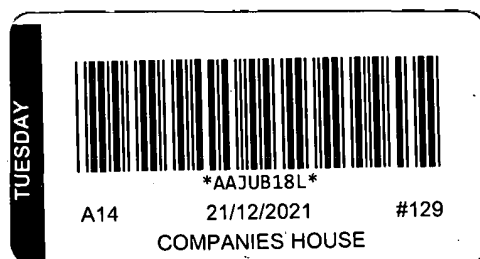


**Registered number: 10124305**

**CYBER SECURITY ASSOCIATES LTD**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 MARCH 2021**



## **CYBER SECURITY ASSOCIATES LTD**

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## **CYBER SECURITY ASSOCIATES LTD**

### **COMPANY INFORMATION**

<b>Directors</b>	J A Griffiths R Hastings R M Horton C J Rogers D S Woodfine
<b>Registered number</b>	10124305
<b>Registered office</b>	5 Hatfields London SE1 9PG
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors One Chamberlain Square Birmingham B3 3AX

## **CYBER SECURITY ASSOCIATES LTD**

### **STRATEGIC REPORT FOR THE PERIOD ENDED 31 MARCH 2021**

The directors present the Strategic Report of Cyber Security Associates Ltd (the "Company") for the period ended 31 March 2021.

#### **Business review**

I am pleased to present our annual report for the shortened 11-month period ending 31st March 2021. On a pro-rata (like for like) basis, we have increased our overall gross margin by 24%. This has been achieved by us growing our recurring product streams such as BorderPoint and AppGuard.

During the reporting period, in November 2020, 60% of the business was acquired by our new strategic partner, FluidOne Bidco Limited (FluidOne). This partnership enhances the FluidOne group of businesses' product offering, as well as gaining Cyber security Associates Limited (CSA) access to a much larger customer base.

Working with FluidOne, and making full use of their expertise and experience, our strategy is to invest in the infrastructure, staff, and systems of the business in order to expediate our growth and help us become the best quality cyber security managed service provider. As well as utilising our new enlarged customer base within the FluidOne group, we have also formed several other key new partnerships during the period to complement the strategy and increase sales of our core managed services.

Although the period was loss-making, performance exceeded the expectations set out in the new strategy which was implemented by the new board in November 2020. It is forecast that CSA will become profitable during the next financial period.

#### **Principal risks and uncertainties**

Although we have largely been unaffected by the Covid 19 pandemic, the principal risk remains whether there are any ongoing impacts of the pandemic.

The business is focused on the UK and USA, and it therefore is exposed to the inherent risks and uncertainties of the wider global and domestic economies. The business largely operates in GBP and so the impact of any exchange rate risk would be minimal.

#### **Future developments**

Over the next twelve months we are planning to offer a fully integrated approach to client cyber security, by offering a service that monitors and protects all devices, including mobiles, tablets, laptops, PCs and servers. This holistic cyber service will offer true end-to-end visibility from a team of cyber professionals operating 24/7, as well as offering a single pane dashboard for each client.

CSA will continue to enhance all of its services through research and development, keeping pace with client requirements, the evolving cyber threat and technological advancements. Another key focus will be supporting the FluidOne group strategy of offering clients full connectivity and cloud capability that is wrapped in the CSA cyber security managed service.

## CYBER SECURITY ASSOCIATES LTD

### STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2021

#### Financial key performance indicators

The directors consider the most relevant key performance indicators to be growth in turnover and underlying EBITDA.

- Turnover for the period ended 31 March 2021 was £577,076 (2020: £835,363)
- Underlying EBITDA for the period ended 31 March 2021 £(82,096) (2020: £22,152 restated)

	Period ended 31 March 2021* £	As restated Year ended 30 April 2020 £
Operating (loss)/profit	(148,998)	16,037
Amortisation	599	-
EBITA	(148,399)	16,037
Depreciation	14,644	6,115
EBITDA	(133,755)	22,152
Group**	28,956	-
Exceptional items	22,703	-
Underlying EBITDA	(82,096)	22,152

\* 11 Month period

\*\* Group costs were incurred in the period as a management charge from the FluidOne group.

