

OS AA01

Statement of details of parent law and other information for an overseas company

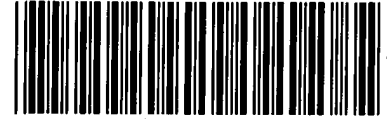


Companies House

What this form is for
You may use this form to accompany your accounts disclosed under parent law.

What this form is NOT for
You cannot use this form to re an alteration of manner of cor with accounting requirements

TUESDAY



A02 *A9IYY263* #16
24/11/2020
COMPANIES HOUSE

Part 1 Corporate company name

Corporate name of overseas company ①

NDEVOR SYSTEMS LIMITED

UK establishment number

B R 0 1 5 8 2 5

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

① This is the name of the company in its home state.

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and, if applicable, the legislation under which the accounts have been audited.

Legislation ②

Irish Companies Act 2014

② This means the relevant rules or legislation which regulates the preparation and, if applicable, the audit of accounts.

A2 Accounting principles

Accounts

Have the accounts been prepared in accordance with a set of generally accepted accounting principles?

Please tick the appropriate box.

No. Go to **Section A3.**

Yes. Please enter the name of the organisation or other body which issued those principles below, and then go to **Section A3.**

③ Please insert the name of the appropriate accounting organisation or body.

Name of organisation or body ③

Institute of Chartered Accountants in Ireland

A3 Accounts

Accounts

Have the accounts been audited? Please tick the appropriate box.

No. Go to **Section A5.**

Yes. Go to **Section A4.**

OS AA01

Statement of details of parent law and other information for an overseas company

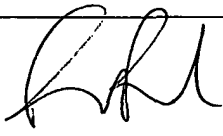
A4**Audited accounts**

Audited accounts	Have the accounts been audited in accordance with a set of generally accepted auditing standards? Please tick the appropriate box. <input type="checkbox"/> No. Go to Part 3 'Signature'. <input checked="" type="checkbox"/> Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'.	Please insert the name of the appropriate accounting organisation or body.
Name of organisation or body ①	Institute of Chartered Accountants in Ireland	

A5**Unaudited accounts**

Unaudited accounts	Is the company required to have its accounts audited? Please tick the appropriate box. <input type="checkbox"/> No. <input type="checkbox"/> Yes.	
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Part 3**Signature**

	I am signing this form on behalf of the overseas company.		
Signature	Signature <input checked="" type="checkbox"/>  <input checked="" type="checkbox"/>		
	This form may be signed by: Director, Secretary, Permanent representative.		

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Ronke Gbadebo**

Company name **Grant Thornton**

Address **13-18 City Quay**

Post town **Dublin 2**

County/Region

Postcode **D 0 2 E D 7 0**

Country

DX

Telephone **+353 1 6805805**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- The company name and, if appropriate, the registered number, match the information held on the public Register.
- You have completed all sections of the form, if appropriate.
- You have signed the form.



Important information

Please note that all this information will appear on the public record.



Where to send

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ. DX 33050 Cardiff.

Scotland:

The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF. DX ED235 Edinburgh 1 or LP - 4 Edinburgh 2 (Legal Post).

Northern Ireland:

The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG. DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

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Consolidated Financial Statements

Ndevor Systems Limited and Subsidiaries

For the financial year ended 31 December 2019



JNI *J9G10Y40*
19/10/2020 #111
COMPANIES HOUSE

Registered number: 369210

Ndevor Systems Limited and Subsidiaries

General Information

Directors	James Myerscough Ronan Perceval Patrick Garvey Olivia Leonard Jonathan James Klahr
Company secretary	John Kennedy
Registered number	369210
Registered office	Anglesea Mills 9 Anglesea Row Off Little Britain Street Dublin 7
Independent auditor	Grant Thornton Chartered Accountants & Statutory Audit Firm 13-18 City Quay Dublin 2
Bankers	Bank of Ireland College Green Dublin 2
Solicitors	LK Shields 39/40 Upper Mount Street Dublin 2

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Ndevor Systems Limited and Subsidiaries

Directors' report

For the financial year ended 31 December 2019

The directors present their annual report and the audited consolidated financial statements for the financial year ended 31 December 2019.

Ndevor Group is head-quartered in Dublin, Ireland and its business is carried out through its branch in the United Kingdom and operating subsidiaries in the United States of America, Australia and Germany.

Principal activities

The principal activities of the Group are the development and sale of software for the hair and beauty industry and the provision of online booking systems for the hair and beauty industry.

Business review

The Group has increased turnover from €13,096,829 in 2018 to €17,345,358 in 2019. The directors have noted the results for the financial year. The business continued its good growth path and the results reflect its ongoing investment in new markets and platform R&D.

Results and dividends

The loss for the financial year, after taxation, amounted to €924,109 (2018 - loss €911,902).

The directors do not recommend a payment of a dividend during the financial year.

