

Registered number: 07646016

**Byhiras (Europe) Limited**  
**Directors' Report and Financial Statements**  
**For the Year Ended 31 March 2019**



---

# **Byhira (Europe) Limited**

---

## **Contents**

---

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Directors' Report</b>	<b>2 - 3</b>
<b>Independent Auditors' Report</b>	<b>4 - 6</b>
<b>Statement of Comprehensive Income</b>	<b>7</b>
<b>Statement of Financial Position</b>	<b>8</b>
<b>Statement of Changes in Equity</b>	<b>9</b>
<b>Notes to the Financial Statements</b>	<b>10 - 24</b>

---

**Byniras (Europe) Limited**

---

**Company Information**

---

<b>Directors</b>	R.E. Bond S.A.M. Lusty
<b>Registered number</b>	07646016
<b>Registered office</b>	23 Austin Friars London EC2N 2QP
<b>Independent Auditors</b>	Grant Thornton UK LLP 30 Finsbury Square London EC2A 1AG

---

## **Byhrras (Europe) Limited**

---

### **Directors' Report For the Year Ended 31 March 2019**

---

The Directors present their report and the financial statements for the year ended 31 March 2019.

#### **Principal activity**

The principal activity of the Company during the year under review was the provision of governance services. The Directors do not anticipate any change in the nature of these activities. The Company is regulated by the Financial Conduct Authority.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £2,434,140 (2018: £4,493,198).

The Directors do not anticipate any dividend to be paid in relation to 2019 (2018: £nil).

#### **Directors**

The Directors who served during the year were:

R.E. Bond  
S.A.M. Lusty

#### **Financial risk management**

The Company operates systems and controls to mitigate any adverse effects across the range of risks that it faces. The Company has no significant exposure to price, credit, liquidity or interest rate risk.

The Referendum of the UK's Membership of the European Union (EU) (referred to as Brexit), voting for the exit of the UK from the EU, could cause disruptions to and create uncertainty surrounding our business, including affecting our relationships with our existing and future counterparties. The effects of Brexit are still unknown and will depend on any agreements the UK makes to retain access to EU markets either during a transitional period or more permanently. The Company is continuously monitoring and considering potential implications of Brexit.

#### **Going Concern**

The Company is currently in a start-up phase with revenues of just £14,000 (2018: £2,000) and as a result is making an operating loss. The Company is a wholly owned subsidiary of Byhrras Group Limited (together the "Group"). The Group's forecast, taking into account expectations around future fundraising, show that the Group will be able to meet its liabilities as they fall due, however, there is a risk that future fundraising may not be successful. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The Directors are confident that the Group will be successful in raising future finance and if that is not the case, a cost reduction plan will be implemented to ensure the Group continues to be a going concern and continues in operational existence for the foreseeable future. The Directors have initiated plans for fundraising which are at an advanced stage. Thus the Directors continue to adopt the going concern basis of accounting in preparation of the financial statements.

#### **Qualified third party indemnity provisions**

The Company does not have any qualifying third party indemnity provisions.

## **Byhiras (Europe) Limited**

### **Directors' Report (continued) For the Year Ended 31 March 2019**

#### **Directors' responsibilities statement**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and of the result of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Disclosure of information to Auditors**

##### **The Directors confirm that:**

- so far as the Directors are aware, there is no relevant audit information of which the Company's Auditor is unaware, and
- the Directors have taken all the steps that ought to have taken as a Directors in order to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

#### **Auditors**

The Auditors, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 25.3.2019 and signed on its behalf by:

R. E. Bond

R.E. Bond  
Director

---

## **Byhiras (Europe) Limited**

---

### **Independent Auditors' Report to the Members of Byhiras (Europe) Limited**

---

#### **Opinion**

We have audited the financial statements of Byhiras (Europe) Limited (the 'company') for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material uncertainty related to going concern**

We draw attention to note 1.3 in the financial statements, which indicates that the company incurred a net loss of £2,434,140 during the year ended 31 March 2019. As stated in note 1.3, these events or conditions, along with the other matters as set forth in note 1.3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### **Who we are reporting to**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

---

**Byhiras (Europe) Limited**

---

---

**Independent Auditors' Report to the Members of Byhiras (Europe) Limited (continued)**

---

**Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

**Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

---

## **Byhrras (Europe) Limited**

---

### **Independent Auditors' Report to the Members of Byhrras (Europe) Limited (continued)**

---

#### **Responsibilities of Directors for the financial statements**

As explained more fully in the Directors' Responsibilities Statement on page 3, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Grant Thornton UK LLP*

William Pointon  
Senior Statutory Auditor  
for and on behalf of  
Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London