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



**R Hastings**  
Director

Date: 17 December 2021

## **CYBER SECURITY ASSOCIATES LTD**

### **DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2021**

The directors present their annual report and the audited financial statements of Cyber Security Associates Ltd (the "Company") for the period ended 31 March 2021.

#### **Principal activities**

The Company's principal activity during the year was that of the provision of cyber security solutions and consultancy to businesses in the UK and worldwide.

The Company has changed its financial year end to 31 March 2021 in line with its ultimate parent FluidOne Topco Limited.

#### **Results and dividends**

The loss for the financial period/year amounted to £139,378 (2020: £16,037).

The directors do not recommend the payment of a dividend (2020: £Nil).

#### **Directors**

The directors who served during the period and up to the date of signing the financial statements, unless otherwise stated, were:

J A Griffiths

R Hastings (appointed 22 January 2021)

R M Horton (appointed 24 November 2020)

C J Rogers (appointed 24 November 2020)

D S Woodfine

J N Arnold-Roberts (appointed 24 November 2020, resigned 26 February 2021)

H Patel (appointed 24 November 2020, resigned 22 January 2021)

#### **Future developments**

The Company has reported on its future events within the Strategic Report.

#### **Going concern**

As on 31 March 2021, the Company had net current liabilities due to amounts owed to group undertakings and deferred income in respect of which the letter of support has been obtained from FluidOne Topco Limited. The board have prepared the accounts on the going concern basis as the business continues to demonstrate that the strategy is working and delivering the required results. The business remains on course to become profitable during the next financial period and has access to a debt facility from the FluidOne group to aid investment and meet its working capital requirements.

After reviewing the impacts of COVID cash balances, borrowing facilities and projected cash flows, together with factors likely to affect its future development, performance, and position are set out in the Strategic Report of FluidOne Topco Limited, the directors have a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Therefore, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

## **CYBER SECURITY ASSOCIATES LTD**

### **DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2021**

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

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). 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 of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, 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 enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors 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.

#### **Directors' confirmations**

*In the case of each director in office at the date the Directors' Report is approved:*

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### **Independent auditors**

During the period, PricewaterhouseCoopers LLP, were appointed as an auditors, accordance with section 485 of the Companies Act 2006.

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



**R Hastings**  
Director

Date: 17 December 2021

## **CYBER SECURITY ASSOCIATES LTD**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CYBER SECURITY ASSOCIATES LTD**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion, Cyber Security Associates Ltd's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of its loss for the 11 month period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 March 2021; the Statement of Comprehensive Income and the Statement of Changes in Equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.



## **CYBER SECURITY ASSOCIATES LTD**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CYBER SECURITY ASSOCIATES LTD (CONTINUED)**

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### *Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the period ended 31 March 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

#### **Responsibilities for the financial statements and the audit**

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

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax regulation, employment regulations and health and safety legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of false revenue to overstate the performance of the business and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Identifying and testing journal entries with unusual account combinations in relation to revenue and EBITDA; and
- Challenging assumptions and judgements made by management in determining their accounting estimates; and
- Review of minutes of meetings held by the board and those charged with governance.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

## CYBER SECURITY ASSOCIATES LTD

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CYBER SECURITY ASSOCIATES LTD (CONTINUED)

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

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### Other required reporting

#### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

#### Other matter

The financial statements for the 30 April 2020, forming the corresponding figures of the financial statements for the period ended 31 March 2021, are unaudited.

