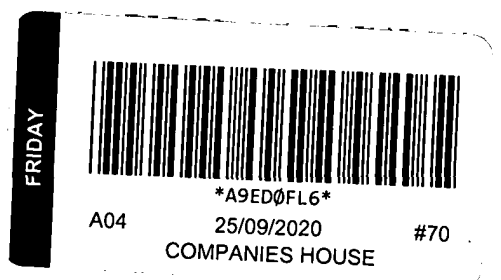


**CYBSAFE LIMITED**  
**FILLETED FINANCIAL STATEMENTS**  
**30 JUNE 2019**



**CYBSAFE LTD**

**CONTENTS OF THE FILLETED FINANCIAL STATEMENTS  
For the year ended 30 June 2019**

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CYBSAFE LTD

CORPORATE INFORMATION  
For the year ended 30 June 2019

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**DIRECTORS:**

S C Lumley  
E C Dickson  
U A Alashe  
M A Couzens  
A H Howitt resigned on 13 August 2019  
J E Williams  
I D Whillock

**REGISTERED OFFICE**

Cybsafe Ltd  
Windmill Hill Business Park  
Whitehill Way  
Swindon  
Wiltshire  
SN5 6QR

**REGISTERED NUMBER:**

09642350 (England and Wales)

**AUDITORS**

Ernst & Young LLP  
The Paragon  
Counterslip  
Bristol  
BS1 6BX

## CYBSAFE LTD

FINANCIAL POSITION STATEMENT  
For the year ended 30 June 2019

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Intangible assets	4	294,527	296,655
Tangible assets	5	<u>68,599</u>	<u>12,118</u>
		<b>363,126</b>	<b>308,773</b>
<b>CURRENT ASSETS</b>			
<b>Debtors:</b>			
Amounts falling due within one year	6	992,816	278,689
Cash at bank and in hand		<u>140,366</u>	<u>189,655</u>
		<b>1,133,182</b>	<b>468,344</b>
<b>CREDITORS:</b>			
Amount falling due within one year	7	<u>(1,092,950)</u>	<u>(541,300)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>40,232</b>	<b>(72,956)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>403,358</b>	<b>235,817</b>
<b>CREDITORS: Amount falling due after one year</b>	8	<b>(3,327,445)</b>	<b>(943,937)</b>
<b>PROVISION FOR LIABILITIES</b>		-	-
<b>NET LIABILITIES</b>		<u><b>(2,924,088)</b></u>	<u><b>(708,120)</b></u>
<b>CAPITAL &amp; RESERVES</b>			
Called up share capital	9	1	1
Profit and loss account		<u>(2,924,008)</u>	<u>(708,121)</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE ULTIMATE PARENT</b>		<u><b>(2,924,088)</b></u>	<u><b>(708,120)</b></u>

These financial statements have been prepared in accordance with FRS102 and the provisions applicable to companies subject to the small companies regime. No Profit & Loss account has been included for filing. The financial statements were approved by the Board of Directors on 11<sup>th</sup> August 2020 and were signed on its behalf by:

  
.....  
U A Alashe - MBE

The notes form part of these financial statements.

NOTES TO THE FILLETED FINANCIAL STATEMENTS  
For the year ended 30 June 2019

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1. ACCOUNTING POLICIES

a) Statement of compliance

Cybsafe Limited is a private company limited by shares, incorporated in England. The Registered Office is Windmill Hill Business Park, Whitehall Way, Swindon SN5 6QR.

The Company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements for the year ended 30<sup>th</sup> June 2019.

Cybsafe Limited is a 100% owned subsidiary of Cybsafe Holdings Limited, the ultimate parent, registered and domiciled in the United Kingdom.

b) Basis of preparation and change in accounting policy

The financial statements of Cybsafe Limited were authorised for issue by the Board on 11<sup>th</sup> August 2020. The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling, which is the functional currency of the Company, figures are rounded to the closest pound.

c) Going concern

The financial statements have been prepared on a going concern basis after reviewing the business activities and all the factors likely to affect its future development, performance and position, considering all available information. This review has considered the principal risks and uncertainties facing the business, details of its exposures to price, credit, liquidity and cash flow risk, where applicable.

The Directors have assessed the Company's financial position and concluded that it has the ability to meet its financial obligations as they fall due for at least 12 months from the financial statements' date of signing. The Directors have considered the impact of Covid-19 in coming to this conclusion. These considerations included stress testing in the form of forecasts with significantly reduced revenues over a period of 12 months. The Company is able to meet its liabilities as they fall due and comply with its loan requirements in the forecast period. Therefore, it is considered appropriate for these financial statements to be prepared under the going concern basis.

d) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

NOTES TO THE FILLETED FINANCIAL STATEMENTS  
For the year ended 30 June 2019

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- **Amortisation of Intangible Assets.** The Directors having reviewed the Company's online platform are content that it will drive economic benefit for at least 5 years, in line with the amortisation policy.
  - **Deferred tax asset.** The Directors having reviewed the Company's forecasts are content to fully recognise the Deferred tax asset as these will reverse in future profitable years.

e) **Tangible fixed assets**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows;

- Office Equipment – Over 1-4 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

f) **Intangible fixed assets**

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated impairment. Intangible assets are amortised on a straight line basis over their estimated useful lives. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The useful economic lives of intangible assets are as follows:

- Software – 5 years

If there are indicators that the residual value or useful life of an intangible asset has changed since the most recent annual reporting period previous estimates shall be reviewed, and if current expectations differ the residual value, amortisation method and or useful life shall be amended. Changes in the expected useful life or the expected pattern of consumption of benefit shall be accounted for as a change in accounting estimate.

g) **Revenue Recognition**

Revenue is recognised over the term of the contract agreement to the extent that the Company obtains the right to consideration exchanged for its performance. Revenue is measured at fair

NOTES TO THE FILLETED FINANCIAL STATEMENTS  
For the year ended 30 June 2019

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value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

- the service has been delivered
- there is no known credit risk
- the term of the contract has been agreed so the revenue can be recognised in equal instalments over its duration in the case of licenses
- for non-licenses revenue, the service delivery milestones are known and the revenue can be recognised once each project stage has been completed

**h) Provision for liabilities**

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event or it is probable that an outflow of economic benefits will be required to settle the obligation.