Date: 25/7/2019



---

**Byhiras (Europe) Limited**

---

**Statement of Comprehensive Income  
For the Year Ended 31 March 2019**

---

	<i>Note</i>	2019 £	2018 £
Turnover	3	14,000	2,000
<b>Gross profit</b>		<u>14,000</u>	<u>2,000</u>
Administrative expenses		(4,284,100)	(4,498,106)
<b>Operating loss</b>	4	<u>(4,270,100)</u>	<u>(4,496,106)</u>
Tax	7	1,835,960	2,908
<b>Loss for the financial year</b>		<u><u>(2,434,140)</u></u>	<u><u>(4,493,198)</u></u>

All amounts relate to continuing operations.

There was no other comprehensive income for 2019 or 2018.

The notes on pages 10 to 24 form part of these financial statements.

**Byhiras (Europe) Limited**  
Registered number: 07646016

**Statement of Financial Position**  
**As at 31 March 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	8	12,427	15,556
Tangible assets	9	105,807	84,374
		<u>118,234</u>	<u>99,930</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	2,095,037	376,036
Cash at bank and in hand	11	485,586	332,750
		<u>2,580,623</u>	<u>708,786</u>
Creditors: amounts falling due within one year	12	(415,666)	(617,893)
<b>Net current assets</b>		<u>2,164,957</u>	<u>90,893</u>
<b>Total assets less current liabilities</b>		<u>2,283,191</u>	<u>190,823</u>
<b>Provisions for liabilities</b>			
Deferred tax	14	(22,464)	(18,987)
		<u>(22,464)</u>	<u>(18,987)</u>
<b>Net assets</b>		<u><u>2,260,727</u></u>	<u><u>171,836</u></u>
<b>Capital and reserves</b>			
Called up share capital	15	2,097,402	1,652,402
Share premium account	16	18,876,600	14,871,600
Other reserves	16	357,236	284,205
Profit and loss account	16	(19,070,511)	(16,636,371)
		<u>2,260,727</u>	<u>171,836</u>

The financial statements were approved and authorised for issue by the board on 26 July 2019 and were signed on its behalf by:

R. E. Bund  
R.E. Bund  
Director

The notes on pages 10 to 24 for part of these financial statements.

## Byhiras (Europe) Limited

### Statement of Changes in Equity For the Year Ended 31 March 2019

	<i>Called up share capital</i>	<i>Share premium account</i>	<i>Other reserves</i>	<i>Profit and loss account</i>	<i>Total equity</i>
	£	£	£	£	£
At 1 April 2018	1,652,402	14,871,600	284,205	(16,636,371)	171,836
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	-	(2,434,140)	(2,434,140)
<b>Total comprehensive income for the year</b>	-	-	-	(2,434,140)	(2,434,140)
Shares Issued during the year	445,000	4,005,000	-	-	4,450,000
Share based compensation	-	-	73,031	-	73,031
<b>Total transactions with owners</b>	445,000	4,005,000	73,031	-	4,523,031
<b>At 31 March 2019</b>	<b>2,097,402</b>	<b>18,876,600</b>	<b>357,236</b>	<b>(19,070,511)</b>	<b>2,260,727</b>

### Statement of Changes in Equity For the Year Ended 31 March 2018

	<i>Called up share capital</i>	<i>Share premium account</i>	<i>Other reserves</i>	<i>Profit and loss account</i>	<i>Total equity</i>
	£	£	£	£	£
At 1 April 2017	1,302,402	11,721,600	224,119	(12,179,525)	1,068,596
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	-	(4,493,198)	(4,493,198)
<b>Total comprehensive income for the year</b>	-	-	-	(4,493,198)	(4,493,198)
Shares issued during the year	350,000	3,150,000	-	-	3,500,000
Shares lapsed in the year	-	-	-	36,352	36,352
Share based compensation	-	-	96,438	-	96,438
Shares lapsed in the year	-	-	(36,352)	-	(36,352)
<b>Total transactions with owners</b>	350,000	3,150,000	60,086	36,352	3,596,438
<b>At 31 March 2018</b>	<b>1,652,402</b>	<b>14,871,600</b>	<b>284,205</b>	<b>(16,636,371)</b>	<b>171,836</b>

The notes on pages 10 to 24 form part of these financial statements.

---

## **Byhiras (Europe) Limited**

---

### **Notes to the Financial Statements For the Year Ended 31 March 2019**

---

#### **1. Accounting policies**

##### **1.1 General Information**

Byhiras (Europe) Limited is a private limited company which is limited by shares. It is registered in the United Kingdom. The address of its registered office and principal place of business is 23 Austin Friars, London, EC2N 2QP.

