Registered number: SC201025

SECURENETT LTD
(FORMERLY HOMELINK TECHNOLOGIES LTD)

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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COMPANY INFORMATION

Directors	P J Swain M C Bennett (appointed 1 March 2017) E C Roberts (appointed 5 June 2017)
Company secretary	P J Swain
Registered number	SC201025
Registered office	90 Vincent Street Glasgow Lanarkshire G2 5UB

SECURENETT LTD (FORMERLY HOMELINK TECHNOLOGIES LTD)

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2017

The directors present their report and the financial statements for the year ended 31 March 2017.

On 25 April 2017 the company changed its name from Homelink Technologies Ltd to Securenett Ltd.

Principal activity

The principal activity of the company continued to be that of installation, monitoring and maintenance of home security systems.

Directors

The directors who served during the year were:

P J Swain
M C Bennett (appointed 1 March 2017)

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on DECEMBER 22, 2017 and signed on its behalf.

E C Roberts
Director

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 £	*2016 £*
Turnover		**141,869**	*192,769*
Cost of sales		**(42,000)**	*(120,787)*
Gross profit		**99,869**	*71,982*
Administrative expenses		**(103,951)**	*(15,093)*
Operating (loss)/profit	3	**(4,082)**	*56,889*
Interest payable and expenses		**(184)**	-
(Loss)/profit before tax		**(4,266)**	*56,889*
Tax on (loss)/profit	4	**-**	-
(Loss)/profit for the financial year		**(4,266)**	*56,889*

There was no other comprehensive income for 2017 (2016: £Nil).

The notes on pages 5 to 10 form part of these financial statements.

SECURENETT LTD (FORMERLY HOMELINK TECHNOLOGIES LTD)
REGISTERED NUMBER: SC201025

BALANCE SHEET
AS AT 31 MARCH 2017

	Note	2017 £	2017 £	2016 £	2016 £
Current assets					
Debtors: amounts falling due within one year	7	**25,833**		*52,690*	
		25,833		*52,690*	
Creditors: amounts falling due within one year	8	**(21,131)**		*(43,722)*	
Net current assets			**4,702**		*8,968*
Total assets less current liabilities			**4,702**		*8,968*
Net assets			**4,702**		*8,968*
Capital and reserves					
Called up share capital	9		**2,875,612**		*2,875,612*
Share premium account	10		**1,857,282**		*1,857,282*
Other reserves	10		**41,335**		*41,335*
Profit and loss account	10		**(4,769,527)**		*(4,765,261)*
			4,702		*8,968*

The directors consider that the company is entitled to exemption from audit under 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 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 were approved and authorised for issue by the board and were signed on its behalf on

E C Roberts
Director
The notes on pages 5 to 10 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2015 (as previously stated)	**2,875,612**	**1,857,282**	**41,335**	**(4,477,300)**	**296,929**
Prior year adjustment	-	-	-	**(344,850)**	**(344,850)**
At 1 April 2015 (as restated)	**2,875,612**	**1,857,282**	**41,335**	**(4,822,150)**	**(47,921)**
Comprehensive income for the year					
Profit for the year	-	-	-	**56,889**	**56,889**
Total comprehensive income for the year	-	-	-	**56,889**	**56,889**
At 1 April 2016	**2,875,612**	**1,857,282**	**41,335**	**(4,765,261)**	**8,968**
Comprehensive income for the year					
Loss for the year	-	-	-	**(4,266)**	**(4,266)**
Total comprehensive income for the year	-	-	-	**(4,266)**	**(4,266)**
At 31 March 2017	**2,875,612**	**1,857,282**	**41,335**	**(4,769,527)**	**4,702**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. General information

Securenett Ltd is a private company, limited by shares, incorporated in Scotland and domiciled in England.

The registered office is 90 Vincent Street, Glasgow, Lanarkshire, G2 5UB and the registered number is SC201025.

The functional and presentational currency for the company during the year was GBP and the accounts are rounded to the nearest £1.

The principal activity of the company continued to be that of installation, monitoring and maintenance of home security systems.

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.

Information on the impact of first-time adoption of FRS102 is given in note 14.

The following principal accounting policies have been applied:

2.2 Going concern

Securenett Ltd has net current assets of £4,702 (2016: £8,968). The company is reliant on the continuing support of its parent company, Securenett Security Systems Ltd.