*Matt Palmer*

Matt Palmer (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Birmingham

Date: 17 December 2021

**CYBER SECURITY ASSOCIATES LTD****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 MARCH 2021**

		<b>Period ended 31 March 2021 £</b>	<b>As restated Year ended 30 April 2020 £</b>
	<b>Note</b>		
Turnover	4	577,076	835,363
Cost of sales		(130,910)	(187,080)
<b>Gross profit</b>		<b>446,166</b>	<b>648,283</b>
Administrative expenses		(572,461)	(632,246)
Exceptional administrative expenses	5	(22,703)	-
<b>Operating (loss)/profit</b>	6	<b>(148,998)</b>	<b>16,037</b>
<b>(Loss)/profit before taxation</b>		<b>(148,998)</b>	<b>16,037</b>
Tax on (loss)/profit	10	9,620	-
<b>(Loss)/profit for the financial period/year</b>		<b>(139,378)</b>	<b>16,037</b>
<b>Total comprehensive (expense)/income for the financial period/year</b>		<b>(139,378)</b>	<b>16,037</b>

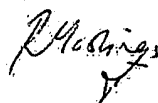
The notes on pages 12 to 27 form part of these financial statements.

**CYBER SECURITY ASSOCIATES LTD**  
**REGISTERED NUMBER: 10124305**

**BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Note	31 March 2021 £	As restated: 30 April 2020 £
<b>Fixed assets</b>			
Intangible assets	11	12,939	-
Tangible assets	12	43,283	32,430
		<u>56,222</u>	<u>32,430</u>
<b>Current assets</b>			
Debtors	13	154,880	227,743
Cash at bank and in hand	14	30,970	68,611
		<u>185,850</u>	<u>296,354</u>
Creditors: amounts falling due within one year	15	(302,719)	(264,553)
<b>Net current (liabilities)/assets</b>		<u>(116,869)</u>	<u>31,801</u>
<b>Total assets less current liabilities</b>		<u>(60,647)</u>	<u>64,231</u>
Creditors: amounts falling due after more than one year	16	(50,000)	-
<b>Net (liabilities)/assets</b>		<u><u>(110,647)</u></u>	<u><u>64,231</u></u>
<b>Capital and reserves</b>			
Called up share capital	17	367	380
Share premium account	18	24,489	11,992
Capital redemption reserve	18	36	20
Profit and loss account	18	(135,539)	51,839
<b>Total shareholders' (deficit)/funds</b>		<u><u>(110,647)</u></u>	<u><u>64,231</u></u>

The financial statements on pages 9 to 27 were approved and authorised for issue by the board and were signed on its behalf by:



**R Hastings**  
**Director**

Date: 17 December 2021

The notes on pages 12 to 27 form part of these financial statements.

**CYBER SECURITY ASSOCIATES LTD**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2021**

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total shareholders' (deficit)/funds £
<b>At 1 May 2019 (as previously stated)</b>	<b>380</b>	<b>11,992</b>	<b>20</b>	<b>84,917</b>	<b>97,309</b>
Prior year adjustment (Note 19)	-	-	-	(49,115)	(49,115)
<b>At 1 May 2019 (as restated)</b>	<b>380</b>	<b>11,992</b>	<b>20</b>	<b>35,802</b>	<b>48,194</b>
<b>Comprehensive income for the financial year</b>					
Profit for the financial year (as restated)	-	-	-	16,037	16,037
<b>Total comprehensive income for the financial year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,037</b>	<b>16,037</b>
<b>At 30 April 2020 and 1 May 2020 (as previously stated)</b>	<b>380</b>	<b>11,992</b>	<b>20</b>	<b>179,561</b>	<b>191,953</b>
Prior year adjustment (Note 19)	-	-	-	(127,722)	(127,722)
<b>At 30 April 2020 and 1 May 2020 (as restated)</b>	<b>380</b>	<b>11,992</b>	<b>20</b>	<b>51,839</b>	<b>64,231</b>
<b>Comprehensive expense for the financial period</b>					
Loss for the financial period	-	-	-	(139,378)	(139,378)
<b>Total comprehensive expense for the financial period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(139,378)</b>	<b>(139,378)</b>
<b>Contributions by and distributions to owners</b>					
Shares issued during the financial period	3	12,497	-	-	12,500
Buy back of shares from minority shareholder	(16)	-	16	(48,000)	(48,000)
<b>Total transactions with owners</b>	<b>(13)</b>	<b>12,497</b>	<b>16</b>	<b>(48,000)</b>	<b>(35,500)</b>
<b>At 31 March 2021</b>	<b>367</b>	<b>24,489</b>	<b>36</b>	<b>(135,539)</b>	<b>(110,647)</b>

The notes on pages 12 to 27 form part of these financial statements.

