
GLASSWALL SOLUTIONS LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 MARCH 2019



GLASSWALL SOLUTIONS LIMITED
REGISTERED NUMBER: 05573793

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	119,303	182,685
		<u>119,303</u>	<u>182,685</u>
Current assets			
Debtors	5	7,593,898	4,464,164
Cash at bank and in hand	6	661,964	3,038,399
		<u>8,255,862</u>	<u>7,502,563</u>
Creditors: amounts falling due within one year	7	(1,903,535)	(1,400,628)
Net current assets		<u>6,352,327</u>	<u>6,101,935</u>
Total assets less current liabilities		<u>6,471,630</u>	<u>6,284,620</u>
Creditors: amounts falling due after more than one year	8	(28,314,693)	(24,302,972)
Net liabilities		<u>(21,843,063)</u>	<u>(18,018,352)</u>
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account		(21,843,064)	(18,018,353)
		<u>(21,843,063)</u>	<u>(18,018,352)</u>

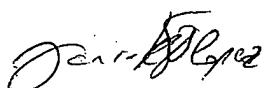
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on **6/7/19**

D Lopez Esq x
 Director



The notes on pages 2 to 9 form part of these financial statements.

GLASSWALL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. General information

Glasswall Solutions Limited is a private limited company limited by shares and incorporated in England and Wales. The address of the registered office is Continental House Oak Ridge, West End, Woking, Surrey, GU24 9PJ.

The company's principal activity continued to be the design, production and marketing of computer software.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on the going concern basis, which is dependent on the continuing provision of financial support by the parent company while the company develops and markets new products. The company is in the final stage of marketing its product for sale, with focus going towards increasing its customer base and growing its turnover. The parent company has raised equity and debt finance during the year, and is in the process of raising further funds to finance the next stage of the groups business plan, which is to continue to market and deliver the product for sale. The parent company is confident it will secure the required finance and therefore the directors expect the parent company's financial support to continue for the foreseeable future.

2.3 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

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

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income.

GLASSWALL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.4 Revenue

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

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

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

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

2.5 Operating leases: the company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Interest income

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

GLASSWALL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.7 Pensions

Defined contribution pension plan

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

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

2.8 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Research and development

Research and development expenditure is written off in the year in which it is incurred. The company also claims research and development tax credits in respect of this expenditure and any refunds received are recognised on receipt of the funds.

2.10 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.

GLASSWALL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Computer equipment	- 33% on cost
Office equipment	- 33% on cost

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

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

2.11 Debtors

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

2.12 Cash and cash equivalents

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

2.13 Creditors

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

GLASSWALL SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. Accounting policies (continued)

2.14 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

3. Employees

The average monthly number of employees, including directors, during the year was 47 (2018 - 31).

GLASSWALL SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

4. Tangible fixed assets

	Computer Equipment £	Office equipment £	Total £
Cost or valuation			
At 1 April 2018	266,343	3,825	270,168
Additions	11,013	-	11,013
At 31 March 2019	277,356	3,825	281,181
Depreciation			
At 1 April 2018	83,969	3,514	87,483
Charge for the year	74,084	311	74,395
At 31 March 2019	158,053	3,825	161,878
Net book value			
At 31 March 2019	119,303	-	119,303
At 31 March 2018	182,374	311	182,685

5. Debtors

	2019 £	2018 £
Due after more than one year		
Amounts owed by group undertakings	5,579,000	3,316,116
Other debtors	34,150	103,650
	5,613,150	3,419,766
Due within one year		
Trade debtors	1,682,014	870,543
Other debtors	-	13,551
Prepayments and accrued income	298,734	160,304
	7,593,898	4,464,164

GLASSWALL SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

6. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>661,964</u>	<u>3,038,399</u>

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	203,663	160,728
Other taxation and social security	171,270	115,348
Other creditors	37,165	37,114
Accruals and deferred income	1,491,437	1,087,438
	<u>1,903,535</u>	<u>1,400,628</u>

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

	2019 £	2018 £
Amounts owed to group undertakings	<u>28,314,693</u>	<u>24,302,972</u>

9. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
1 (2018 - 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

10. Contingent liabilities

A guarantee exists to cover convertible debt finance in Glasswall Holdings Limited, the parent company. At 31 March 2019 the net potential exposure in respect of this guarantee was £5,274,981 (2018: £Nil). This figure is in respect of the gross borrowings and does not take into account the underlying assets of Glasswall Holdings Limited. The directors believe the possibility of the company being called to satisfy the guarantee as remote and have therefore made no provision in these accounts in respect of this matter.

GLASSWALL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

11. Pension commitments

The company operates a defined contribution pension scheme. The scheme's assets are held separately from those of the company in independently administered funds. The pension charge represents contributions payable by the company to the funds and amounted to £80,449 (2018: £48,887). Outstanding contributions at the year end were £11,945 (2018: £10,448).

12. Related party transactions

At the year end the company was due £4,064,859 (2018: £2,057,942) from a related party, Glasswall Inc, which is included in debtors due after more than one year.

Included within other creditors is a balance owed to G Sims, a director of the company, amounting to £564 (2018: £13,551 debtor). This is an interest free loan and is repayable on demand.

13. Ultimate parent

The ultimate parent company is Glasswall Holdings Limited, a company incorporated in England and Wales.

14. Auditors' information

The auditors' report on the financial statements for the year ended 31 March 2019 was unqualified.

In their report, the auditors emphasised the following matter without qualifying their report:

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 2.2 to the financial statements concerning the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

The audit report was signed on 20/09/2019 by Duncan Stannett (Senior statutory auditor) on behalf of Barnes Roffe LLP.