

Company Registration No. 05671802 (England and Wales)

GCRYPT LIMITED

UNAUDITED ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

GCRYPT LIMITED

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GCRYPT LIMITED**ABBREVIATED BALANCE SHEET****AS AT 30 SEPTEMBER 2016**

	Notes	2016		2015 as restated	
		£	£	£	£
Fixed assets					
Intangible assets	2		2,629,310		2,587,661
Tangible assets	2		1,359		-
Investments	2		1		5
			<u>2,630,670</u>		<u>2,587,666</u>
Current assets					
Debtors		161,127		243,187	
Cash at bank and in hand		21,715		3,475	
		<u>182,842</u>		<u>246,662</u>	
Creditors: amounts falling due within one year		<u>(216,410)</u>		<u>(346,503)</u>	
Net current liabilities			(33,568)		(99,841)
Total assets less current liabilities			<u>2,597,102</u>		<u>2,487,825</u>
Creditors: amounts falling due after more than one year			<u>(165,112)</u>		<u>(395,833)</u>
			<u>2,431,990</u>		<u>2,091,992</u>
			<u><u>2,431,990</u></u>		<u><u>2,091,992</u></u>
Capital and reserves					
Called up share capital	3		174		174
Share premium account			6,120,798		6,120,798
Profit and loss account			(3,688,982)		(4,028,980)
Shareholders' funds			<u>2,431,990</u>		<u>2,091,992</u>
			<u><u>2,431,990</u></u>		<u><u>2,091,992</u></u>

GCRYPT LIMITED

ABBREVIATED BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2016

For the financial year ended 30 September 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These abbreviated financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board for issue on 29 June 2017

Mr M H Alculumbre
Director

Company Registration No. 05671802

GCRYPT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

1.1 Accounting convention

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

In 2011, the Company reached an agreement to license in perpetuity the Secure File Transfer software it is developing in conjunction with Litera Corp, a company registered in the US.

Monies were received in the form of a secured loan and licencing revenue arising from sales of the software will be used to repay the loan. The first Litera client went live, with the release of the first version of the software, in January 2015. With this licensing agreement in operation and the instituted measures to improve cost savings in future periods, the directors are confident that the Company will move towards a profitable position by building recurring subscription revenue streams.

The company has net current liabilities of £33,568 (2015: £99,841) at the balance sheet date which suggests that the going concern basis may not be appropriate. However the directors have further concluded that with the support of the investors there is reasonable expectation that the Company has sufficient resources to continue in operational existence for the foreseeable future. For this reason the directors consider it appropriate to prepare the financial statements on the going concern basis and the financial statements do not include any adjustments that would result from a withdrawal of the facilities provided by the company's investors.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	25% straight line
Fixtures, fittings & equipment	

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

GCRYPT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

1.8 Intangible fixed assets

Intangible fixed assets are stated at cost less amortisation. Amortisation is to be provided at the rates calculated to write off of the intangible asset over the life of the license agreement. This will be 14 years on a straight line basis from when the software is fully developed.

2 Fixed assets

	Intangible assets £	Tangible assets £	Investments £	Total £
Cost				
At 1 October 2013 (as restated)	2,587,661	-	5	2,587,666
Additions	41,649	1,763	-	43,412
Disposals	-	-	(4)	(4)
	<u>2,629,310</u>	<u>1,763</u>	<u>1</u>	<u>2,631,074</u>
At 30 September 2016	2,629,310	1,763	1	2,631,074
Depreciation				
At 1 October 2015	-	-	-	-
Charge for the year	-	404	-	404
	<u>-</u>	<u>404</u>	<u>-</u>	<u>404</u>
At 30 September 2016	-	404	-	404
Net book value				
At 30 September 2016	2,629,310	1,359	1	2,630,670
	<u>2,587,661</u>	<u>-</u>	<u>5</u>	<u>2,587,666</u>
At 30 September 2013 (as restated)	2,587,661	-	5	2,587,666

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
ePayslips Limited	England and Wales	Ordinary	100.00

VSM Cloud services Ltd - the Company has been liquidated and the £1 share investment has been written off in the accounts during the year.

APS Management Ltd - the Company has been liquidated and the £1 share investment has been written off in the accounts during the year.

AutoEnroll.me Ltd and SSLPost Cloud Services Ltd - the shares invested in these companies were transferred to SSLP Group Ltd on the 6th November 2016.

GCRYPT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2016

3	Share capital	2016	2015
		£	£
	Allotted, called up and fully paid		
	1,740,000 Ordinary shares of 0.01p each	174	174
		<u> </u>	<u> </u>

4 Related party relationships and transactions

During the year, the company was charged a fee of £2,750 (2015: £22,603) by CNG Associates Limited, the company secretary, for the provision of administration and account support services. As at the balance sheet date, £15,326 (2015: £15,626) was due to CNG Associates Limited.

At the year end, the reporting entity owed £20,000 (2015: £20,000) to R Jeens, a Director of the company.

At the year end, the reporting entity owed £20,000 (2015: £20,000) to R Hargreaves, a Director of the company.

At the year end, the reporting entity owed £102,877 (2015: £240,000) to SSLP Group Limited (formerly AE Pensions Limited). a company owned by the following common shareholders in GCrypt Ltd:

R Hargreaves, R Jeens, J Monro, A Scott, N Shott, Lord J Marland, N Brabbins & M Alculumbre.

