Registered number: 06715188

RIVERSAFE LIMITED

UNAUDITED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2019

LUBBOCK FINE
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

RIVERSAFE LIMITED **REGISTERED NUMBER:06715188**

BALANCE SHEET

AS AT 31 MARCH 2019

	Note		2019 £		2018 £
Fixed assets					
Tangible assets	4		33,849		50,846
Current assets					
Debtors	5	1,987,498		1,035,197	
Cash at bank and in hand	6	138,971		373,576	
		2,126,469		1,408,773	
Creditors: amounts falling due within one year	7	(1,092,958)		(329,726)	
Net current assets			1,033,511		1,079,047
Total assets less current liabilities			1,067,360		1,129,893
Provisions for liabilities					
Deferred tax	8		(6,063)		(9,697)
Net assets			1,061,297		1,120,196
Capital and reserves					
Called up share capital	12		200		200
Profit and loss account			1,061,097		1,119,996
			1,061,297		1,120,196

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 year 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 comprehensive income 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:

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A O Obiora **S O Adeyanju**
Director Director

Date: 30/10/2019

1. General information

RiverSafe Limited is a private company limited by shares incorporated in England and Wales within the United Kingdom. The registered office address is 3rd Floor Paternoster House, 65 St Paul's Churchyard, London, EC4M 8AB and the address of the principal place of business is Suite 23, Beaufort Court, Admirals Way, London, E14 9XL. The principal activity of the company in the year was that of computer security consultancy services. The financial statements are presented in sterling, which is the functional currency of the company.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Licence fee income is recognised upon commencement of the licence period where there is no cancellation rights by the customer.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Improvements to property	-	33%
Fixtures and fittings	-	25%
Computer equipment	-	25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.6 Financial instruments

The Company only enters into basic financial instrument 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 related parties and investments in non-puttable ordinary shares.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.8 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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 Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within administration expenses.

2.9 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2. Accounting policies (continued)

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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 balance sheet 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 Balance Sheet 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 balance sheet date.

2. Accounting policies (continued)

2.16 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

3. Employees

The average monthly number of employees, including directors, during the year was 24 (2018 - 19).

4. Tangible fixed assets

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2018	33,476	12,159	52,309	97,944
Additions	-	548	12,115	12,663
Disposals	-	-	(1,994)	(1,994)
At 31 March 2019	33,476	12,707	62,430	108,613
Depreciation				
At 1 April 2018	18,294	5,049	23,755	47,098
Charge for the year on owned assets	11,159	3,122	14,424	28,705
Disposals	-	-	(1,039)	(1,039)
At 31 March 2019	29,453	8,171	37,140	74,764
Net book value				
At 31 March 2019	4,023	4,536	25,290	33,849
At 31 March 2018	15,182	7,110	28,554	50,846

5. Debtors

	2019	2018
	£	£
Due after more than one year		
Other debtors	500,000	450,000
Due within one year		
Trade debtors	1,038,009	174,854
Other debtors	150,163	131,889
Prepayments and accrued income	299,326	278,454
	1,987,498	1,035,197

The Company has entered into an invoice factoring agreement with NatWest. As part of this agreement, the Company has granted a fixed and floating charge over all current and future property, assets and rights held by the Company. The amount included within trade debtors in respect of debts subject to this agreement is £300,000 (2018 - £nil).

6. Cash and cash equivalents

	2019	2018
	£	£
Cash at bank and in hand	138,971	373,576

7. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	465,543	48,926
Corporation tax	46,497	156,700
Other taxation and social security	99,037	42,206
Other creditors	271,164	2,395
Accruals and deferred income	210,717	79,499
	1,092,958	329,726

8. Deferred taxation

	2019 £
At beginning of year	(9,697)
Charged to profit or loss	3,634
At end of year	(6,063)

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	6,063	9,697

9. Pension commitments

Contributions totalling £1,958 (2018 - £761) were payable to the fund at the balance sheet date.

10. Transactions with directors

At the balance sheet date £500,000 (2018 - £450,000) was due from the directors. Of this amount, £300,000 (2018 - £300,000) is unsecured, accrues interest at 2.5% above base rate per annum and is repayable by 21 March 2036. £200,000 (2018 - £150,000) is unsecured, accrues interest at 2.5% and is repayable by 21 March 2036.

Maximum outstanding balance in the year was £500,000 (2018 - £450,000). Interest charged during the year was £15,199 (2018 - £10,806). The amount outstanding at the balance sheet in relation to the interest was £9,281 (2018 - £6,681).

Directors remuneration amounted to £111,306 (2018 - £76,474) for the year.

11. Dividends

	2019 £	2018 £
Dividends paid	169,811	269,811

12. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
20,000 (2018 - 20,000) Ordinary shares shares of £0.01 each	200	200