

CITI LOGIK LIMITED
ABBREVIATED UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016

Bessler Hendrie
Chartered Accountants
Albury Mill
Mill Lane
Chilworth
Guildford
Surrey
GU4 8RU

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for the year ended 31 March 2016

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COMPANY INFORMATION
for the year ended 31 March 2016

DIRECTORS:

S R Leece
J Rands
G T O'Riain

REGISTERED OFFICE:

Albury Mill
Mill Lane
Chilworth
Guildford
Surrey
GU4 8RU

REGISTERED NUMBER:

07938919 (England and Wales)

ACCOUNTANTS:

Bessler Hendrie
Chartered Accountants
Albury Mill
Mill Lane
Chilworth
Guildford
Surrey
GU4 8RU

ABBREVIATED BALANCE SHEET
31 March 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible assets	2	-	886
CURRENT ASSETS			
Debtors		388,291	567,893
Cash at bank		80,267	35,959
		<u>468,558</u>	<u>603,852</u>
CREDITORS			
Amounts falling due within one year	3	<u>(133,231)</u>	<u>(591,811)</u>
NET CURRENT ASSETS		<u>335,327</u>	<u>12,041</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>335,327</u>	<u>12,927</u>
CREDITORS			
Amounts falling due after more than one year	3	(690,320)	-
PROVISIONS FOR LIABILITIES		-	(177)
NET (LIABILITIES)/ASSETS		<u>(354,993)</u>	<u>12,750</u>
CAPITAL AND RESERVES			
Called up share capital	4	13	11
Share premium		374,998	-
Profit and loss account		<u>(730,004)</u>	<u>12,739</u>
SHAREHOLDERS' FUNDS		<u>(354,993)</u>	<u>12,750</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2016 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 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.
- (b)

ABBREVIATED BALANCE SHEET - continued
31 March 2016

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 21 December 2016 and were signed on its behalf by:

S R Leece - Director

NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 March 2016

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Going concern

Following a review by the directors, the accounts have been prepared on the going concern basis. The directors consider this is appropriate as summarised below:

During the year and the immediate post balance sheet period, the directors had continued to maintain an extensive level of resource within the business in anticipation of achieving significant turnover within the short term, which was dependent on the approval of a contract with a major supplier and business partner. When the approval process became protracted and was significantly delayed, the directors embarked on a process of cost cutting, such that monthly overheads are now running at a much reduced level and where technical expertise is available on an outsourced basis directly in line with the company's requirement.

In addition, in early November 2016, the directors signed a 5 year trading agreement with the business partner which included a renegotiation of the terms of repayment of a trading loan facility of £840,000 they had provided. Repayment of this amount will only commence once the company has generated a target level of turnover and then, be made only from monthly revenues which exceed targeted levels.

The directors have also prepared forecasts of future trading and cash flows which indicates future profitability and cash generation as a result of the above restructuring process.

Turnover

Turnover represents the value, excluding Value Added Tax, of goods and services supplied to customers during the period.

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 - 33% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

NOTES TO THE ABBREVIATED ACCOUNTS - continued
for the year ended 31 March 2016

2. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 April 2015	
and 31 March 2016	<u>2,656</u>
DEPRECIATION	
At 1 April 2015	1,770
Charge for year	<u>886</u>
At 31 March 2016	<u>2,656</u>
NET BOOK VALUE	
At 31 March 2016	-
At 31 March 2015	<u>886</u>

3. CREDITORS

Creditors include an amount of £ 125,000 for which security has been given.

4. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
13,291,472	Ordinary	£0.000001	<u>13</u>	<u>11</u>

2,291,472 Ordinary shares of £0.000001 each were allotted as fully paid at a premium of 16.36494p per share during the year.

5. FLOATING RATE CONVERTIBLE SECURED LOAN NOTES

On 4 September 2015 the company issued Floating Rate Convertible Secured Loan Notes to the value of £125,000. The loan notes bear interest at 3% above the Bank of England base rate. The loan notes fall due for redemption five years after the date of issue, unless earlier redemption is triggered by any of a number of events specified in the Loan Note instrument. Such events include (i) the giving of not less than 10 business day's notice by the company of its wish to redeem the loan notes; (ii) Events of Default relating to insolvency or similar; (iii) upon a further round of fundraising, the noteholder may, at its options, serve a Conversion Notice to convert some or all of the loan notes into ordinary shares at a price to be determined at the further round of fundraising but which cannot be less than £0.16365 per share.

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
CITI LOGIK LIMITED**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements, from which the unaudited abbreviated accounts (set out on pages two to five) have been prepared.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Citi Logik Limited for the year ended 31 March 2016 which comprise the Profit and Loss Account, the Balance Sheet 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 Citi Logik Limited, 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 Citi Logik Limited and state those matters that we have agreed to state to the Board of Directors of Citi Logik Limited, 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 Citi Logik Limited Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Citi Logik Limited 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 Citi Logik Limited. You consider that Citi Logik Limited 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 Citi Logik Limited. 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.

This report should not be regarded as suitable to be used or relied on by any other party wishing to acquire any rights against Bessler Hendrie for any purpose or in any context. Any party, other than the Directors, who obtain access to this report or a copy and chooses to rely on this report (or any part of it) will do so at its own risk.

Bessler Hendrie
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21 December 2016

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.