Directors, secretary and their interests

In accordance with Section 329 of the Companies Act 2014, the directors' and the Group secretary's shareholdings and the movements therein during the financial year ended 31 December 2019 were as follows:

	"A" Ordinary shares of 1c each	
	31/12/19	1/1/19
James Myerscough	-	-
Ronan Perceval	38,097	38,097
Patrick Garvey	3,959	3,959
Olivia Leonard	-	-
Jonathan James Klahr	-	-
Company secretary		
John Kennedy	-	-
	<hr/>	<hr/>
	42,056	42,056
	<hr/>	<hr/>

Directors' report (continued)

For the financial year ended 31 December 2019

Principal risks and uncertainties

The directors consider that the principal risks and uncertainties faced by the Group are in the following categories:

Economic

The Group is exposed to the risk of foreign exchange losses, increased interest rates and or inflation having an adverse impact on served markets.

Competitor

The directors of the Group manage competition through close attention to market research, benchmarking with competition, and recruitment of highly skilled professional staff.

Financial

The Group prepares regular cash flow forecasts to review liquidity requirements, and has prepared detailed plans covering the next 12 months of trading. The plan is updated on a regular basis as and when new information becomes available. The directors have financial reporting procedures to manage credit, liquidity and other financial risk.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The Company's accounting records are maintained at the Company's registered office at Anglesea Mills, 9 Anglesea Row, Off Little Britain Street, Dublin 7.

Events since the end of the financial year

On January 30, 2020, the World Health Organization declared the recent coronavirus disease 2019 ("COVID-19") outbreak a global health emergency and was elevated to "pandemic" status on March 11, 2020. Following these events, numerous jurisdictions issued shelter in place orders requesting or requiring residents to remain at home. The Group's business could experience losses resulting from COVID-19 as a result of complete or partial closure of the Group's client facilities, labor shortages, disruptions in public and private infrastructure, increased cybersecurity risk as well as unforeseen perils. Management is taking actions it considers prudent to minimize the impact on the Group's operations. However, given the ongoing uncertainty surrounding the duration, magnitude and geographic reach of COVID-19, the Group continues to evaluate the impact of COVID-19 on its business and operations.

In May 2020, the Group obtained additional funding amounting to €1,500,000 from Bank of Ireland to support the Group during the pandemic. Bank of Ireland also holds a floating debenture over the Group in respect of the loan provided.

There have been no other significant events affecting the Group since the period end and the directors do not envisage any substantial changes to the nature of the business in the foreseeable future.

Future developments

The directors do not envisage any substantial changes to the nature of the business.

Directors' report (continued)

For the financial year ended 31 December 2019

Research and development activities

The Group invests each financial year in research and development of new products. The total expenditure during the financial year was €2,177,185 (2018: €1,332,736) of which €nil was deferred to future periods.

Statement on relevant audit information

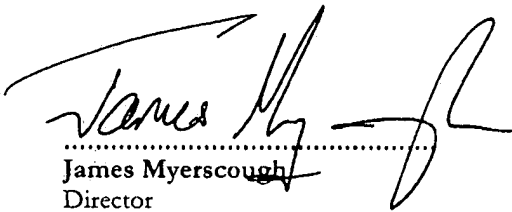
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

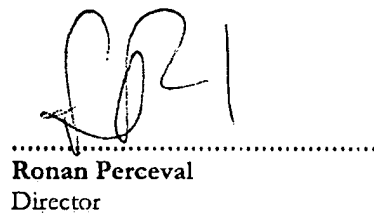
- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Auditor

The auditor, Grant Thornton, continues in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.


.....
James Myerscough
Director


.....
Ronan Perceval
Director

Date: 24th Sept 2020

Directors' responsibilities statement

For the financial year ended 31 December 2019

The directors are responsible for preparing the Directors' report and the consolidated financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare the Group and Company financial statements for each financial year. Under the law, the directors have elected to prepare the Group and Company financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

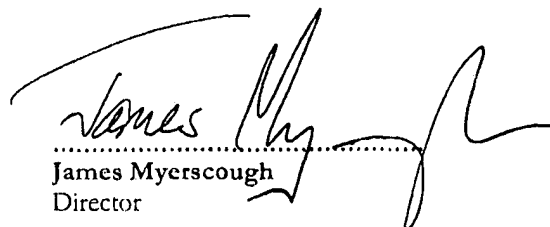
Under company law, the directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

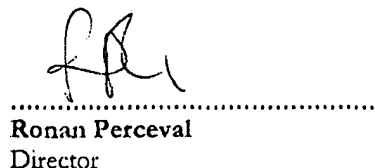
In preparing each of the Group and Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for ensuring that the Group keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Group and Company, enable at any time the assets, liabilities, financial position and profit or loss of the Group to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This statement was approved by the board on ____ and signed on its behalf by:


.....
James Myerscough
Director


.....
Ronan Perceval
Director

Independent auditor's report to the members of Ndevor Systems Limited and Subsidiaries

Opinion

We have audited the consolidated financial statements of Ndevor Systems Limited (the 'Company') and its subsidiaries (the 'group'), which comprise the Consolidated Statement of comprehensive income, the Consolidated and Company Statements of financial position, the Consolidated and Company Statement of changes in equity, the Consolidated Statement of cash flows for the financial year ended 31 December 2019, and the related notes to the consolidated financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (Generally Accepted Accounting Practice in Ireland).

In our opinion, Ndevor Systems Limited and Subsidiaries's consolidated financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the Group and the Company as at 31 December 2019 and of the Group financial performance and cash flows for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor for the audit of the consolidated financial statements' section of our report. We are independent of the Group and Company in accordance with the ethical requirements that are relevant to our audit of consolidated financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the consolidated consolidated financial statements is not appropriate; or
- the directors have not disclosed in the consolidated consolidated financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the consolidated consolidated financial statements are authorised for issue.