## **CYBER SECURITY ASSOCIATES LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021**

#### **1. General information**

Cyber Security Associates Ltd (the "Company") is a private company limited by shares and incorporated in England. Its registered office is 5 Hatfields, London, SE1 9PG.

The Company's principal activity during the year was that of the provision of cyber security solutions and consultancy to businesses in the UK and worldwide.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with 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 judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied consistently throughout the period:

##### **2.2 Financial reporting standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of FluidOne Topco Limited as at 31 March 2021 and these financial statements may be obtained from 5 Hatfields, London, England, SE1 9PG.

## **CYBER SECURITY ASSOCIATES LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021**

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

##### **2.3 Going concern**

As on 31 March 2021, the Company had net current liabilities due to amounts owed to group undertakings and deferred income in respect of which the letter of support has been obtained from FluidOne Topco Limited. The board have prepared the accounts on the going concern basis as the business continues to demonstrate that the strategy is working and delivering the required results. The business remains on course to become profitable during the next financial period and has access to a debt facility from the FluidOne group to aid investment and meet its working capital requirements.

After reviewing the impacts of COVID cash balances, borrowing facilities and projected cash flows, together with factors likely to affect its future development, performance, and position are set out in the Strategic Report of FluidOne Topco Limited, the directors have a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Therefore, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **2.4 Foreign currency translation**

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

##### **2.5 Turnover**

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the rendering of services. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

##### **2.6 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### **2.7 Pensions**

Contributions to defined contribution plans are expensed in the period to which they relate.

## **CYBER SECURITY ASSOCIATES LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021**

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

##### **2.8 Current and deferred taxation**

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

##### **2.9 Provisions**

Provisions (i.e. liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

##### **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 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.

##### **2.12 Tangible assets**

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Equipment	- over 4 years
-----------	----------------

##### **2.13 Debtors**

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.



## **CYBER SECURITY ASSOCIATES LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021**

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

##### **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 transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

##### **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 ordinary shares.

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 debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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.

## **CYBER SECURITY ASSOCIATES LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021**

#### **3. Judgements in applying accounting policies**

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the Balance Sheet date and the reported amounts of revenues and expenses during the reporting period.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known/materialise.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### ***Critical judgements in applying the Company's accounting policies***

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting in preparing these financial statement the directors have made the following key judgements:

##### ***i. Impairment of investments:***

Investments are held at cost less accumulated impairment. At the period end an assessment is performed to determine whether there is an indication that the asset may be impaired. If there is such an indication, the recoverable amount of the asset is compared to the carrying amount of the asset. The recoverable amount of the asset is the higher of the fair value less cost to sell and the value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the assets continued use. The directors compare the estimated recoverable amount to the carrying amount to determine any impairment.

#### ***Key sources of estimation uncertainty***

The following key estimates have been used in the preparation of the financial statements:

##### ***i. Bad debts provisions***

The trade debtors balances of £116,750 (30 April 2020: £219,234) recorded in the Company's Balance Sheet comprise a relatively large number of small balances. A full line by line review of trade debtors is carried out on a regular basis, with a full comprehensive review at the end of the year. While every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectable.

**CYBER SECURITY ASSOCIATES LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021****4. Turnover**

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

	<b>Period ended 31 March 2021 £</b>	<b>As restated Year ended 30 April 2020 £</b>
Provision of Services	<b>577,076</b>	<b>835,363</b>

Analysis of turnover by country of destination:

	<b>Period ended 31 March 2021 £</b>	<b>As restated Year ended 30 April 2020 £</b>
United Kingdom	<b>577,076</b>	<b>835,363</b>

**5. Exceptional administrative expenses**

	<b>Period ended 31 March 2021 £</b>	<b>Year ended 30 April 2020 £</b>
Shareholder re-structure costs	<b>22,703</b>	-

One-off notional bonus paid to staff member to allow them to buy shares at no personal cost.

