

REGISTERED NUMBER: 06935972 (England and Wales)

Unaudited Financial Statements for the Year Ended 31 December 2019

for

Scribestar Ltd

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for the Year Ended 31 December 2019

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**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)

**ACCOUNTANTS:**

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

Chartered Accountants' Report to the Board of Directors  
on the Unaudited Financial Statements of  
Scribestar Ltd

**The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Profit and Loss Account and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Scribestar Ltd for the year ended 31 December 2019 which comprise the Profit and loss account, Balance Sheet, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Scribestar Ltd, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Scribestar Ltd and state those matters that we have agreed to state to the Board of Directors of Scribestar Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Scribestar Ltd and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Scribestar Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Scribestar Ltd. You consider that Scribestar Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Scribestar Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

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

14 April 2020

Balance Sheet  
31 December 2019

	Notes	31/12/19 £	31/12/18 £
<b>FIXED ASSETS</b>			
Intangible assets	4	3,694,143	4,925,524
Tangible assets	5	<u>6,607</u>	<u>4,415</u>
		<u>3,700,750</u>	<u>4,929,939</u>
<b>CURRENT ASSETS</b>			
Debtors	6	167,019	126,634
Cash at bank		<u>85,669</u>	<u>95,604</u>
		252,688	222,238
<b>CREDITORS</b>			
Amounts falling due within one year	7	<u>(243,392)</u>	<u>(105,276)</u>
<b>NET CURRENT ASSETS</b>		<u>9,296</u>	<u>116,962</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,710,046</u>	<u>5,046,901</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		441	157
Share premium		13,415,145	12,699,810
Other reserves		138,420	138,420
Retained earnings		<u>(9,843,960)</u>	<u>(7,791,486)</u>
		<u>3,710,046</u>	<u>5,046,901</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 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
- (b) 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.

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 Profit and loss account has not been delivered.

The financial statements were approved by the Board of Directors on 14 April 2020 and were signed on its behalf by:

A D B Shaw - Director

Notes to the Financial Statements  
for the Year Ended 31 December 2019

**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.

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

The patents held which were been amortised over ten years were, after conducting an impairment review, fully written off in the prior year 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 - 50% on cost and 25% on cost

**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.

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2019**

**2. ACCOUNTING POLICIES - continued**

**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.

**Research and development**

Significant ongoing investment is made into research and development. This expenditure is written off in the year in which it is incurred.

**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 9 (2018 - 11) .

**4. INTANGIBLE FIXED ASSETS**

	Other intangible assets £
<b>COST</b>	
At 1 January 2019	
and 31 December 2019	6,171,433
<b>AMORTISATION</b>	
At 1 January 2019	1,245,909
Charge for year	1,231,381
At 31 December 2019	2,477,290
<b>NET BOOK VALUE</b>	
At 31 December 2019	3,694,143
At 31 December 2018	4,925,524



Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019

5. **TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
<b>COST</b>	
At 1 January 2019	453,520
Additions	5,208
At 31 December 2019	<u>458,728</u>
<b>DEPRECIATION</b>	
At 1 January 2019	449,105
Charge for year	3,016
At 31 December 2019	<u>452,121</u>
<b>NET BOOK VALUE</b>	
At 31 December 2019	<u>6,607</u>
At 31 December 2018	<u>4,415</u>

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

	31/12/19 £	31/12/18 £
Trade debtors	49,000	24,000
Other debtors	<u>118,019</u>	<u>102,634</u>
	<u>167,019</u>	<u>126,634</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/12/19 £	31/12/18 £
Trade creditors	28,350	50,195
Taxation and social security	15,663	23,584
Other creditors	<u>199,379</u>	<u>31,497</u>
	<u>243,392</u>	<u>105,276</u>

8. **LEASING AGREEMENTS**

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

	31/12/19 £	31/12/18 £
Within one year	<u>-</u>	<u>34,592</u>

9. **RELATED PARTY DISCLOSURES**

During the year, a director lent £175,000 to the company. This is free of interest and with no fixed repayment date. The balance outstanding at the year end was £175,000 (2018: nil)

**10. POST BALANCE SHEET EVENTS**

On 7th January 2020, a further issue of 833,333 shares was undertaken at £0.03 per share. The nominal value of these shares was 0.001 pence per share. This resulted in the following changes to equity:

	Share Capital	Share Premium
Issue January 2020	£8	£24,992

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.