Independent auditor's report to the members of Ndevor Systems Limited and Subsidiaries (continued)

Other matter

For the financial year ended 31 December 2018, the Group was not required to obtain audited consolidated financial statements, therefore the comparative figures have not been audited.

Other information

Other information comprises information included in the annual report, other than the consolidated financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the consolidated financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the consolidated financial statements, we are required to determine whether there is a material misstatement in the consolidated financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Group and the Company were sufficient to permit the consolidated financial statements to be readily and properly audited.
- The consolidated financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' report is consistent with the consolidated financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

Matters on which we are required to report by exception

Based on our knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

Under the Companies Act 2014, we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

Independent auditor's report to the members of Ndevor Systems Limited and Subsidiaries (continued)

Responsibilities of the management and those charged with governance for the consolidated financial statements

As explained more fully in the directors' responsibilities statement, management is responsible for the preparation of the consolidated financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS102, and for such internal control as they determine necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and Company's financial reporting process.

Responsibilities of the auditor for the audit of the consolidated financial statements

The auditor's objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent auditor's report to the members of Ndevor Systems Limited and Subsidiaries (continued)

Responsibilities of the auditor for the audit of the consolidated financial statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

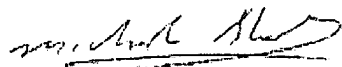
The auditor shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

Where the auditor is reporting on the audit of a group, the auditor's responsibilities are to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the group financial statements. The auditor is responsible for the direction, supervision and performance of the audit, and the auditor remains solely responsible for the auditor's opinion.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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.



Michael Shelley
for and on behalf of
Grant Thornton
Chartered Accountants &
Statutory Audit Firm
Dublin 2

Date: 24 September 2020

Consolidated statement of comprehensive income

For the financial year ended 31 December 2019

	Note	2019 €	2018 Unaudited €
Turnover		17,345,358	13,096,829
Cost of sales		(2,450,906)	(2,468,906)
Gross profit		14,894,452	10,627,923
Administrative expenses		(16,389,715)	(11,847,711)
Other operating income	4	610,206	329,752
Operating loss	5	(885,057)	(890,036)
Interest payable and similar expenses	8	(7,813)	(22,395)
Loss before taxation		(892,870)	(912,431)
Tax on loss on ordinary activities	9	(31,239)	529
Loss for the financial year		(924,109)	(911,902)
Currency translation differences		57,276	(21,667)
Other comprehensive income for the financial year		57,276	(21,667)
Total comprehensive income for the financial year		(866,833)	(933,569)
Loss for the financial year attributable to:			
Owners of the parent Company		(924,109)	(911,902)
		(924,109)	(911,902)

All amounts relate to continuing operations.

The notes on pages 16 to 35 form part of these consolidated financial statements.

24 September 2020

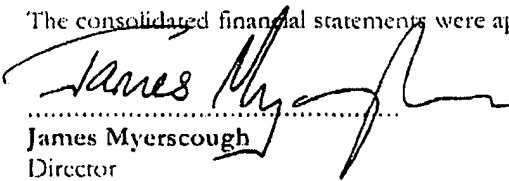
Ndevor Systems Limited and Subsidiaries

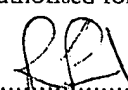
Consolidated statement of financial position

As at 31 December 2019

	Note	2019 €	2018 Unaudited €
Fixed assets			
Intangible assets	10	90,215	48,308
Tangible assets	11	452,918	314,473
		<u>543,133</u>	<u>362,781</u>
Current assets			
Stocks	13	76,404	101,032
Debtors: amounts falling due within one year	14	2,159,855	1,251,246
Cash at bank and in hand	15	3,428,957	5,400,165
		<u>5,665,216</u>	<u>6,752,443</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(3,029,115)	(2,927,543)
		<u>2,636,101</u>	<u>3,824,900</u>
Net current assets			
		<u>3,179,234</u>	<u>4,187,681</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	18	-	(141,614)
		<u>3,179,234</u>	<u>4,046,067</u>
Net assets			
Capital and reserves			
Called up share capital presented as equity	20	1,443	1,443
Share premium account	21	6,280,036	6,280,036
Profit and loss account	21	(3,102,245)	(2,235,412)
		<u>3,179,234</u>	<u>4,046,067</u>
Shareholders' funds			

The consolidated financial statements were approved and authorised for issue by the board:


James Myerscough
Director


Ronan Perceval
Director

Date: 24th Sept 2020

The notes on pages 11 to 25 form part of these consolidated financial statements.