**6. Operating (loss)/profit**

The operating (loss)/profit is stated after charging:

	<b>Period ended 31 March 2021 £</b>	<b>As restated Year ended 30 April 2020 £</b>
Depreciation of tangible assets	<b>14,644</b>	<b>6,115</b>
Amortisation of intangible assets	<b>599</b>	-
Bad debt write off	<b>228</b>	-

**CYBER SECURITY ASSOCIATES LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021**

**7. Auditors' remuneration**

	Period ended 31 March 2021 £	Year ended 30 April 2020 £
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	7,000	-

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the Group accounts of the parent Company.

**8. Employees**

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

	Period ended 31 March 2021 £	As restated Year ended 30 April 2020 £
Wages and salaries	365,206	243,546
Social security costs	19,239	15,001
Other pension costs	18,380	38,792
	<b>402,825</b>	<b>297,339</b>

The average monthly number of employees, including the directors, during the period was as follows:

	Period ended 31 March 2021 Number	Year ended 30 April 2020 Number
Average number of persons employed by the Company	10	10

## **CYBER SECURITY ASSOCIATES LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021**

#### **9. Directors' remuneration**

	<b>Period ended 31 March 2021 £</b>	<b>Year ended 30 April 2020 £</b>
Aggregate directors' remuneration	<b>94,644</b>	-
Company contributions to defined contribution pension schemes	<b>5,298</b>	-
	<b>99,942</b>	-

During the period retirement benefits were accruing to 2 directors (2020: none) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £47,322 (2020: £Nil).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £2,649 (2020: £Nil).

#### **10. Tax on loss(profit)**

	<b>Period ended 31 March 2021 £</b>	<b>Year ended 30 April 2020 £</b>
<b>Corporation tax</b>		
Current tax on (loss)/profit for the financial period/year	<b>(9,620)</b>	-
<b>Total current tax</b>	<b>(9,620)</b>	-

## CYBER SECURITY ASSOCIATES LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

#### 10. Tax on loss(profit) (continued)

##### Factors affecting tax credit for the period/year

The tax assessed for the period/year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	Period ended 31 March 2021 £	As restated Year ended 30 April 2020 £
(Loss)/profit before taxation	(148,998)	16,037
(Loss)/profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	(28,310)	3,047
Effects of:		
Expenses not deductible	256	(3,047)
Deferred tax not provided	18,434	-
Total tax credit for the financial period/year	(9,620)	-

##### Factors that may affect future tax charges

In the Spring Budget 2021, the government announced that from 1 April 2023 the headline corporation tax rate will increase to 25%. As the proposal to increase the rate to 25% had not been substantively enacted at the Balance Sheet date, its effects are not included in these financial statements. However, it is likely that the overall effect of the change, had it been substantively enacted by the Balance Sheet date, would not be material to disclose.

**CYBER SECURITY ASSOCIATES LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021**

**11. Intangible assets**

	<b>Software: £</b>
<b>Cost</b>	
At 1 May 2020	-
Additions	<b>13,538</b>
At 31 March 2021	<b>13,538</b>
<b>Accumulated amortisation</b>	
At 1 May 2020	-
Charge for the period	<b>599</b>
At 31 March 2021	<b>599</b>
<b>Net book value</b>	
At 31 March 2021	<b>12,939</b>
At 30 April 2020	-

# **CYBER SECURITY ASSOCIATES LTD**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021**

### **12. Tangible assets**

	Equipment £
<b>Cost</b>	
At 1 May 2020 (as previously stated)	73,513
Prior year adjustment (note 19)	(9,913)
At 1 May 2020 (as restated)	<u>63,600</u>
Additions	<u>25,497</u>
At 31 March 2021	<u>89,097</u>
<b>Accumulated depreciation</b>	
At 1 May 2020 (as previously stated)	44,555
Prior year adjustment (note 19)	(13,385)
At 1 May 2020 (as restated)	<u>31,170</u>
Charge for the period	<u>14,644</u>
At 31 March 2021	<u>45,814</u>
<b>Net book value</b>	
At 31 March 2021	<u>43,283</u>
At 30 April 2020 (as restated)	<u>32,430</u>

### **13. Debtors**

	31 March 2021 £	As restated 30 April 2020 £
Trade debtors	116,750	219,234
Amounts owed by group undertakings and undertakings in which the Company has a participating interest	9,620	2,000
Other debtors	1,795	2,350
Prepayments and accrued income	26,715	4,159
	<u>154,880</u>	<u>227,743</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

No provision has been recognised against trade debtors (2020: £Nil).