##### **1.2 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards including Financial Reporting Standard 102 - "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"), and with the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders.

In preparing these financial statements, the Company has taken advantage of the following exemptions:

- I. from presenting a statement of cash flows, as required by Section 7 'Statement of Cash Flows';
- II. from disclosing key management personnel compensation, as required by FRS 102 paragraph 33.7; and
- III. from presenting a reconciliation of the number of shares outstanding at the beginning and end of the year, as required by FRS 102 paragraph 4.12.

On the basis that equivalent disclosures are given in the consolidated financial statements the Company has also taken advantage of the exemption not to provide:

- IV. the disclosure requirements of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues'.

The Company is included in the consolidated financial statements of its parent undertaking, Byhiras Group Limited. Note 22 provides details of where those consolidated financial statements may be obtained from.

The following principal accounting policies have been applied:

---

## Byhiras (Europe) Limited

---

### Notes to the Financial Statements For the Year Ended 31 March 2019

---

#### 1. Accounting policies (continued)

##### 1.3 Going concern

The Group, of which the Company is a subsidiary is currently in a start-up phase with revenues of just £14,000 (2018: £2,000), and as a result is making an operating loss. The Group's forecast, taking into account expectations around future fundraising, show that the Group will be able to meet its liabilities as they fall due, however, there is a risk that future fundraising may not be successful. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The Directors are confident that the Group will be successful in raising future finance and if that is not the case, a cost reduction plan will be implemented to ensure the Group continues to be a going concern and continues in operational existence for the foreseeable future. The Directors have initiated plans for fundraising which are at an advanced stage. Thus the Directors continue to adopt the going concern basis of accounting in preparation of the financial statements.

##### 1.4 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.

##### 1.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Software	3 years
----------	---------

##### 1.6 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.

Depreciation is provided on the following basis:

Fixtures and fittings	- 3 years straight line
Computer equipment	- 3 years straight line

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Comprehensive Income.

---

## Byhiras (Europe) Limited

---

### Notes to the Financial Statements For the Year Ended 31 March 2019

---

#### 1. Accounting policies (continued)

##### 1.7 Operating leases: Lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease.

##### 1.8 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.

##### 1.9 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.

##### 1.10 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

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 payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

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.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the Statement of Financial Position date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

---

## **Byhiras (Europe) Limited**

---

### **Notes to the Financial Statements For the Year Ended 31 March 2019**

---

#### **1. Accounting policies (continued)**

##### **1.11 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.

##### **1.12 Foreign currency translation**

###### **Functional and presentation currency**

The Company's functional and presentational currency is Pound Sterling ("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 except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'administrative expenses'. Where relevant all other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

**1. Accounting policies (continued)**

**1.13 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 Statement of Financial Position 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.

Upon exercise of share options, the proceeds received net of attributable transaction cost are credited to share capital, and where appropriate share premium.

**Share options:**

a) Employee share option schemes: On 8 May 2014, the Group established a share option scheme. The group operates an employee share option scheme to provide long-term incentives to employees and executives of the Group. Under the scheme, options are granted to eligible employees conferring the right to acquire ordinary shares in the Group at a price approximating to their fair market value at the date of grant. There is a three-year or five-year vesting period. No options were exercised in the year.

(b) Other options: Approved and unapproved options over shares are also available to employees, Directors, shareholders and suppliers in consideration for services rendered. No share options were exercised in the year.

**1.14 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 Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.



---

## **Byhiras (Europe) Limited**

---

### **Notes to the Financial Statements For the Year Ended 31 March 2019**

---

#### **1. Accounting policies (continued)**

##### **1.15 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. 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 reporting 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 Statement of Financial Position 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 reporting date.

#### **2. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the year end date and the amounts reported for revenues and expenses during the year.

##### **Critical judgments in applying the entity's accounting policies**

The Group has made the judgment not to capitalise the development costs incurred.