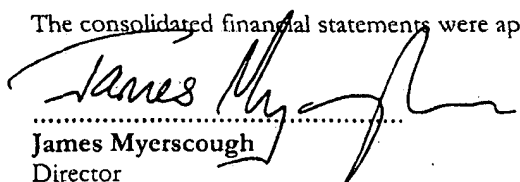
Ndevor Systems Limited and Subsidiaries

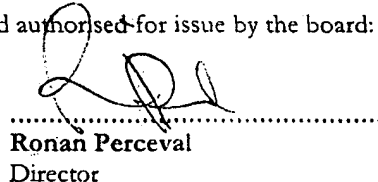
Company statement of financial position

As at 31 December 2019

	Note	2019 €	2018 €
Fixed assets			
Intangible assets	10	80,000	27,911
Tangible assets	11	444,733	312,593
Financial Assets	12	35,080	10,080
		<u>559,813</u>	<u>350,584</u>
Current assets			
Stocks	13	76,404	101,032
Debtors: amounts falling due within one year	14	2,002,178	1,254,829
Cash at bank and in hand	15	3,184,077	5,312,405
		<u>5,262,659</u>	<u>6,668,266</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(2,831,069)	(2,941,550)
		<u>2,431,590</u>	<u>3,726,716</u>
Net current assets		<u>2,991,403</u>	<u>4,077,300</u>
Total assets less current liabilities		<u>2,991,403</u>	<u>4,077,300</u>
Creditors: amounts falling due after more than one year	18	-	(141,614)
		<u>2,991,403</u>	<u>3,935,686</u>
Net assets		<u>2,991,403</u>	<u>3,935,686</u>
Capital and reserves			
Called up share capital presented as equity	20	1,443	1,443
Share premium account	21	6,190,036	6,190,036
Profit and loss account	21	(3,200,076)	(2,255,793)
		<u>2,991,403</u>	<u>3,935,686</u>
Shareholders' funds		<u>2,991,403</u>	<u>3,935,686</u>

The consolidated financial statements were approved and authorised for issue by the board:


James Myerscough
Director


Ronan Perceval
Director

Date: 24th Sept 2020

The notes on pages 16 to 35 form part of these consolidated financial statements.

Consolidated statement of changes in equity

For the financial year ended 31 December 2019

	Called up share capital	Share premium account	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	€	€	€	€	€
At 1 January 2019	1,443	6,280,036	(2,235,412)	4,046,067	4,046,067
Comprehensive income for the financial year					
Loss for the financial year	-	-	(924,109)	(924,109)	(924,109)
Currency translation differences	-	-	57,276	57,276	57,276
At 31 December 2019	1,443	6,280,036	(3,102,245)	3,179,234	3,179,234

The notes on pages 16 to 35 form part of these consolidated financial statements.

Consolidated statement of changes in equity

For the financial year ended 31 December 2018

	Called up share capital	Share premium account	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	€	€	€	€	€
At 1 January 2018 (unaudited)	1,283	1,337,931	(1,301,843)	37,371	37,371
Comprehensive income for the financial year					
Loss for the financial year	-	-	(911,902)	(911,902)	(911,902)
Currency translation differences	-	-	(21,667)	(21,667)	(21,667)
Shares issued during the year	160	4,942,105	-	4,942,265	4,942,265
At 31 December 2018 (unaudited)	1,443	6,280,036	(2,235,412)	4,046,067	4,046,067

The notes on pages 16 to 35 form part of these consolidated financial statements.

Company statement of changes in equity

For the financial year ended 31 December 2019

	Called up share capital	Share premium account	Profit and loss account	Total equity
	€	€	€	€
At 1 January 2019	1,443	6,190,036	(2,255,793)	3,935,686
Comprehensive income for the year				
Loss for the financial year	-	-	(944,283)	(944,283)
At 31 December 2019	<u>1,443</u>	<u>6,190,036</u>	<u>(3,200,076)</u>	<u>2,991,403</u>

The notes on pages 16 to 35 form part of these consolidated financial statements.

Company statement of changes in equity

For the financial year ended 31 December 2018

	Called up share capital	Share premium account	Profit and loss account	Total equity
	€	€	€	€
At 1 January 2018	1,283	1,247,931	(1,293,392)	(44,178)
Comprehensive income for the year				
Loss for the year	-	-	(962,401)	(962,401)
Shares issued during the year	160	4,942,105	-	4,942,265
At 31 December 2018	<u>1,443</u>	<u>6,190,036</u>	<u>(2,255,793)</u>	<u>3,935,686</u>

The notes on pages 16 to 35 form part of these consolidated financial statements.

Consolidated statement of cash flows

For the financial year ended 31 December 2019

	2019 €	2018 €
Cash flows from operating activities		
Loss for the financial year	(892,869)	(912,431)
Adjustments for:		
Amortisation of intangible assets	58,093	71,808
Depreciation of tangible assets	183,053	135,092
Gain on disposal of tangible assets	(8,554)	-
Interest paid	7,813	22,395
Taxation charge	31,239	(529)
Decrease/(increase) in stocks	24,628	(23,558)
(Increase) in debtors	(908,609)	(572,438)
Increase in creditors	101,568	1,033,749
Corporation tax (paid)/received	(31,239)	529
Net cash generated from operating activities	<u>(1,434,877)</u>	<u>(245,383)</u>
Cash flows from investing activities		
Purchase of intangible fixed assets	(100,000)	-
Purchase of tangible fixed assets	(333,363)	(161,315)
Sale of tangible fixed assets	20,419	-
Net cash from investing activities	<u>(412,944)</u>	<u>(161,315)</u>
Cash flows from financing activities		
Issue of ordinary shares	-	4,942,265
Repayment of loans	(141,614)	(362,474)
Interest paid	(7,813)	(22,395)
Net cash used in financing activities	<u>(149,427)</u>	<u>4,557,396</u>
Net (decrease)/increase in cash and cash equivalents	<u>(1,997,248)</u>	<u>4,150,698</u>
Cash and cash equivalents at beginning of financial year	5,400,168	1,304,787
Effect of forex	26,037	(55,320)
Cash and cash equivalents at the end of financial year	<u>3,428,957</u>	<u>5,400,165</u>
Cash and cash equivalents at the end of financial year comprise:		
Cash at bank and in hand	<u>3,428,957</u>	<u>5,400,165</u>
	<u>3,428,957</u>	<u>5,400,165</u>

