

Company Registration No. SC491330 (Scotland)

FIBRE 1 LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2019

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STATEMENT OF FINANCIAL POSITION

AS AT 31 JANUARY 2019

	Notes	2019 £	£	2018 £	£
Non-current assets					
Intangible assets	5		135,610		68,998
Current assets					
Trade and other receivables	6	43,388		37,531	
Current liabilities	7	(297,301)		(132,345)	
Net current liabilities			(253,913)		(94,814)
Total assets less current liabilities			(118,303)		(25,816)
Non-current liabilities	8		(40,000)		(41,255)
Net liabilities			(158,303)		(67,071)
Equity					
Called up share capital	9		1		1
Share premium account			25,000		20,000
Retained earnings			(183,304)		(87,072)
Total equity			(158,303)		(67,071)

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 January 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 20 March 2019 and are signed on its behalf by:

Mr S MacDonald
Director

Company Registration No. SC491330

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2019

1 Company Information

Fibre 1 Ltd is a private company limited by shares incorporated in Scotland. The registered office is 4 North Guildry Street, Elgin, Moray, IV30 1JR.

2 Compliance with accounting standards

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in pounds sterling, which is the functional currency of the company.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

3 Accounting policies

3.1 Going concern

The company's liabilities exceed its assets by £158,303, this includes amounts owed by the company to the directors and shareholders totalling £192,252. The directors and shareholders have confirmed that they will maintain financial support to enable the company to meet its day to day working capital requirements and to continue normal operations for the foreseeable future. Further finance is being put in place to fund future investment. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

3.2 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

3.3 Intangible fixed assets other than goodwill

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2019

3 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development Costs	20% straight line
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3.4 Basic financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

3.5 Taxation

The tax credit represents tax recoverable in respect of research and development tax credits.

3.6 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

3.7 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

3.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

3.9 Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and preference shares that are classified as debt, are recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2018 - 4).

5 Intangible fixed assets - development costs

	Other £
Cost	
At 1 February 2018	86,247
Additions	104,826
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At 31 January 2019	191,073
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Amortisation and impairment	
At 1 February 2018	17,249
Amortisation charged for the year	38,214
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At 31 January 2019	55,463
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Carrying amount	
At 31 January 2019	135,610
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At 31 January 2018	68,998
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6 Trade and other receivables

	2019 £	2018 £
Amounts falling due within one year:		
Trade receivables	928	364
Corporation tax recoverable	34,960	28,138
Other receivables	7,500	9,029
	<hr/>	<hr/>
	43,388	37,531
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7 Current liabilities

	2019 £	2018 £
Bank loans and overdrafts	43,023	17,359
Trade payables	30,433	6,672
Taxation and social security	5,116	10,200
Other payables	218,729	98,114
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	297,301	132,345
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The bank loans and overdrafts are secured by a personal guarantee from one of the directors.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

8 Non-current liabilities

	2019 £	2018 £
Convertible loans	40,000	40,000
Other taxation and social security	-	1,255
	<u>40,000</u>	<u>41,255</u>

Convertible loans comprise 15% Preference shares redeemable in 2022.

9 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
256 (2018: 243) ordinary shares of 0.5p each	1	1

During the year the company issued a further 13 ordinary shares of 0.5p each for a total consideration of £5,000.

10 Related party transactions

During the year the company received a loan of £35,000 from T Melia, a shareholder in the company. This loan carries interest at normal commercial rates and has no fixed terms of repayment.

11 Directors' transactions

At 1 February 2018 the company owed Mr S MacDonald, one of the directors, £31,281. During the year Mr MacDonald introduced funds totalling £20,971 and at 31 January 2019 the company owed Mr MacDonald £52,252. This loan is interest free and has no fixed terms of repayment.

At 1 February 2018 the company owed Mr J Clark, one of the directors, £50,000. During the year Mr Clark introduced funds totalling £55,000 and at 31 January 2019 the company owed Mr Clark £105,000. This loan bears interest at commercial rates and has no fixed terms of repayment.

The company operated from premises owned by one of the directors. During the year the company paid a rent of £14,500 (2018 £16,408) in respect of these premises to the director.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.