
TRUSTID LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2018

TRUSTID LIMITED
REGISTERED NUMBER: 05953015

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	60,160	91,236
Investments	5	121,613	121,613
		<u>181,773</u>	<u>212,849</u>
Current assets			
Debtors: amounts falling due within one year	6	450,051	185,232
Cash at bank and in hand	7	81,641	43,267
		<u>531,692</u>	<u>228,499</u>
Creditors: amounts falling due within one year	8	(689,750)	(764,783)
Net current liabilities		<u>(158,058)</u>	<u>(536,284)</u>
Total assets less current liabilities		<u>23,715</u>	<u>(323,435)</u>
Net assets/(liabilities)		<u><u>23,715</u></u>	<u><u>(323,435)</u></u>

TRUSTID LIMITED
REGISTERED NUMBER: 05953015

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Capital and reserves			
Called up share capital		619	619
Share premium account	9	2,650,316	2,650,316
Other reserves	9	48,334	26,703
Profit and loss account	9	(2,675,554)	(3,001,073)
		<u>23,715</u>	<u>(323,435)</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
A J Machin
Director

Date: 29 May 2019

The notes on pages 3 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. General information

TrustID Limited (the Company) is a company incorporated in the United Kingdom under the Companies Act. The Company is a private company limited by shares and is registered in England and Wales. The address of the Company's registered office is Highlands House, Basingstoke Road, Spencers Wood, Reading, Berkshire, RG7 1NT.

The Company's functional and presentational currency is pounds sterling (GBP) and the financial statements are rounded to the nearest pound (£).

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 Exemption from preparing consolidated financial statements

The Company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

2.3 Going concern

The going concern basis has been adopted in preparing the financial statements. The directors have reviewed the forecast for the next 12 months and are satisfied there is sufficient headroom. Additionally a significant proportion of the Company's income is contracted for periods of at least 12 months which gives comfort over the income assumptions.

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:

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

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.

2.6 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.

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.

2.7 Interest income

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

2.8 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.9 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Statement of Comprehensive Income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance Sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to Statement of Comprehensive Income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Statement of Comprehensive Income is charged with fair value of goods and services received.

2.10 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.11 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.

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:

Fixtures and fittings	- 5 years
Office equipment	- 5 years
Computer equipment	- 3 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 the Statement of Comprehensive Income.

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.13 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.14 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.

2.15 Creditors

Short term creditors are measured at the transaction price.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.16 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.

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.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Employees

The average monthly number of employees, including directors, during the year was 11 (2017 - 12).

4. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2018	479	33,520	279,144	313,143
Additions	-	-	28,938	28,938
At 31 December 2018	479	33,520	308,082	342,081
Depreciation				
At 1 January 2018	395	33,369	188,143	221,907
Charge for the year on owned assets	84	151	59,779	60,014
At 31 December 2018	479	33,520	247,922	281,921
Net book value				
At 31 December 2018	-	-	60,160	60,160
At 31 December 2017	84	151	91,001	91,236

TRUSTID LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2018	121,613
At 31 December 2018	<u>121,613</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Red and White Solutions Limited	Highlands House, Basingstoke Road, Spencers Wood, Reading, Berkshire RG7 1NT	Ordinary	100 %

The aggregate of the share capital and reserves as at 31 December 2018 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves	Profit/(Loss)
Red and White Solutions Limited	11,365	74,441

6. Debtors

	2018 £	2017 £
Trade debtors	152,281	140,536
Amounts owed by group undertakings	185,526	-
Other debtors	86,005	19,576
Prepayments and accrued income	26,239	25,120
	<u>450,051</u>	<u>185,232</u>

TRUSTID LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	81,641	43,267
	<u>81,641</u>	<u>43,267</u>

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	49,209	44,690
Amounts owed to group undertakings	-	214,474
Other taxation and social security	78,234	58,179
Other creditors	5,489	1,548
Accruals and deferred income	556,818	445,892
	<u>689,750</u>	<u>764,783</u>

9. Reserves

Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Other reserves

Other reserves represent the share option reserve.

Profit and loss account

The profit and loss reserve represents cumulative profits or losses.

TRUSTID LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

10. Share based payments

In 2014 the Company set up an EMI share options scheme under which eligible employees can be granted share options of share awards in the company. Options granted expire 10 years from the date of grant or within 60 days of termination of employment.

There were 6 (2017: 7) employees of TrustID Limited benefiting from the TrustID Limited share option plan.

Detailed below are movements in options since 31 December 2017:

	Weighted average exercise price (pence) 2018	Number 2018	Weighted average exercise price (pence) 2017	Number 2017
Outstanding at the beginning of the year	2.00	114,302	2.00	96,572
Granted during the year		-	2.00	17,730
Outstanding at the end of the year	2.00	114,302	2.00	114,302

	2018 Black Scholes	2017 <i>Black Scholes</i>
Option pricing model used		
Weighted average share price (pence)	3.00	3.00
Exercise price (pence)	2.00	2.00
Weighted average contractual life (days)	4	4
Expected volatility	25%	25%
Risk-free interest rate	1%	1%
	2018 £	2017 £
Equity-settled schemes	21,631	19,190
	21,631	19,190

11. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £29,816 (2017 - £18,843). Contributions totalling £5,000 (2017 - £1,059) were payable to the fund at the balance sheet date and are included in creditors.

TRUSTID LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

12. Related party transactions

During the year consultancy costs were paid to the following directors:

	2018 £	2017 £
A M Chadwick	18,000	18,000
J Battley	9,000	19,500
T Beese	10,950	20,543
	<u>37,950</u>	<u>58,043</u>

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.