

Cyber Security Associates Ltd

Unaudited Financial Statements

Year Ended

31 March 2023

Company Number 10124305



Cyber Security Associates Ltd

Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited Financial Statements of Cyber Security Associates Ltd For the Year Ended 31 March 2023

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Cyber Security Associates Ltd for the year ended 31 March 2023 which comprise the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

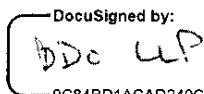
As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation/a-z>.

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

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

Use of our report

This report is made solely to the board of directors of Cyber Security Associates Ltd, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Cyber Security Associates Ltd and state those matters that we have agreed to state to the board of directors of Cyber Security Associates Ltd, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Cyber Security Associates Ltd and its board of directors as a body for our work or for this report.

DocuSigned by:

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BDO LLP
Chartered Accountants
Reading
United Kingdom

Date: 15/3/2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Cyber Security Associates Ltd

Registered number: 10124305

**Balance Sheet
As at 31 March 2023**

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	5	9,324	12,631
Tangible fixed assets	6	38,017	37,163
		<u>47,341</u>	<u>49,794</u>
Current assets			
Debtors: amounts falling due within one year	7	294,610	494,948
Cash at bank and in hand		67,315	33,540
		<u>361,925</u>	<u>528,488</u>
Current liabilities			
Creditors: amounts falling due within one year	8	(1,376,650)	(973,958)
Net current liabilities		<u>(1,014,725)</u>	<u>(445,470)</u>
Total assets less current liabilities		<u>(967,384)</u>	<u>(395,676)</u>
Non current liabilities			
Creditors: amounts falling due after more than one year	9	(29,815)	(39,758)
Net liabilities		<u>(997,199)</u>	<u>(435,434)</u>
Capital and reserves			
Called up share capital	10	386	367
Share premium account	11	24,489	24,489
Capital redemption reserve	11	36	36
Profit and loss account	11	(1,022,110)	(460,326)
Total shareholders' deficits		<u>(997,199)</u>	<u>(435,434)</u>

Cyber Security Associates Ltd
Registered number: 10124305

Balance Sheet (continued)
As at 31 March 2023

The directors consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

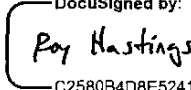
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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:

DocuSigned by:

C2580B4D8E52417...
R Hastings
Director

Date: 15/3/2024

The notes on pages 5 to 13 form part of these financial statements.

Cyber Security Associates Ltd

Statement of Changes in Equity For the Year Ended 31 March 2023

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 April 2021	367	24,489	36	(205,041)	(180,149)
Comprehensive loss for the year					
Loss for the financial year	-	-	-	(255,285)	(255,285)
Total comprehensive loss for the year	-	-	-	(255,285)	(255,285)
At 31 March 2022 and 1 April 2022	367	24,489	36	(460,326)	(435,434)
Comprehensive loss for the year					
Loss for the year	-	-	-	(561,784)	(561,784)
Total comprehensive income for the year	-	-	-	(561,784)	(561,784)
Shares issued during the year	19	-	-	-	19
At 31 March 2023	386	24,489	36	(1,022,110)	(997,199)

The notes on pages 5 to 13 form part of these financial statements.

Cyber Security Associates Ltd

Notes to the Financial Statements For the Year Ended 31 March 2023

1. General information

Cyber Security Associates Ltd (the "Company") is a private company limited by shares and is incorporated in England. The address of its registered office is 5 Hatfields, London, United Kingdom, 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.

The accounts are prepared in pound sterling (£) and rounded to the nearest £1.

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 judgement in applying the Company's accounting policies (see note 3).

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

2.2 Going concern

As on 31 March 2023, 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 year and has access to a debt facility from the FluidOne group to aid investment and meet its working capital requirements.

The directors have reviewed the current and prospective trading of the Company & Group. This review included an assessment of cash balances, borrowing facilities and projected cash flows, together with factors likely to affect its future financial performance and position, as further detailed in the FluidOne Topco Strategic Report. As a result of this review the directors believe that the Company will have adequate resources to continue trading for the foreseeable future and therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 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 the Statement of Comprehensive Income.

Cyber Security Associates Ltd

Notes to the Financial Statements For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.4 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.

2.5 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.

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.

2.6 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 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 Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 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 Balance Sheet date in the countries where the Company operates and generates income.

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.

Cyber Security Associates Ltd

Notes to the Financial Statements For the Year Ended 31 March 2023

2. Accounting policies (continued)

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. Amortization period is calculated on a 5 years basis using the straight line method.

2.12 Tangible fixed 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 5 years
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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.

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.

Cyber Security Associates Ltd

Notes to the Financial Statements For the Year Ended 31 March 2023

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 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, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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.

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

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.

Cyber Security Associates Ltd

Notes to the Financial Statements For the Year Ended 31 March 2023

3. Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

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 £152,668 (2022: £406,677) 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.

