>
Total assets less current liabilities			<u>496,002</u>		<u>363,916</u>
Provisions for liabilities			(237)		-
Net assets			<u>495,765</u>		<u>363,916</u>
Equity					
Called up share capital	10		182,098		183,098
Share premium account			371,649		371,649
Capital redemption reserve			16,293		15,293
Retained earnings			(74,275)		(206,124)
Total equity			<u>495,765</u>		<u>363,916</u>

The directors of the group have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 December 2018 the group was entitled to exemption from audit under section 477 of the Companies Act 2006.

Directors' responsibilities:

- The members have not required the group 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.

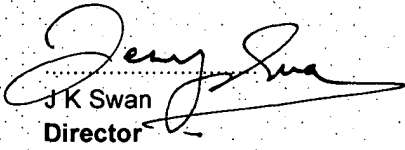
These financial statements have been prepared in accordance with the provisions applicable to groups and companies subject to the small companies' regime.

CICERO CONSULTING LIMITED

GROUP STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2018

The financial statements were approved by the board of directors and authorised for issue on 15/05/19 and are signed on its behalf by:


J K Swan
Director

CICERO CONSULTING LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Goodwill	4		52,880		33,540
Property, plant and equipment	5		61,988		78,956
Investments	6		100		100
			<u>114,968</u>		<u>112,596</u>
Current assets					
Trade and other receivables	8	2,105,533		1,269,922	
Cash and cash equivalents		136,542		341,512	
		<u>2,242,075</u>		<u>1,611,434</u>	
Current liabilities	9	(1,689,511)		(1,083,020)	
Net current assets			<u>552,564</u>		<u>528,414</u>
Total assets less current liabilities			<u>667,532</u>		<u>641,010</u>
Provisions for liabilities			(237)		-
Net assets			<u>667,295</u>		<u>641,010</u>
Equity					
Called up share capital	10		182,098		183,098
Share premium account			371,645		371,645
Capital redemption reserve			16,293		15,293
Retained earnings			97,259		70,974
Total equity			<u>667,295</u>		<u>641,010</u>

CICERO CONSULTING LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2018

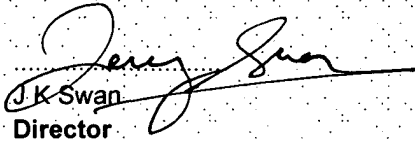
As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's profit for the year was £34,285 (2017 - £257,577 loss).

For the financial year ended 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

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

The financial statements were approved by the board of directors and authorised for issue on 15/05/19 and are signed on its behalf by:


J.K. Swan
Director

Company Registration No. 04071207

CICERO CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Cicero Consulting Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 10 Old Bailey, Old Bailey, London, EC4M 7NG.

The group consists of Cicero Consulting Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

CICERO CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

The consolidated financial statements incorporate those of Cicero Consulting Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2018. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	50% on cost and 33% on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.6 Non-current investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

1.7 Impairment of non-current assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the 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 an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

CICERO CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

CICERO CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

2	Exceptional costs	2018	2017
		£	£
	Exceptional items	196,505	208,526
		<u>196,505</u>	<u>208,526</u>
		<u><u>196,505</u></u>	<u><u>208,526</u></u>

Exceptional items represent costs related to the acquisition of Westbourne Comms Company Limited.

3 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group		Company	
	2018	2017	2018	2017
	Number	Number	Number	Number
Total employees	58	45	49	47
	<u>58</u>	<u>45</u>	<u>49</u>	<u>47</u>

Their aggregate remuneration comprised:

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Wages and salaries	3,408,840	1,782,561	2,979,562	1,757,111
Social security costs	386,954	224,453	340,673	221,772
Pension costs	154,290	117,367	139,523	117,367
	<u>3,950,084</u>	<u>2,124,381</u>	<u>3,459,758</u>	<u>2,096,250</u>
	<u><u>3,950,084</u></u>	<u><u>2,124,381</u></u>	<u><u>3,459,758</u></u>	<u><u>2,096,250</u></u>