The notes on pages 16 to 35 form part of these consolidated financial statements.

Ndevor Systems Limited and Subsidiaries

Consolidated analysis of net debt

For the financial year ended 31 December 2019

	At 1 January 2019 €	Movement €	At 31 December 2019 €
Cash at bank and in hand	5,400,165	(1,971,208)	3,428,957
Debt due after 1 year	(141,614)	141,614	-
Debt due within 1 year	(170,452)	127,541	(42,911)
	<u>5,088,099</u>	<u>(1,702,053)</u>	<u>3,386,046</u>

The notes on pages 16 to 35 form part of these consolidated financial statements.

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

1. General information

The Group is a company limited by shares and registered in the Republic of Ireland as Ndevor Systems Limited. Its registered office is Anglesea Mills, 9 Anglesea Row, Off Little Britain Street, Dublin 7. The Company is tax resident in the Republic of Ireland.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 304 of the Companies Act 2014 and has not presented its own Statement of comprehensive income in these financial statements.

The financial statements are presented in Euro (€).

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

After reviewing the companies forecasts and projections, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

2.4 Foreign currency translation

Functional and presentation currency

The Group's functional and presentational currency is Euros.

Transactions and balances

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

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

2. Accounting policies (continued)

2.4 Foreign currency translation (continued)

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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

On consolidation, the results of overseas operations are translated into Euros at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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:

The following are the conditions for the recognition of income:

- Hardware sales and Setup fees are recognised on completion of installation; and
- Recurring revenues are recognised on a monthly basis.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.7 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.

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

2. Accounting policies (continued)

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated statement of comprehensive income in the same period as the related expenditure.

2.9 Finance costs

Finance costs are charged to profit or loss 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 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.11 Taxation

Tax is recognised in profit or loss 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 and the Group operate and generate 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.

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

2. Accounting policies (continued)

2.12 Cumulative redeemable preference shares

Preference shares that are redeemable on a specific date or at the option of the shareholder are classified as financial liabilities and are presented in creditors due after more than one financial year. The dividends on these preference shares are recognised in the income statement as interest expense.

2.13 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.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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.

The estimated useful lives range as follows:

Leasehold improvements	- 5 financial years
Motor vehicles	- 5 financial years
Fixtures, fittings and equipment	- 3 financial years
Purchased Software	- 10 financial years

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 profit or loss.

2.14 Hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the statement of financial position and are depreciated over their useful lives with the corresponding lease or hire purchase obligation being capitalised as a liability. The interest element of the finance lease rentals is charged to income statement over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

2.15 Financial assets

Financial assets, including investments in subsidiary undertakings are shown at cost less provisions for impairment in value.

Investments intended to be held for the long term are classified as fixed financial assets. Investments not intended to be held for the long term are classified as investments in current assets.

Income from financial assets, together with any related withholding tax, is recognised in the income statement in the financial year in which it is receivable.

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

2. Accounting policies (continued)

2.16 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

The technical feasibility of completing the software so that it will be available for use or sale.

- The intention to complete the software and use or sell it.
- The ability to use the software or to sell it.
- How the software will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the software.
- The ability to measure reliably the expenditure attributable to the software during its development.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

- Software development costs - 10 financial years
- Client base - 5 financial years

All intangible assets are considered to have a finite useful life.

2.17 Impairment of assets

At each reporting date all fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior financial years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.18 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

2. Accounting policies (continued)

2.19 Debtors

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

2.20 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.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.21 Creditors

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

2.22 Financial instruments

The Group 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 ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Provision for impairment of financial and intangible assets

Determining whether the carrying value of financial and intangible assets have been impaired requires an estimation of the value in use of the investment in subsidiaries. The directors are satisfied that the carrying value of the Group company's financial and intangible assets are at least equal to their realisable amount and therefore unimpaired.

Useful lives of depreciable assets

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of fair values and residual values. The directors annually review these asset lives and adjust them as necessary to reflect current thinking on remaining lives in light of technological change, prospective economic utilisation and physical condition of the assets concerned.

Allowance for doubtful trade receivables

The Group estimates the allowance for doubtful trade receivables based on assessment of specific accounts where the Company has objective evidence comprising default in payment terms or significant financial difficulty that certain customers are unable to meet their financial obligations. In these cases, judgement used was based on the best available facts and circumstances.

