

Unaudited Financial Statements for the Year Ended 31 December 2022

for

Csignum Ltd

**Contents of the Financial Statements
for the Year Ended 31 December 2022**

	Page
Company Information	1
Statement of Financial Position	2
Notes to the Financial Statements	4

**Company Information
for the Year Ended 31 December 2022**

DIRECTORS:

J J Carson
R M E Hopkins
P R Sharpe
R Soni

REGISTERED OFFICE:

Quartermile One Dentons UK & Middle East
Quartermile One
Edinburgh
EH3 9EP

REGISTERED NUMBER:

SC666714 (Scotland)

ACCOUNTANTS:

Douglas Home & Co Ltd
Chartered Accountants
47-49 The Square
Kelso
Roxburghshire
TD5 7HW

Statement of Financial Position
31 December 2022

	Notes	31/12/22 £	£	31/12/21 £	£
FIXED ASSETS					
Intangible assets	4		884,600		942,300
Tangible assets	5		82,108		28,388
Investments	6		<u>1</u>		<u>1</u>
			966,709		970,689
CURRENT ASSETS					
Capital assets		67,361		67,361	
Debtors	7	1,905,992		91,643	
Cash at bank		<u>998,460</u>		<u>77,119</u>	
		2,971,813		236,123	
CREDITORS					
Amounts falling due within one year	8	<u>58,174</u>		<u>118,167</u>	
NET CURRENT ASSETS			<u>2,913,639</u>		<u>117,956</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,880,348		1,088,645
CREDITORS					
Amounts falling due after more than one year	9		<u>-</u>		<u>4,785,537</u>
NET ASSETS/(LIABILITIES)			<u>3,880,348</u>		<u>(3,696,892)</u>
CAPITAL AND RESERVES					
Called up share capital			962,859		1
Share premium			8,661,822		-
Retained earnings			<u>(5,744,333)</u>		<u>(3,696,893)</u>
			<u>3,880,348</u>		<u>(3,696,892)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

Csignum Ltd (Registered number: SC666714)

**Statement of Financial Position - continued
31 December 2022**

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 18 April 2023 and were signed on its behalf by:

R M E Hopkins - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2022**

1. **STATUTORY INFORMATION**

Csignum Ltd is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Going concern

'The company is in the early stage of developing its product, working to turn the IP into a practical technology, particularly a modular technology platform that is well-qualified and can be adapted to meet the needs of various customers. The directors are committed to fund the projects and therefore the company is going concern'

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2020, is being amortised evenly over its estimated useful life of ten years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Intellectual property are being amortised evenly over their estimated useful life of nil years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 20% on cost
Computer equipment	- 20% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

Capital assets are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 23 (2021 - 17) .

4. INTANGIBLE FIXED ASSETS

	Goodwill £	Other intangible assets £	Totals £
COST			
At 1 January 2022 and 31 December 2022	577,000	423,000	1,000,000
AMORTISATION			
At 1 January 2022	57,700	-	57,700
Charge for year	57,700	-	57,700
At 31 December 2022	115,400	-	115,400
NET BOOK VALUE			
At 31 December 2022	461,600	423,000	884,600
At 31 December 2021	519,300	423,000	942,300

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2022	13,409	12,207	-	13,126	38,742
Additions	5,809	24,242	21,507	15,259	66,817
At 31 December 2022	<u>19,218</u>	<u>36,449</u>	<u>21,507</u>	<u>28,385</u>	<u>105,559</u>
DEPRECIATION					
At 1 January 2022	3,602	3,348	-	3,404	10,354
Charge for year	3,441	3,385	1,803	4,468	13,097
At 31 December 2022	<u>7,043</u>	<u>6,733</u>	<u>1,803</u>	<u>7,872</u>	<u>23,451</u>
NET BOOK VALUE					
At 31 December 2022	<u>12,175</u>	<u>29,716</u>	<u>19,704</u>	<u>20,513</u>	<u>82,108</u>
At 31 December 2021	<u>9,807</u>	<u>8,859</u>	<u>-</u>	<u>9,722</u>	<u>28,388</u>

6. FIXED ASSET INVESTMENTS

The company has 100% ownership interest in CSignum LLC, a company registered in America.

7. DEBTORS

	31/12/22 £	31/12/21 £
Amounts falling due within one year:		
Trade debtors	36,527	-
Tax	743,608	-
VAT	68,930	47,679
Prepayments	<u>93,531</u>	<u>43,964</u>
	<u>942,596</u>	<u>91,643</u>
Amounts falling due after more than one year:		
Other debtors	<u>963,396</u>	<u>-</u>
Aggregate amounts	<u>1,905,992</u>	<u>91,643</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/22 £	31/12/21 £
Trade creditors	38,872	50,757
Social security and other taxes	-	38,709
Other creditors	15,359	22,261
Accrued expenses	<u>3,943</u>	<u>6,440</u>
	<u>58,174</u>	<u>118,167</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

9. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31/12/22	31/12/21
	£	£
Other loans (see note 10)	<u>-</u>	<u>4,785,537</u>

10. **LOANS**

An analysis of the maturity of loans is given below:

	31/12/22	31/12/21
	£	£
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>-</u>	<u>4,785,537</u>

11. **SECURED DEBTS**

The following secured debts are included within creditors:

	31/12/22	31/12/21
	£	£
Other loans	<u>-</u>	<u>4,785,537</u>

GKFF-Ennovo Holdings II LLC has a bond and floating charge covering all of the property and undertaking of the company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.