4. Employees

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

	2023 No.	2022 No.
Average number of persons employed by the Company	25	16

5. Intangible assets

	Software £
Cost	
At 1 April 2022	16,538
At 31 March 2023	16,538
Amortisation	
At 1 April 2022	3,907
Charge for the year	3,307
At 31 March 2023	7,214
Net book value	
At 31 March 2023	9,324
At 31 March 2022	12,631

Cyber Security Associates Ltd

Notes to the Financial Statements For the Year Ended 31 March 2023

6. Tangible fixed assets

	Equipment £
Cost	
At 1 April 2022	97,949
Additions	21,087
Disposals	(30,001)
At 31 March 2023	89,035
Depreciation	
At 1 April 2022	60,786
Charge for the year	10,399
Disposals	(20,167)
At 31 March 2023	51,018
Net book value	
At 31 March 2023	38,017
At 31 March 2022	37,163

7. Debtors: amounts falling due within one year

	2023 £	2022 £
Trade debtors	152,668	406,677
Amounts owed by group undertakings	18,592	-
Other debtors	1,816	1,795
Prepayments and accrued income	121,534	86,476
	294,610	494,948

Cyber Security Associates Ltd

Notes to the Financial Statements For the Year Ended 31 March 2023

8. Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans	10,000	5,612
Trade creditors	62,246	60,209
Amounts owed to group undertakings	749,259	457,779
Taxation and social security	91,225	91,859
Other creditors	13,869	7,270
Accruals and deferred income	450,051	351,229
	<u>1,376,650</u>	<u>973,958</u>

Between the Company and a fellow group company there is a £1,500,000 facility bearing interest payable at 5% above the Bank of England base rate and is repayable in November 2025. At 31 March 2023 £625k of the facility has been utilised.

The remaining amounts owed to group undertakings are interest free, unsecured and repayable on demand.

Included in bank loans is £10,000 (2022: £5,612) relating to a loan which has been guaranteed by the government.

9. Creditors: amounts falling due after more than one year

	2023 £	2022 £
Bank loans	<u>29,815</u>	<u>39,758</u>

Included in bank loans is £29,815 (2022: £39,758) relating to a loan which has been guaranteed by the government. The twelve-month repayment holiday ended in June 2021, at which point the loan became repayable over 10 years and incurs an interest charge of 2.5%. £10,000 (2022: £5,612) is due within one year, shown within note 12.

The aggregate amount of liabilities repayable wholly or in part more than five years after the Balance Sheet date is:

	2023 £	2022 £
Amounts repayable by installments falling due after more than five years	<u>-</u>	<u>17,593</u>

Cyber Security Associates Ltd

Notes to the Financial Statements For the Year Ended 31 March 2023

10. Called up share capital

	2023 £	2022 £
Allotted, called up and fully paid		
220,038 (2022: 220,038) A Ordinary shares of €0.001 each	220	220
71,982 (2022: 144,000) B Ordinary shares of €0.001 each	72	144
71,980 (2022: Nil) B1 Ordinary shares of €0.001 each	72	-
1,365 (2022: 2,730) C Ordinary shares of €0.001 each	1	3
1,365 (2022: Nil) C1 Ordinary shares of €0.001 each	1	-
10,000 (2022: Nil) D Ordinary shares of €0.001 each	10	-
10,000 (2022: Nil) E Ordinary shares of €0.001 each	10	-
	386	367

On 22nd February 2023 10,000 Ordinary D shares were issued at £0.001 each. Total consideration was £10.

On 22nd February 2023 10,000 Ordinary E shares were issued at £0.001 each. Total consideration was £10.

On 22nd February 2023 the company redesignated 71,980 Ordinary B shares as Ordinary 71,980 B1 Shares of £0.001 each.

On 22nd February 2023 the Company redesignated 1,365 Ordinary C shares as Ordinary C1 Shares of £0.001 each.

11. 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.

12. 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 £62,614 (2022: £40,291). At the year end there was an amount payable of £13,869 (2022: £7,001) and which is included in other creditors.

Cyber Security Associates Ltd

Notes to the Financial Statements For the Year Ended 31 March 2023

13. Related party transactions

Somerwood Designs Limited, a company which James Griffiths is a common director, charged Cyber Security Associates Ltd for time costs prior to James Griffiths going onto the payroll in November 2020 and re-charged work related purchases made by the director. The total value of transactions made during the year was £Nil (2022: £4,342). At the year end the Company owed £Nil (2022: £Nil) to Somerwood Designs Limited.

SD & CY Holdings Limited, a company which David Woodfine and James Griffiths are common directors, charged Cyber Security Associates Ltd for the office it occupies. The total value of transactions made during the year was £34,993 (2022: £21,045). At the year end the Company owed £2,251 (2022: £1,651) to SD & CY Holdings Limited.

During the year the Company made purchases of £3,300 (2022: £2,700) from FluidOne Bidco Limited, a fellow group company. At the year end the Company is owed £651,456 (2022: £406,688).

Between Cyber Security Associates Ltd and FluidOne Bidco Limited there is a £1,500,000 facility bearing interest payable at 5% above the Bank of England base rate and is repayable in November 2025. At 31 March 2023 £625k of the facility has been utilised (2022: £400k).

During the year the Company made sales of £118,486 (2022: £60,197) to FluidOne Limited, a fellow group company. The Company also made purchases of £225,159 (2022: £220,421) from FluidOne Limited. At the year end the Company owes £95,280 (2022: £51,091) to FluidOne Limited.

During the year the Company made sales of £18,592 to Marathon Information Technology Limited, a fellow group company. At the year end the Company is owed £18,592 (2022: £Nil) from Marathon Information Technology Limited.

During the year the Company was charged £2,523 (2022: £nil) by FluidOne Topco Limited, the parent company for group costs. At the year end the FluidOne Topco Limited is owed £2,523 (2022: £Nil).

During the year the Company made sales of £2,010 (2022: £nil) to Highlander Computing Solutions Limited, a fellow group company. At the year end the Company is owed £2,010 from Highlander Computing Solutions Limited.

14. 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 its registered address is 100 Wood Street, London, EC2V 7AN.