4. Other operating income

	2019	2018
	€	€
Government grants	610,206	329,752

5. Loss on ordinary activities before taxation

The operating loss is stated after charging/(crediting):

	2019	2018
	€	€
Depreciation of tangible fixed assets	183,053	135,092
Amortisation of intangible assets, including goodwill	58,093	71,808
Operating lease rentals: Buildings	246,378	263,452
Exchange differences	28,259	249
Defined contribution pension cost	222,095	70,459
Auditor's fees	36,000	36,000

Ndevor Systems Limited and Subsidiaries

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2019	2018
	€	€
Wages and salaries	8,731,778	5,694,440
Social insurance costs	981,491	623,645
Cost of defined contribution scheme	222,095	70,459
	<u>9,935,364</u>	<u>6,388,544</u>

The average monthly number of employees, including the directors, during the financial year was as follows:

	2019	2018
	No.	No.
Administration	42	32
Operations and support	51	43
Development	35	17
Sales	41	32
	<u>169</u>	<u>124</u>

7. Directors' remuneration

	2019	2018
	€	€
Directors' emoluments	182,013	150,000
Directors' fees	63,560	43,322
Directors' pension	12,000	12,250
	<u>257,573</u>	<u>205,572</u>

8. Interest payable and similar expenses

	2019	2018
	€	€
Bank interest payable	7,813	22,351
Other loan interest payable	-	44
	<u>7,813</u>	<u>22,395</u>

Ndevor Systems Limited and Subsidiaries

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

9. Taxation

	2019 €	2018 €
Corporation tax		
Current tax on losses for the year	31,239	(529)
Taxation on loss on ordinary activities	<u>31,239</u>	<u>(529)</u>

Factors affecting tax charge for the financial year

The tax assessed for the financial year is higher than the loss for the financial year multiplied by the standard rate of corporation tax in Ireland of 12.5% (2018 - 12.5%). The differences are explained below:

	2019 €	2018 €
Loss on ordinary activities before tax	<u>(892,870)</u>	<u>(912,431)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (2018 - 12.5%)	(111,609)	(114,054)
Effects of:		
Amortisation	8,091	2,632
Expenses not deductible for tax purposes	7,610	9,236
Provision tax adjustment	50	11,666
Unrelieved tax losses carried forward	112,890	92,699
Permanent differences	14,207	(2,708)
Total tax charge for the financial year	<u>31,239</u>	<u>(529)</u>

Factors that may affect future tax charges

No deferred tax asset has been recognised as future profits are not virtually certain.

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

10. Intangible assets

Group and Company

	Development costs €	Client base €	Total €
Cost			
At 1 January 2019	675,903	-	675,903
Additions	-	100,000	100,000
At 31 December 2019	<u>675,903</u>	<u>100,000</u>	<u>775,903</u>
Amortisation			
At 1 January 2019	627,595	-	627,595
Charge for the financial year on owned assets	38,093	20,000	58,093
At 31 December 2019	<u>665,688</u>	<u>20,000</u>	<u>685,688</u>
Net book value			
At 31 December 2019	<u>10,215</u>	<u>80,000</u>	<u>90,215</u>
At 31 December 2018	<u>48,308</u>	<u>-</u>	<u>48,308</u>

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

10. Intangible assets (continued)

Company

	Development costs €	Client list €	Total €
Cost			
At 1 January 2019	574,086	-	574,086
Additions	-	100,000	100,000
At 31 December 2019	<u>574,086</u>	<u>100,000</u>	<u>674,086</u>
Amortisation			
At 1 January 2019	546,175	-	546,175
Charge for the year	27,911	20,000	47,911
At 31 December 2019	<u>574,086</u>	<u>20,000</u>	<u>594,086</u>
Net book value			
At 31 December 2019	<u>-</u>	<u>80,000</u>	<u>80,000</u>
At 31 December 2018	<u>27,911</u>	<u>-</u>	<u>27,911</u>

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

11. Tangible fixed assets

Group and Company

	Leaschold improve- ments €	Motor vehicles €	Fixtures, fittings and equipment €	Purchased software €	Total €
Cost or valuation					
At 1 January 2019	112,410	232,461	438,629	380,948	1,164,448
Additions	109,908	58,436	165,019	-	333,363
Disposals	-	(20,321)	-	-	(20,321)
At 31 December 2019	<u>222,318</u>	<u>270,576</u>	<u>603,648</u>	<u>380,948</u>	<u>1,477,490</u>
Depreciation					
At 1 January 2019	55,481	131,996	281,550	380,948	849,975
Charge for the financial year on owned assets	33,022	38,652	111,379	-	183,053
Disposals	-	(8,456)	-	-	(8,456)
At 31 December 2019	<u>88,503</u>	<u>162,192</u>	<u>392,929</u>	<u>380,948</u>	<u>1,024,572</u>
Net book value					
At 31 December 2019	<u>133,815</u>	<u>108,384</u>	<u>210,719</u>	<u>-</u>	<u>452,918</u>
At 31 December 2018	<u>56,929</u>	<u>100,465</u>	<u>157,079</u>	<u>-</u>	<u>314,473</u>

