

Registration number: 06569025

Linkdex Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2017

Thomas Alexander & Company Limited
590 Green Lanes
Palmers Green
London
N13 5RY



Linkdex Limited

Contents

Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3 to 8

Linkdex Limited
Company Information

Director

E Ainsley

Registered office

90 Chancery Lane
London
WC2A 1EU

Auditors

Thomas Alexander & Company Limited
590 Green Lanes
Palmers Green
London
N13 5RY

Linkdex Limited

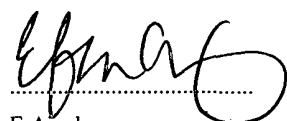
(Registration number: 06569025)
Balance Sheet as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	72,055	99,886
Current assets			
Debtors	6	651,240	3,356,434
Cash at bank and in hand		94,231	115,925
		<u>745,471</u>	<u>3,472,359</u>
Creditors: Amounts falling due within one year	7	<u>(3,350,567)</u>	<u>(4,496,427)</u>
Net current liabilities		<u>(2,605,096)</u>	<u>(1,024,068)</u>
Net liabilities		<u>(2,533,041)</u>	<u>(924,182)</u>
Capital and reserves			
Called up share capital	9	51	51
Share premium reserve		13,449,082	13,449,082
Profit and loss account		<u>(15,982,174)</u>	<u>(14,373,315)</u>
Total equity		<u>(2,533,041)</u>	<u>(924,182)</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 19 September 2018



E Ainsley
Director

Linkdex Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

90 Chancery Lane
London
WC2A 1EU

These financial statements were authorised for issue by the director on 19 September 2018.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis. The director has received confirmation from Scribble Technologies Inc, the immediate parent undertaking, that it will provide sufficient financial and other support necessary to Linkdex Limited to enable it to meet its financial and other obligations as they fall due for a period of at least 12 months from the date of signing of these accounts.

Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 19 September 2018 was Vassos Chrysostomou, who signed for and on behalf of Thomas Alexander & Company Limited.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Linkdex Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 operates and generates taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Short term leasehold property	10% straight line
Furniture, fittings and equipment	25% straight line

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Linkdex Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 28 (2016 - 41).

Linkdex Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 January 2017	97,413	174,025	271,438
At 31 December 2017	97,413	174,025	271,438
Depreciation			
At 1 January 2017	25,976	145,576	171,552
Charge for the year	9,743	18,088	27,831
At 31 December 2017	35,719	163,664	199,383
Carrying amount			
At 31 December 2017	61,694	10,361	72,055
At 31 December 2016	71,437	28,449	99,886

Included within the net book value of land and buildings above is £61,694 (2016 - £71,437) in respect of short leasehold land and buildings.

5 Investments

	2017 £	2016 £
Subsidiaries		£
Cost or valuation		
At 1 January 2017		20,000
Provision		
At 1 January 2017		20,000
Carrying amount		
At 31 December 2017		-

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Linkdex Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2017	2016
Subsidiary undertakings				
Linkdex Inc	USA	Ordinary	100%	100%

The principal activity of Linkdex Inc is software consultancy and supply

6 Debtors

	Note	2017 £	2016 £
Trade debtors		149,228	286,655
Amounts owed by group undertakings and undertakings in which the company has a participating interest	10	-	2,779,608
Prepayments		34,534	198,766
Other debtors		467,478	91,405
		<u>651,240</u>	<u>3,356,434</u>

7 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Trade creditors		60,574	202,840
Amounts owed to group undertakings and undertakings in which the company has a participating interest	10	2,971,010	3,586,570
Taxation and social security		91,206	117,021
Accruals and deferred income		227,777	589,996
		<u>3,350,567</u>	<u>4,496,427</u>

8 Taxation

The tax credit shown in the Statement of Comprehensive Income relates to research and development tax credits received by the company.

The Company has tax losses amounting to £11,321,965 (2016: £10,525,928) available to be carried forward against future trading profits. An associated deferred tax asset has not been recognised as the directors cannot predict the utilisation of these trading losses in the foreseeable future,

9 Share capital

Allotted, called up and fully paid shares

Linkdex Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

	2017		2016	
	No.	£	No.	£
Ordinary Shares of £0.00001 each	1,071,541	10.72	1,071,541	10.72
A Ordinary Shares of £0.00001 each	4,017,988	40.18	4,017,988	40.18
	<u>5,089,529</u>	<u>51</u>	<u>5,089,529</u>	<u>51</u>

10 Related party transactions

Directors' remuneration

The director's remuneration for the year was as follows:

	2017 £	2016 £
Remuneration	-	231,895
Contributions paid to money purchase schemes	-	1,580
	<u>-</u>	<u>233,475</u>

Summary of transactions with parent

At the year end the company owed £2,971,010 to its immediate parent undertaking, Scribble Technologies Inc (2016: £3,586,570). The balance is interest free and repayable on demand.

11 APB Ethical Standards relevant circumstances

In common with many businesses of our size and nature, we use our auditors to prepare and submit returns to the authorities and assist with the preparation of the financial statements.