

Elliptic Enterprises Limited

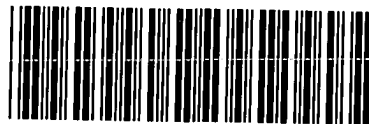
Unaudited Financial Statements

Year Ended

31 March 2019

Company Number 08458210

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Elliptic Enterprises Limited

Registered number: 08458210

Statement of Financial Position As at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	50,015	23,092
Investments	6	46,157	96,728
		<u>96,172</u>	<u>119,820</u>
Current assets			
Debtors	7	1,746,907	1,151,386
Bank and cash balances		757,263	3,399,487
		<u>2,504,170</u>	<u>4,550,873</u>
Creditors: amounts falling due within one year	8	(270,438)	(194,586)
Net current assets		<u>2,233,732</u>	<u>4,356,287</u>
Total assets less current liabilities		<u>2,329,904</u>	<u>4,476,107</u>
Net assets		<u>2,329,904</u>	<u>4,476,107</u>
Capital and reserves			
Called up share capital	9	4	4
Share premium account		8,401,053	8,296,277
Profit and loss account		(6,071,153)	(3,820,174)
		<u>2,329,904</u>	<u>4,476,107</u>

Elliptic Enterprises Limited

Registered number: 08458210

Statement of Financial Position (continued)

As at 31 March 2019

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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



.....
J S Smith
Director

Date: 24 December 2019

The notes on pages 4 to 12 form part of these financial statements.

Elliptic Enterprises Limited

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

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2018	4	8,296,277	(3,820,174)	4,476,107
Comprehensive income for the year				
Loss for the year	-	-	(2,298,974)	(2,298,974)
Total comprehensive income for the year	-	-	(2,298,974)	(2,298,974)
Share based payment credit	-	-	47,995	47,995
Shares issued during the year	-	104,776	-	104,776
Total transactions with owners	-	104,776	47,995	152,771
At 31 March 2019	4	8,401,053	(6,071,153)	2,329,904

The notes on pages 4 to 12 form part of these financial statements.

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

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2017	3	4,549,982	(1,845,523)	2,704,462
Comprehensive income for the year				
Loss for the year	-	-	(1,974,651)	(1,974,651)
Total comprehensive income for the year	-	-	(1,974,651)	(1,974,651)
Shares issued during the year	1	3,746,295	-	3,746,296
Total transactions with owners	1	3,746,295	-	3,746,296
At 31 March 2018	4	8,296,277	(3,820,174)	4,476,107

The notes on pages 4 to 12 form part of these financial statements.

Elliptic Enterprises Limited

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

1. General information

Elliptic Enterprises Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the directors' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and 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 3).

The following principal accounting policies have been applied:

2.2 Turnover

Turnover represents amounts receivable for services net of VAT. The total turnover of the company for the year has been derived from its principal activities. Revenue from a contract to provide services is recognised in the period in which the services are provided.

2.3 Going concern

The directors believe that notwithstanding current year losses of £2,298,974 (2018: £1,974,651), the company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support from investors will be adequate to meet the company's needs for a period of at least 12 months from the date of approval of these financial statements.

Elliptic Enterprises Limited

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

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is 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 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.5 Operating leases: the Company as lessee

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

2.6 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.8 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.

Elliptic Enterprises Limited

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

2. Accounting policies (continued)

2.9 Taxation

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.

2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.11 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Elliptic Enterprises Limited

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

2. Accounting policies (continued)

2.11 Tangible fixed assets (continued)

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:

Plant and machinery	-	20%
Office equipment	-	25%
Computer equipment	-	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.13 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.

2.14 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.

2.15 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.

Elliptic Enterprises Limited

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

2. Accounting policies (continued)

2.16 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The directors are of the opinion that there are no estimates and judgements that have a significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the financial year.

4. Employees

The average monthly number of employees, including directors, during the year was 26 (2018 - 18).

Elliptic Enterprises Limited

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

5. Tangible fixed assets

	Plant and machinery £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2018	4,283	-	38,967	43,250
Additions	-	3,632	37,793	41,425
Disposals	(4,283)	-	-	(4,283)
At 31 March 2019	-	3,632	76,760	80,392
Depreciation				
At 1 April 2018	1,337	-	18,821	20,158
Charge for the year on owned assets	-	76	11,480	11,556
Disposals	(1,337)	-	-	(1,337)
At 31 March 2019	-	76	30,301	30,377
Net book value				
At 31 March 2019	-	3,556	46,459	50,015
At 31 March 2018	2,946	-	20,146	23,092

Elliptic Enterprises Limited

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

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2018	96,728
Disposals	(50,571)
At 31 March 2019	46,157
Net book value	
At 31 March 2019	46,157
At 31 March 2018	96,728

Subsidiary undertaking

During the year, Elliptic Enterprises Limited disposed of the investment in Elliptic Vault Limited, This gave rise to a loss on disposal of £50,571.

The following was a subsidiary undertaking at the reporting date:

Name	Registered office	Class of shares	Holding
Elliptic Inc	USA	Common stock	100%

The registered office for Elliptic Inc is 1732 1st Avenue #23346, New York, NY, 10128, USA.

The aggregate of the share capital and reserves as at 31 March 2019 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves \$	Profit/(Loss) \$
Elliptic Inc	(888,983)	(780,619)

Elliptic Enterprises Limited

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

7. Debtors

	2019 £	2018 £
Trade debtors	157,085	171,731
Amounts owed by group undertakings	1,360,348	340,444
Other debtors	200,270	100,809
Called up share capital not paid	-	470,538
Prepayments and accrued income	29,204	67,864
	<u>1,746,907</u>	<u>1,151,386</u>

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	5	5
Trade creditors	54,440	34,461
Other taxation and social security	-	10,005
Other creditors	32,382	15,504
Accruals and deferred income	183,611	134,611
	<u>270,438</u>	<u>194,586</u>

9. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
1,537,442 (2018: 1,372,396) Ordinary shares of £0.000001 each	1	1
750,614 (2018: 750,614) Ordinary A shares of £0.000001 each	1	1
1,158,730 (2018: 1,158,730) Series A shares of £0.000001 each	1	1
868,635 (2018: 868,635) Series A 1 preference shares of £0.000001- each	1	1
	<u>4</u>	<u>4</u>

During the year the company issued 165,046 Ordinary shares of £0.000001 each for a consideration of £104,776 resulting in additional share premium of £104,776.

Elliptic Enterprises Limited

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

10. Share based payments

Elliptic Enterprises Limited operated a Company Share option Plan under which directors and employees of the company were granted share options. In the absence of observable market prices and market data, share options granted were valued at fair value on the grant date using the Black Scholes valuation model and vest over a period of either 2 or 4 years.

During the year, the total share based payment expense recognised in the statement of comprehensive income was £47,995 (2018: £nil). At 31 March 2019, 676,904 share options were granted and remained unexercised.

11. Related party transactions

The company has taken advantage of the exemption contained in FRS 102 section 33 "Related Party Disclosures" from disclosing transactions with entities which are a wholly owned part of the group