##### **Critical accounting estimates and assumptions**

The Group considers the non-recognition of the deferred tax asset as a key estimation.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

---

**Byhlras (Europe) Limited**

---

**Notes to the Financial Statements  
For the Year Ended 31 March 2019**

---

**3. Turnover**

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Service Fees	14,000	2,000
	<u>14,000</u>	<u>2,000</u>

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	14,000	-
Jersey	-	2,000
	<u>14,000</u>	<u>2,000</u>

**4. Operating loss**

The operating loss is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	62,481	59,698
Fees payable to the Company's Auditors for the audit of the Company's accounts	17,500	17,000
Amortisation of intangible assets	6,768	4,444
<b>Fees payable to the Company's Auditors and its associates for other services to the Group:</b>		
Audit-related assurance services	3,500	3,000
Exchange differences	(149)	404
Other operating lease rentals	270,901	291,346
Defined contribution pension cost	40,007	24,215
	<u></u>	<u></u>

## Byhiras (Europe) Limited

### Notes to the Financial Statements For the Year Ended 31 March 2019

#### 5. Employees

Staff costs, including Directors' remuneration, were as follows:

	2019 £	2018 £
Wages and salaries	2,593,825	2,544,368
Social security costs	303,724	319,361
Pension costs	40,007	24,215
Share based compensation	73,031	96,438
	<u>3,010,587</u>	<u>2,984,382</u>

The average monthly number of employees, including the Directors, during the year was as follows:

	2019 No.	2018 No.
Management and administration	2	2
Technology and operations	30	29
	<u>32</u>	<u>31</u>

#### 6. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	245,000	280,000
	<u>245,000</u>	<u>280,000</u>

The highest paid Director received remuneration of £122,500 (2018: £140,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £1,167 (2018 - £1,400).

During the year one Director participated in the defined contributions pension scheme (2018: one).

## Byhiras (Europe) Limited

### Notes to the Financial Statements For the Year Ended 31 March 2019

#### 7. Taxation

	2019 £	2018 £
R&D tax credit	(1,839,437)	5
	<u>(1,839,437)</u>	<u>5</u>
<b>Total current tax</b>	<b><u>(1,839,437)</u></b>	<b><u>5</u></b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	3,477	(2,908)
<b>Total deferred tax</b>	<b><u>3,477</u></b>	<b><u>(2,908)</u></b>
<b>Taxation on loss</b>	<b><u>(1,835,960)</u></b>	<b><u>(2,908)</u></b>

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Loss before tax	(4,270,100)	(4,496,106)
Loss multiplied by standard rate of corporation tax in the UK of 19% (2018: 20%)	(811,319)	(854,260)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	513,715	490
Unused tax losses	1,179,662	850,862
Effects of other relief	(900,269)	-
Adjustments in respect of prior periods	(939,168)	-
Non-taxable income	(1,179,662)	-
Unrecognised deferred tax	301,081	490
<b>Total tax charge for the year</b>	<b><u>(1,835,960)</u></b>	<b><u>(2,908)</u></b>

---

**Byhiras (Europe) Limited**

---

**Notes to the Financial Statements  
For the Year Ended 31 March 2019**

---

**8. Intangible assets**

	<i>Software</i> £
<b>Cost</b>	
At 1 April 2018	20,000
Additions	3,639
At 31 March 2019	<u>23,639</u>
<b>Amortisation</b>	
At 1 April 2018	4,444
Charge for the year	6,768
At 31 March 2019	<u>11,212</u>
<b>Net book value</b>	
At 31 March 2019	<u>12,427</u>
At 31 March 2018	<u>15,556</u>

# Byhira (Europe) Limited

## Notes to the Financial Statements For the Year Ended 31 March 2019

### 9. Tangible fixed assets

	<i>Fixtures and fittings £</i>	<i>Computer equipment £</i>	<i>Total £</i>
<b>Cost or valuation</b>			
At 1 April 2018	441	233,100	233,541
Additions	-	83,914	83,914
At 31 March 2019	441	317,014	317,455
<b>Depreciation</b>			
At 1 April 2018	441	148,726	149,167
Charge for the year	-	62,481	62,481
At 31 March 2019	441	211,207	211,648
<b>Net book value</b>			
At 31 March 2019	-	105,807	105,807
At 31 March 2018	-	84,374	84,374

### 10. Debtors

	<i>2019 £</i>	<i>2018 £</i>
Trade debtors	13,200	-
Amounts owed by group undertakings	20,325	14,025
Other debtors	1,890,739	278,551
Prepayments and accrued income	87,518	45,722
Tax recoverable	83,255	37,738
	<u>2,095,037</u>	<u>376,036</u>

Included in other debtors is a rent deposit of £51,302 (2018: £48,786) falling due within one year.

## Byhiras (Europe) Limited

### Notes to the Financial Statements For the Year Ended 31 March 2019

#### 11. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	485,586	332,750
	<u>485,586</u>	<u>332,750</u>

#### 12. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	215,980	235,802
Amounts owed to group undertakings	11,308	9,510
Other taxation and social security	103,344	107,093
Other creditors	7,210	4,464
Accruals and deferred income	77,824	261,024
	<u>415,666</u>	<u>617,893</u>

#### 13. Financial instruments

	2019 £	2018 £
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<u>84,827</u>	<u>292,576</u>
	2019 £	2018 £
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>234,498</u>	<u>249,776</u>

Financial assets measured at amortised cost comprise debtors excluding VAT recoverable, prepayments and accrued income.