**i) Deferred tax**

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax assets are recognised only to the extent that the Directors consider that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**j) Foreign currency translation**

Transactions in foreign currencies are initially recorded in the Company's functional currency by applying the spot rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

**k) Cash and cash equivalents**

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash that are subject to an insignificant risk of changes in value. Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity of less than three months from the date of acquisition.

**l) Short term debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income

**NOTES TO THE FILLETED FINANCIAL STATEMENTS**  
For the year ended 30 June 2019

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statement in other operating expenses.

**m) Operating lease commitments**

Expenses incurred under operating lease commitments (excluding maintenance or insurance) are expensed on a straight line basis.

**n) Pensions and other post-retirement benefits**

Company contributions under defined contribution schemes are recognised in the income statement in the year in which they become payable.

**2. INDEPENDENT AUDITORS REPORT**

The Company's auditors Ernst & Young LLP issued an unqualified audit opinion on the Company's full financial statements prepared under FRS102 with an emphasis of matter on the effects of COVID-19. Their opinion was not modified in respect of this matter.

The audit report was signed by Eleri James (Senior Statutory Auditor) for and on behalf of Ernst & Young LLP, on 14<sup>th</sup> August 2020.

**3. EMPLOYEE NUMBERS**

The average monthly number of employees during the year was 30 (2018:7) and the average number of directors was 7 (2018:7).

**4. INTANGIBLE FIXED ASSETS**

COST	Software £
At 1 <sup>st</sup> July 2018	378,829
Additions	<u>78,020</u>
At 30 June 2019	<u>456,849</u>
 <b>AMORTISATION</b>	
At 1 <sup>st</sup> July 2018	82,174
Charge for the year	<u>80,148</u>
At 30 June 2019	<u>162,322</u>

## CYBSAFE LTD

NOTES TO THE FILLETED FINANCIAL STATEMENTS  
For the year ended 30 June 2019

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**CARRYING AMOUNT**

At 30 June 2019	<b>294,527</b>
At 30 June 2018	<b>296,655</b>

The intangible fixed asset relates to the software development of the Cybsafe cyber awareness training platform.

**5. TANGIBLE FIXED ASSETS**

Office  
Equipment  
£

**COST**

At 1 <sup>st</sup> July 2018	16,075
Additions	72,070
Disposals	-
At 30 June 2019	<b>88,145</b>

**DEPRECIATION**

At 1 <sup>st</sup> July 2018	3,957
Charge for the year	15,589
Disposals	-
At 30 June 2019	<b>19,546</b>

**NET BOOK VALUE**

At 30 June 2019	<b>68,599</b>
At 30 June 2018	<b>12,118</b>

## CYBSAFE LTD

NOTES TO THE FILLETED FINANCIAL STATEMENTS  
For the year ended 30 June 2019

6.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2019	2018
		£	£
	Trade Debtors	392,038	116,872
	Other Debtors	87,142	45,088
	Taxes	3,039	8,701
	Deferred Tax	510,597	108,028
		<b>992,816</b>	<b>278,689</b>

7.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2019	2018
		£	£
	Deferred Revenue	644,134	297,338
	Trade creditors	123,816	69,430
	Accruals	215,922	36,301
	Other Creditors	36,490	2,182
	Taxes	72,588	18,728
		<b>1,092,950</b>	<b>423,979</b>

Included in Other Creditors is an unpaid pension contribution of £11,829 (2018: £2,182).

8.	CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR	2019	2018
		£	£
	Amounts due to related parties	3,327,445	1,061,258
		<b>3,327,445</b>	<b>1,061,258</b>

9.	CALLED UP SHARE CAPITAL	2019	2018
		£	£
	Allotted, Called up and fully paid:		
	Ordinary shares of £1.00 each	1	1
		<b>1</b>	<b>1</b>

CYBSAFE LTD

NOTES TO THE FILLETED FINANCIAL STATEMENTS  
For the year ended 30 June 2019

10. RELATED PARTY DISCLOSURES

During the year, the Company entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 30<sup>th</sup> June 2019, are as follows

**Related Party**

	Sales to		Purchases from		Due to	
	2019	2018	2019	2018	2019	2018
	£	£	£	£	£	£
Cybsafe Holdings Limited	-	-	-	-	3,212,498	943,937
OverLeaf Holdings Limited	-	-	14,984	86,688	15,000	15,000
TorchlightGroup Limited	2,374	2,949	-	-	74,947	77,321
Mr U A Alashe	-	-	-	-	25,000	25,000

**Terms and conditions of transactions with related parties**

Sales and purchases between related parties are made at normal market prices. Outstanding balances with entities are unsecured, interest free and cash settlement is expected within the normal course of business. During the year no amounts have been provided for doubtful debts with related parties, nor any guarantees provided or sought over these balances.

11. ULTIMATE CONTROLLING PARTY

Cybsafe Holdings Limited is the Parent Company, with no individual shareholder having overall control.