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

11. Tangible fixed assets (continued)

Company

	Long-term leasehold property €	Motor vehicles €	Fixtures, fittings and equipment €	Purchased software €	Total €
Cost or valuation					
At 1 January 2019	112,410	232,461	436,638	380,948	1,162,457
Additions	109,908	58,436	155,976	-	324,320
Disposals	-	(20,321)	-	-	(20,321)
At 31 December 2019	<u>222,318</u>	<u>270,576</u>	<u>592,614</u>	<u>380,948</u>	<u>1,466,456</u>
Depreciation					
At 1 January 2019	55,481	131,996	281,439	380,948	849,864
Charge for the financial year on owned assets	33,022	38,652	108,641	-	180,315
Disposals	-	(8,456)	-	-	(8,456)
At 31 December 2019	<u>88,503</u>	<u>162,192</u>	<u>390,080</u>	<u>380,948</u>	<u>1,021,723</u>
Net book value					
At 31 December 2019	<u>133,815</u>	<u>108,384</u>	<u>202,534</u>	<u>-</u>	<u>444,733</u>
At 31 December 2018	<u>56,929</u>	<u>100,465</u>	<u>155,199</u>	<u>-</u>	<u>312,593</u>

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

12. Financial assets

Company

	Investments in subsidiary companies €
Cost or valuation	
At 1 January 2019	10,080
Additions	25,000
At 31 December 2019	<u>35,080</u>
Net book value	
At 31 December 2019	<u>35,080</u>
At 31 December 2018	<u>10,080</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Myzanadoo Web Bookings Limited	Ordinary	100%
Phorest Inc.	Ordinary	100%
Phorest Software Limited	Ordinary	100%
Phorest PTY	Ordinary	100%
Phorest GmbH	Ordinary	100%

13. Stocks

	Group 2019 €	Group 2018 €	Company 2019 €	Company 2018 €
Goods for resale	<u>76,404</u>	<u>101,032</u>	<u>76,404</u>	<u>101,032</u>

There are no material differences between the replacement cost of stock and the Consolidated statement of financial position amounts.

Stock represents goods purchased ready for resale. The replacement costs of stock did not differ significantly from the amount included in the statement of financial position.

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

14. Debtors: Amounts falling due within one year

	Group 2019 €	Group 2018 €	Company 2019 €	Company 2018 €
Trade debtors	557,296	423,654	432,765	425,298
Amounts owed by group undertakings	-	-	108,887	69,824
Other debtors	675,206	107,775	673,333	106,436
Prepayments	927,353	719,817	787,193	653,271
	<u>2,159,855</u>	<u>1,251,246</u>	<u>2,002,178</u>	<u>1,254,829</u>

15. Cash and cash equivalents

	Group 2019 €	Group 2018 €	Company 2019 €	Company 2018 €
Cash at bank and in hand	<u>3,428,957</u>	<u>5,400,165</u>	<u>3,184,077</u>	<u>5,312,405</u>

16. Creditors: Amounts falling due within one year

	Group 2019 €	Group 2018 €	Company 2019 €	Company 2018 €
Loans owed to credit institutions	-	110,000	-	110,000
Other loans	42,911	60,452	42,911	60,452
Trade creditors	406,514	417,930	226,143	403,476
Amounts owed to group undertakings	-	-	150,472	287,474
Corporation tax	39,228	27,210	-	27,126
Taxation and social insurance	1,011,078	1,015,780	964,435	820,052
Obligations under finance lease and hire purchase contracts	-	1,488	-	1,488
Other creditors	56,583	75,564	37,506	60,873
Accruals	870,648	713,585	814,540	665,075
Deferred income	482,661	386,042	475,570	386,042
Derivative liability	119,492	119,492	119,492	119,492
	<u>3,029,115</u>	<u>2,927,543</u>	<u>2,831,069</u>	<u>2,941,550</u>

	Group 2019 €	Group 2018 €	Company 2019 €	Company 2018 €
PAYE/NI control	281,761	395,038	269,972	203,109
VAT control	729,317	620,742	694,463	616,943
	<u>1,011,078</u>	<u>1,015,780</u>	<u>964,435</u>	<u>820,052</u>

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

17. Directors' account

As at 31 December 2019 and 2018, directors' account amounted €1,590. No repayments were made during the financial year.

18. Creditors: Amounts falling due after more than one year

	Group 2019 €	Group 2018 €	Company 2019 €	Company 2018 €
Loans owed to credit institutions	-	119,394	-	119,394
Other loans	-	22,220	-	22,220
	<u>-</u>	<u>141,614</u>	<u>-</u>	<u>141,614</u>

Please provide details of the terms of payment or repayment and the rates of any interest payable on the amounts repayable more than five years after the balance sheet date.

19. Loans

	Group 2019 €	Group 2018 €	Company 2019 €	Company 2018 €
Amounts falling due within one year				
Bank loans	-	110,000	-	110,000
Other loans	42,911	60,452	42,911	60,452
	<u>42,911</u>	<u>170,452</u>	<u>42,911</u>	<u>170,452</u>
Amounts falling due 1-2 years				
Bank loans	-	119,394	-	119,394
Other loans	-	22,220	-	22,220
	<u>-</u>	<u>141,614</u>	<u>-</u>	<u>141,614</u>
Amounts falling due 2-5 years				
	<u>42,911</u>	<u>312,066</u>	<u>42,911</u>	<u>312,066</u>

In 2018, Bank of Ireland holds letter of guarantee in the sum of €285,000 from Ronan Perceval, an assignment of a life policy of Ronan Perceval for an amount of €550,000 and a floating debenture over the Company in respect of a facility provided to the Company. In 2019, the guarantee was released.