Financial liabilities measured at amortised cost comprise creditors excluding accruals, deferred income and other taxation.

---

**Byhiras (Europe) Limited**

---

**Notes to the Financial Statements  
For the Year Ended 31 March 2019**

---

**14. Deferred taxation**

	<i>Deferred tax £</i>
At 1 April 2018	(18,987)
Charged to profit or loss	(3,477)
At 31 March 2019	<u>(22,464)</u>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	22,464	18,987
	<u>22,464</u>	<u>18,987</u>

**15. Share capital**

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
2,097,402 (2018:1,652,402) Ordinary shares of £1 each	<u>2,097,402</u>	<u>1,652,402</u>

Share capital represents the nominal value of shares that have been issued.

During the year, a further 445,000 ordinary shares of £1 each were issued at a premium of £9 per share. Consideration was received in full. These shares rank pari passu with the existing share capital.



---

## Byhiras (Europe) Limited

---

### Notes to the Financial Statements For the Year Ended 31 March 2019

---

#### 16. Reserves

##### Share premium account

Share premium reserve records the amount above the nominal value received for shares issued by the Company. Share premium may only be utilised to write-off any expenses incurred or commissions paid on the issue of those shares, or to pay up new shares to be allotted to members as fully paid bonus shares.

##### Other reserves

Other reserve comprises share based compensation.

##### Profit and loss account

The profit and loss account comprises all current and prior period retained profits and losses after deducting any distributions made to the Company's shareholders.

#### 17. Share based payments

Details of the number of employee and share options and the weighted average fair value (WAFV) at:

	<i>Number</i> 2019	<i>WAFV</i> £ 2019	<i>Number</i> 2018	<i>WAFV</i> £ 2018
Outstanding at the beginning of the year	3,625,512	175,055	4,071,595	477,107
Granted during the year	-	-	-	-
Lapsed during the year	-	-	(446,083)	(302,052)
Expired during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>3,625,512</b>	<b>175,055</b>	<b>3,625,512</b>	<b>175,055</b>

For the year ended 31 March 2019, the group recognised £73,031 (2018: £96,438) in share based compensation.

No share options were exercised in the year.

#### 18. 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 £40,007 (2018: £24,215). Contributions totaling £7,210 (2018: £4,464) were payable to the fund at the reporting date.

---

## Byhiras (Europe) Limited

---

### Notes to the Financial Statements For the Year Ended 31 March 2019

---

#### 19. Commitments under operating leases

At 31 March 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	60,321	73,476
	<u>60,321</u>	<u>73,476</u>

#### 20. Related party transactions

During the year 445,000 (2018: 350,000) ordinary shares of £1 each were subscribed by Byhiras Group Limited, the immediate parent undertaking of the Company, for a consideration, received in full of £4,450,000 (2018: £3,500,000).

During the year Byhiras (Europe) Limited transferred £13,898 (2018: £9,510) to Byhiras Group Limited for its share of the VAT submissions and paid expenses on their behalf of £12,100. As at 31 March 2019 £11,308 (2018: £9,510) was owed to Byhiras Group Limited.

S.A.M. Lusty, a Director of the Company, is also a designated Member of Cagera LLP. During the year Byhiras (Europe) Limited paid expenses on behalf of Cagera LLP totalling £3,780 (2018: £3,600). As at 31 March 2019 the balance owed to the Company by Cagera LLP was £8,880 (2018: £5,100).

S.A.M. Lusty, a Director of the Company, is also a Director of Cagera Investors Limited. During the year Byhiras (Europe) Limited paid expenses on behalf of Cagera Investors Limited totalling £2,520 (2018: £6,045). As at 31 March 2019 the balance owed to the Company by Cagera Investors Limited was £11,445 (2018: £8,925).

Cagera LLP and Cagera Investors Limited are considered to be related parties by virtue of common ownership.

#### 21. Post balance sheet events

During the months after the year end and upto the date that these financial statements were signed, Byhiras (Europe) Limited had issued a total of 15,000 ordinary shares of £1 each at a premium of £9 per share. These shares rank pari passu with existing share capital.

#### 22. Controlling party

Byhiras Group Limited, a company incorporated in the UK, is the immediate parent undertaking of Byhiras (Europe) Limited. The ultimate controlling party is considered to be S.A.M Lusty. Copies of the Group financial statements of Byhiras Group Limited, are publicly available from the registrar of Companies.