**CYBER SECURITY ASSOCIATES LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021****14. Cash at bank and in hand**

	<b>31 March 2021 £</b>	<b>30 April 2020 £</b>
Cash at bank and in hand	<b>30,970</b>	<b>68,611</b>

**15. Creditors: amounts falling due within one year**

	<b>31 March 2021 £</b>	<b>As restated 30 April 2020 £</b>
Trade creditors	<b>72,873</b>	<b>38,299</b>
Amounts owed to group undertakings and undertakings in which the Company has a participating interest	<b>50,000</b>	<b>29,709</b>
Taxation and social security	<b>28,058</b>	<b>43,720</b>
Other creditors	<b>2,606</b>	<b>107</b>
Accruals and deferred income	<b>149,182</b>	<b>152,718</b>
	<b>302,719</b>	<b>264,553</b>

The amounts owed to group undertakings and undertakings in which the Company has a participating interest is a £400,000 facility bearing interest payable at 5% above the Bank of England base rate and repayable on 24 May 2022.

**16. Creditors: amounts falling due after more than one year**

	<b>31 March 2021 £</b>	<b>30 April 2020 £</b>
Bank loans	<b>50,000</b>	<b>-</b>

This is a government bounce back loan. The twelve-month repayment holiday ends in June 2021, at which point the loan becomes repayable over 10 years and incurs an interest charge of 2.5%.

## **CYBER SECURITY ASSOCIATES LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021**

#### **17. Called up share capital**

	<b>31 March 2021 £</b>	<b>30 April 2020 £</b>
<b>Allotted, called up and fully paid</b>		
220,038 (2020: 364) A Ordinary shares of £0.001 (2020: £1) each	<b>220</b>	<b>364</b>
143,962 (2020: 16) B Ordinary shares of £0.001 (2020: £1) each	<b>144</b>	<b>16</b>
2,730 (2020: Nil) C Ordinary shares of £0.001 (2020: £Nil) each	<b>3</b>	<b>-</b>
	<b>367</b>	<b>380</b>

The Company bought back the 16 £1 Ordinary B shares in September 2020 for £48,000. After that 364 £1 shares were sub-divided into 364,000 £0.001 shares and then 2,730 £0.001 Ordinary C shares (no rights) were issued.

#### **18. Reserves**

##### **Share premium account**

The share premium account is used to record the aggregate amount or value of premiums paid when the Company's shares are issued at an amount in excess of nominal value.

##### **Capital redemption reserve**

The capital redemption reserve represents the transfer made from distributable profits on cancellation of shares and equates to the nominal value of the shares cancelled.

##### **Profit and loss account**

The profit and loss account represents the accumulated profits, losses and distributions of the Company.

## **CYBER SECURITY ASSOCIATES LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021**

#### **19. Prior year adjustment**

In prior years, the entity incorrectly applied cash accounting rather than using the accruals basis. Therefore, upon acquisition by FluidOne, a full review was carried out in respect of the previous two accounting periods.

A full review of the year ending 30th April 2019 was carried out to identify if any adjustments were required that would affect the year ending 30th April 2020 comparative results. The impact was that £49,115 of retained earnings were recognized too early and should have been recognized in year ending 30th April 2020 instead. Any impact on the Balance Sheet was already fully reversed by 30th April 2020.

A full review of the year ending 30th April 2020 identified that revenue was previously overstated by £61,995, while cost of sales and overheads were understated by £74,838 and £8,034. These have been corrected with corresponding increases in deferred revenue, accruals, deferred costs, and prepayments of £61,995, £89,044, £2,013 and £4,159 respectively.