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

20. Share capital

	2019	2018
	€	€
Authorised		
4,000,000 (2018 - 4,000,000) "A" Ordinary shares of €0.01 each	40,000	40,000
6,000,000 (2018 - 6,000,000) "B" Ordinary shares of €0.01 each	60,000	60,000
4,000,000 (2018 - 4,000,000) "C" Ordinary shares of €0.01 each	40,000	40,000
	<u>140,000</u>	<u>140,000</u>
Allotted, called up and fully paid,		
1,500 shares of €- each	-	-
16,038 "A" Ordinary shares of €0.01 each	1,268	1,268
1,500 "C" Ordinary shares of €0.01 each	15	15
16,000 (2018 - 16,000) Series B Preference shares of €0.01 each	160	160
	<u>1,443</u>	<u>1,443</u>

On the 6th June 2018, the Company repurchased all of the 9500 8% cumulative redeemable preference shares that were in issue at par. On the 6th June 2018, the Company issued 16,038 Series B preference shares at a value of €311.76, with nominal value being €0.01 per share.

All shares rank pari passu except as set out below:

The holders of A, B and C ordinary shares and Series B preference shares shall be entitled to receive notice of and to attend and vote at general meetings of the Company and, on a poll, the holders of the A ordinary shares, B ordinary shares and Series B preference shares shall be entitled to one hundred votes per share (on an As-Converted Basis) and the holders of the C ordinary shares shall be entitled to ten votes per 100 shares.

On a liquidation basis, the distribution of proceeds shall be made to the shareholders in the following order of priority:

- firstly in repayment of all paid up capital payable in respect of the Series B preference shares,
- secondly in repayment of all paid up capital of the A, B and C Ordinary shares.

The 8% Cumulative Redeemable Preference Shares were issued on 4 August 2011. They carry a dividend of 3% per annum, payable annually in arrears. The dividend shall be accrued annually in arrears on each anniversary of the date of first allotment. The 5% dividend is deferred pending certain conditions being fulfilled. The 8% Cumulative Redeemable Preference Shares carry no voting rights at meetings. The 8% Cumulative Redeemable Preference Shares were scheduled to be redeemed during 2017, however on the basis that the Company will not have sufficient distributable reserves available until at least 2019. These shares were redeemed during 2019.

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

21. Reserves

Share capital

The called up share capital represents the nominal value of shares that have been issued.

Share premium account

Share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account

Includes all current and prior period retained profits and losses.

22. Commitments under operating leases

At 31 December 2019 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2019 €	Group 2018 €
Not later than 1 year	227,560	227,560
Later than 1 year and not later than 5 years	910,240	910,240
Later than 5 years	341,028	682,680
	<u>1,478,828</u>	<u>1,820,480</u>

23. Related party transactions

The Company has availed of the exemptions in FRS102 Section 33, Paragraph 33.1 A which allows non-disclosure of transactions between two or more members of a group, provided that any subsidiary which is party to the transactions is wholly owned by such a member.

24. Bank security

In 2018, Bank of Ireland holds letter of guarantee in the sum of €285,000 from Ronan Perceval, an assignment of a life policy of Ronan Perceval for an amount of €550,000, and a floating debenture over the Company in respect of a facility provided to the Company. In 2019, the guarantee was released.

Notes to the consolidated financial statements

For the financial year ended 31 December 2019

25. Other financial commitments

The Company's local currency is Euro. The Company has sales which are denominated in pounds Sterling. As a result, the Company is subject to foreign currency exchange risk due to exchange rate movements between Euro and pounds Sterling. The Company seeks to reduce this risk by entering into forward contracts. At 31 December 2019, the Company has entered into the following forward contracts:

GBP £166,667.00 expiring January 2020
 GBP £166,667.00 expiring February 2020
 GBP £333,333.33 expiring January 2020
 GBP £333,333.33 expiring February 2020
 GBP £416,666.67 expiring September 2020
 GBP £416,666.67 expiring October 2020
 GBP £416,666.67 expiring November 2020
 GBP £416,666.67 expiring December 2020

26. Financial risk management

The group has exposures to three main areas of risk - foreign exchange currency exposure, liquidity risk and customer credit exposure. To a lesser extent the group is exposed to interest rate risk.

Foreign exchange transactional currency exposure

The group is exposed to currency exchange rate risk due to a significant proportion of its receivables and operating expenses being denominated in non-Euro currencies. The net exposure of each currency is monitored and managed by the use of forward foreign exchange contracts, currency loans or overdrafts. The forward foreign exchange contracts all mature within 12 months.

Liquidity risk

The objective of the group in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The group expects to meet its financial obligations through operating cash flows and existing cash reserves.

Customer Credit exposure

The group may offer credit terms to its customers which allow payment of the debt after delivery of the goods or services. The group is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by the strong on-going customer relationships.

27. Financial instruments

	Group 2019 €	Group 2018 €
Financial assets		
Financial assets measured at fair value through profit or loss	595,139	-
Financial assets measured at amortised cost	4,066,320	5,931,597
	<u>4,661,459</u>	<u>5,931,597</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>1,496,148</u>	<u>1,498,511</u>