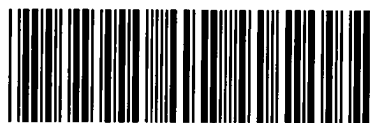


Financial Statements for the Year Ended 31 December 2018

for

Scribestar Ltd

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COMPANIES HOUSE

Scribestar Ltd

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for the Year Ended 31 December 2018

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Scribestar Ltd

Company Information

for the Year Ended 31 December 2018

DIRECTORS:

A D B Shaw
R J Westmacott
A Prozes
D Krucik
G Lunn

REGISTERED OFFICE:

Suite 202
45 Beech Street
London
EC2Y 8AD

REGISTERED NUMBER:

06935972 (England and Wales)

AUDITORS:

Chapman Robinson and Moore Limited
30 Bankside Court
Stationfields
Kidlington
Oxford
OX5 1JE

Balance Sheet
31 December 2018

	Notes	31/12/18 £	31/12/17 £
FIXED ASSETS			
Intangible assets	4	4,925,524	7,990
Tangible assets	5	4,415	12,700
		<u>4,929,939</u>	<u>20,690</u>
CURRENT ASSETS			
Stocks		-	6,156,905
Debtors	6	126,634	96,430
Cash at bank		95,604	386,442
		<u>222,238</u>	<u>6,639,777</u>
CREDITORS			
Amounts falling due within one year	7	(105,276)	(57,069)
NET CURRENT ASSETS		<u>116,962</u>	<u>6,582,708</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,046,901</u>	<u>6,603,398</u>
CAPITAL AND RESERVES			
Called up share capital		157	127
Share premium	9	12,699,810	11,959,796
Other reserves	9	138,420	138,420
Retained earnings	9	(7,791,486)	(5,494,945)
		<u>5,046,901</u>	<u>6,603,398</u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Profit and loss account has not been delivered.

The financial statements were approved by the Board of Directors on 3 July 2019 and were signed on its behalf by:



G Lunn - Director

1. **STATUTORY INFORMATION**

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

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

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

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.

An impairment loss has been recognised in the Profit and loss account, following an assessment at the Balance Sheet date indicating the recoverable amount was less than its carrying value.

Patents and licences are being amortised evenly over their estimated useful life of ten years.

Development costs are being amortised evenly over their estimated useful life of five years.

During the year, development costs previously being held on the balance sheet as Work in Progress were re-classified as an intangible fixed asset. Ongoing development costs are being charged to the profit and loss account as incurred.

The patents held which were been amortised over ten years were, after conducting an impairment review, fully written off since the Intellectual Property protected by these was no longer deemed to be current.

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 etc - 25% straight line to 50% straight line

Stocks

The company does not hold physical stocks. Previously, development costs have been held as Work in Progress, but this year the accumulated costs have been capitalised and are being amortised as explained in the accounting policy pertaining to intangible fixed assets.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, 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 balance sheet date.

The tax credit shown in the accounts relates to payable Research and Development tax credit received in the year. As at the balance sheet date, the quantum of the claim for the year is not known, and so the credit in the accounts relates to the monies received in the current year in relation to the prior year.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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. Due to the uncertainty around the timing of this, no deferred tax asset is recognised in relation to current and historic tax losses.

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 11 (2017 - 22).

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

4. **INTANGIBLE FIXED ASSETS**

	Other intangible assets £
COST	
At 1 January 2018	14,528
Reclassification/transfer	6,156,905
	<hr/>
At 31 December 2018	6,171,433
	<hr/>
AMORTISATION	
At 1 January 2018	6,538
Charge for year	1,232,833
Impairments	6,538
	<hr/>
At 31 December 2018	1,245,909
	<hr/>
NET BOOK VALUE	
At 31 December 2018	4,925,524
	<hr/>
At 31 December 2017	7,990
	<hr/>

5. **TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
COST	
At 1 January 2018	452,698
Additions	822
	<hr/>
At 31 December 2018	453,520
	<hr/>
DEPRECIATION	
At 1 January 2018	439,998
Charge for year	9,107
	<hr/>
At 31 December 2018	449,105
	<hr/>
NET BOOK VALUE	
At 31 December 2018	4,415
	<hr/>
At 31 December 2017	12,700
	<hr/>

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/12/18 £	31/12/17 £
Trade debtors	24,000	7,800
Other debtors	102,634	88,630
	<hr/>	<hr/>
	126,634	96,430
	<hr/>	<hr/>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/18	31/12/17
	£	£
Trade creditors	50,195	22,790
Taxation and social security	23,584	20,925
Other creditors	31,497	13,354
	<u>105,276</u>	<u>57,069</u>

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31/12/18	31/12/17
	£	£
Within one year	<u>34,592</u>	<u>25,944</u>

9. RESERVES

	Retained earnings £	Share premium £	Other reserves £	Totals £
At 1 January 2018	(5,494,945)	11,959,796	138,420	6,603,271
Deficit for the year	(2,296,541)			(2,296,541)
Cash share issue	-	740,014	-	740,014
	<u>(7,791,486)</u>	<u>12,699,810</u>	<u>138,420</u>	<u>5,046,744</u>
At 31 December 2018	<u>(7,791,486)</u>	<u>12,699,810</u>	<u>138,420</u>	<u>5,046,744</u>

The other reserve shown relates to a share option reserve created after a granting of share options in 2017.

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Without qualifying our opinion, we draw attention to Note 1 in the financial statements. concerning the entity's ability to continue as a going concern.

The directors have stated that sufficient funds are expected to be available for the company to continue as a going concern for a period of at least 12 months from the date of signature. We are not able to form an opinion on this matter.

Should the company not be able to continue as a going concern, it is likely that the net realisable value of the intangible assets would be significantly lower than amortised cost at which the assets are held due to the unique nature of these.

These conditions indicate the existence of a material uncertainty that may cast significant doubt about 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.

A P Sowden (Senior Statutory Auditor)
for and on behalf of Chapman Robinson and Moore Limited