CICERO CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

4 Intangible fixed assets

Group	Goodwill
	£
Cost	
At 1 January 2018	55,900
Additions	179,537
	<hr/>
At 31 December 2018	235,437
	<hr/>
Amortisation and impairment	
At 1 January 2018	22,360
Amortisation charged for the year	5,590
	<hr/>
At 31 December 2018	27,950
	<hr/>
Carrying amount	
At 31 December 2018	207,487
	<hr/>
At 31 December 2017	33,540
	<hr/>
Company	Goodwill
	£
Cost	
At 1 January 2018	55,900
Additions	24,930
	<hr/>
At 31 December 2018	80,830
	<hr/>
Amortisation and impairment	
At 1 January 2018	22,360
Amortisation charged for the year	5,590
	<hr/>
At 31 December 2018	27,950
	<hr/>
Carrying amount	
At 31 December 2018	52,880
	<hr/>
At 31 December 2017	33,540
	<hr/>

CICERO CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

5 Property, plant and equipment

Group	Plant and machinery etc
	£
Cost	
At 1 January 2018	596,728
Additions	9,798
Transfers	(22,656)
	<hr/>
At 31 December 2018	583,870
	<hr/>
Depreciation and impairment	
At 1 January 2018	509,714
Depreciation charged in the year	33,578
Transfers	(21,410)
	<hr/>
At 31 December 2018	521,882
	<hr/>
Carrying amount	
At 31 December 2018	61,988
	<hr/> <hr/>
At 31 December 2017	81,348
	<hr/> <hr/>
Company	Plant and machinery etc
	£
Cost	
At 1 January 2018	561,489
Additions	9,798
	<hr/>
At 31 December 2018	571,287
	<hr/>
Depreciation and impairment	
At 1 January 2018	482,533
Depreciation charged in the year	26,766
	<hr/>
At 31 December 2018	509,299
	<hr/>
Carrying amount	
At 31 December 2018	61,988
	<hr/> <hr/>
At 31 December 2017	78,956
	<hr/> <hr/>

CICERO CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

6 Fixed asset investments

	Group 2018 £	2017 £	Company 2018 £	2017 £
Investments	-	-	100	100

7 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Yatterbox Limited	England and Wales	Social media monitoring services	Ordinary	100.00	
Westbourne Comms Company Limited	England and Wales	Public affairs	Ordinary	100.00	

8 Trade and other receivables

	Group 2018 £	2017 £	Company 2018 £	2017 £
Amounts falling due within one year:				
Trade receivables	771,273	598,177	746,988	528,726
Amounts due from group	-	-	343,688	303,546
Other receivables	1,049,468	438,940	1,014,857	437,650
	<u>1,820,741</u>	<u>1,037,117</u>	<u>2,105,533</u>	<u>1,269,922</u>

9 Current liabilities

	Group 2018 £	2017 £	Company 2018 £	2017 £
Bank loans and overdrafts	55,568	-	55,159	-
Trade payables	417,090	409,767	429,838	414,081
Amounts due to group undertakings	-	-	1,000	-
Corporation tax payable	64,371	50,392	64,371	50,392
Other taxation and social security	333,293	238,802	335,742	239,917
Other payables	860,434	445,145	803,401	378,630
	<u>1,730,756</u>	<u>1,144,106</u>	<u>1,689,511</u>	<u>1,083,020</u>

CICERO CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

10 Share capital

	Group and company	
	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
1,820,980 Ordinary shares of 10p each	182,098	183,098

11 Acquisitions

On 29 June 2018 the group acquired 100 percent of the issued capital of Westbourne Comms Company Limited.

	Book Value	Adjustments	Fair Value
	£	£	£
Property, plant and equipment	1,246	-	1,246
Trade and other receivables	550,683	-	550,683
Trade and other payables	(120,946)	-	(120,946)
Tax liabilities	(64,371)	-	(64,371)
Deferred tax	(237)	-	(237)
Cash and cash equivalents	53,430	-	53,430
Total identifiable net assets	<u>419,805</u>	<u>-</u>	<u>419,805</u>
Goodwill			24,930
Total consideration			<u>444,735</u>
The consideration was satisfied by:			£
Cash			<u>444,735</u>
Contribution by the acquired business for the reporting period included in the consolidated statement of comprehensive income since acquisition:			£
Revenue			1,115,560
Profit after tax			<u>164,186</u>