It was also identified in the period year that:

- An item purchased had been incorrectly capitalised for £11,165;
- Depreciation had been incorrectly calculated and was overstated by £14,637; and
- A salary payment that had already been accrued for was incorrectly expensed so that both salary costs and accruals were overstated by £13,673.

These have been corrected with a corresponding increase in fixed assets of £3,472 and decrease in accruals of £13,673 respectively.

Given the business is not tax paying, these errors had no impact on tax in the prior period.

# **CYBER SECURITY ASSOCIATES LTD**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021**

### **19. Prior year adjustment (continued)**

	As at 30 April 2020	Prior year 2019 adjustment	Prior year 2020 adjustment 1	Prior year 2020 adjustment 2	Restated as at 30 April 2020
Revenue	854,858	42,500	(61,995)	-	835,363
Cost of sales	(103,202)	2,125	(74,838)	(11,165)	(187,080)
Overheads	(657,012)	4,490	(8,034)	28,310	(632,246)
<b>Profit/(loss)</b>	<b>94,644</b>	<b>49,115</b>	<b>(144,867)</b>	<b>17,145</b>	<b>16,037</b>
Deferred revenue	(42,500)	42,500	(61,995)	-	(61,995)
Accruals	(23,467)	8,115	(89,044)	13,673	(90,723)
Deferred costs	-	-	2,013	-	2,013
Prepayments	1,500	(1,500)	4,159	-	4,159
Fixed assets	28,958	-	-	3,472	32,430
Retained earnings	(142,838)	(49,115)	144,867	(17,145)	(64,231)

	As at 30 April 2019	Prior year 2019 adjustment	Restated as at 30 April 2019
Revenue	707,976	(42,500)	665,476
Cost of sales	(333,030)	(2,125)	(335,155)
Overheads	(319,822)	(4,490)	(324,312)
<b>Profit/(loss)</b>	<b>55,124</b>	<b>(49,115)</b>	<b>6,009</b>
Deferred revenue	-	(42,500)	(42,500)
Accruals	(15,776)	(8,115)	(23,891)
Prepayments	4,269	1,500	5,769
Retained earnings	(84,917)	49,115	(35,802)

### **20. Pension commitments**

The Company operates a defined contributions 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 £18,380 (2020: £38,792).

## CYBER SECURITY ASSOCIATES LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

#### 21. Commitments under operating leases

At 31 March 2021 and 30 April 2020 the Company had future minimum lease payments due under non-cancellable operating leases as follows:

	31 March 2021 £	30 April 2020 £
Not later than 1 year	26,352	26,352
Later than 1 year and not later than 5 years	40,928	65,084
	<u>67,280</u>	<u>91,436</u>

#### 22. Related party transactions

Somerwood Designs Limited is a company of which James Griffith is a director. This company is mainly used to charge CSA for his time prior to moving onto the payroll in November 2020 and also was used to re-charge for work related purchases that he made. The total value of transactions made during the year were £59,239 (2020: £108,829). At period end the Company owed £Nil (2020: £9,180) to Somerwood Designs Limited.

Cyindus Ltd is a company of which David Woodfine is a director. This company is mainly used to charge CSA for his time prior to moving onto the payroll in November 2020. The total value of transactions made during the year were £38,000 (2020: £92,500). At period end the Company owed £Nil (2020: £9,000) to Cyindus Ltd.

SD & CY Holdings Limited is a company of which David Woodfine and James Griffith are directors. This company mainly charge CSA for one of the offices it occupies (unit 11). The total value of transactions made during the year were £17,946 (2020: £27,449). At period end the Company owed £1,651 (2020: £1,651) to SD & CY Holdings Limited.

#### 23. Ultimate parent undertaking and controlling party

The smallest and largest group to consolidate these financial statements, is FluidOne Topco Limited, a Company incorporated in the United Kingdom. The registered address of the Company is 5 Hatfields, London, England, SE1 9PG.

LivingBridge 6 LP (reg no LP017503) is the ultimate parent entity and it's registered address is 100 Wood Street, London, EC2V 7AN.