The financial statements of Securenett Ltd have been prepared on the going concern basis and do not include any adjustments that might be necessary should Securenett Ltd be unable to continue on a going concern basis.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2. Accounting policies (continued)

2.4 Intangible assets

Licences costs are capitalised at cost and are written off in equal instalments over their estimated useful economic life of 15 years.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Financial instruments

The company only enters into basic financial instruments 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 and loans to related parties.

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.

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.

2.7 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.

2.8 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.

2.9 Operating leases: the company as lessee

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

2. Accounting policies (continued)

2.10 Borrowing costs

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

2.11 Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax inthe future have occured at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as states in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to appply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

3. Operating (loss)/profit

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

	2017 £	*2016* *£*
Amortisation of intangible assets, including goodwill	-	*16,517*
Impairment of intangible assets	-	*(214,723)*
Other operating lease rentals	**3,389**	*15,371*

4. Taxation

Factors affecting future tax charges

The company has estimated losses of £4,553,344 (2016: £4,549,078) available to carry forward against future trading profits.

No deferred tax asset has been provided in these financial statements due to the uncertainty of the future trading profits of the company.

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration *(2016 - £Nil)*.

6. Intangible assets

	Licenses £
Cost	
At 1 April 2016	**247,757**
At 31 March 2017	**247,757**
Amortisation	
At 1 April 2016	**247,757**
At 31 March 2017	**247,757**
Net book value	
At 31 March 2017	-
At 31 March 2016	-

7. Debtors

	2017 £	*2016 £*
Trade debtors	-	*1,219*
Amounts owed by group undertakings	**25,002**	-
Other debtors	**831**	*51,471*
	25,833	*52,690*

8. Creditors: Amounts falling due within one year

	2017 £	*2016 £*
Bank overdraft	**14,948**	*1,279*
Other creditors	**4,683**	*12,415*
Accruals and deferred income	**1,500**	*30,028*
	21,131	*43,722*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

9. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
1,839,678 A Ordinary shares shares of £1 each	**1,839,678**	*1,839,678*
1,997,783 B Ordinary shares shares of £0.10 each	**199,778**	*199,778*
22,913 A Ordinary shares shares of £0.0001 each	**2**	*2*
1,725,097 B Ordinary shares shares of £0.05 each	**86,255**	*86,255*
749,899 B Ordinary shares shares of £1 each	**749,899**	*749,899*
	2,875,612	*2,875,612*

10. Reserves

Share premium account

This reserve records the amount received in respect of share capital in excess of the nominal value of the shares.

Other reserves

This reserve is provided for by the Articles of Association.

Profit and loss account

The profit and loss account reserve relates to accumulated profits less distributions to shareholders.

11. Commitments under operating leases

At 31 March 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	**-**	*60,870*
Later than 1 year and not later than 5 years	**-**	*23,820*
	-	*84,690*

12. Related party transactions

P J Swain, a company director, had an interest free loan of £41,047 written off during the year. The balance owing at the year end was £Nil (2016: £41,047).

Key management personnel are considered to be the Directors. No remuneration was received by the Directors during the year as they are remunerated through other related companies.

The company has taken advantage of the exemption available in FRS 102 section 33.1A from disclosing transactions with other wholly owned subsidiaries of Securenett Security Systems Ltd.

13. Controlling party

The company is a wholly owned subsidiary of Securenett Security Systems Ltd, a company incorporated in England & Wales, which is controlled by P Swain, Ki Finance Limited and Prime Interation Limited by virtue of their shareholdings.

14. First time adoption of FRS 102

These financial statements are the first financial statements of Securenett Ltd prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Companies Act 2006. The financial statements of Securenett Ltd for the year ended 31 March 2016 were prepared in accordance with previous UK Generally Accepted Accounting Practice ('UK GAAP'). The date of transition of FRS 102 was 1 April 2015.

The policies applied under the entity's previous framework are not materially different to FRS 102 and have not had a material impact on the Statement of Comprehensive Income or Balance Sheet.

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 £	*2016 £*
Turnover		**141,869**	*192,769*
Cost Of Sales		**(42,000)**	*(120,787)*
Gross profit		**99,869**	*71,982*
Gross profit %		**70.4 %**	*37.3 %*
Less: overheads			
Administration expenses		**(103,951)**	*(15,093)*
Operating (loss)/profit		**(4,082)**	*56,889*
Interest payable		**(184)**	-
(Loss)/Profit for the year		**(4,266)**	*56,889*

SCHEDULE TO THE DETAILED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

	2017 £	2016 £
Turnover		
Sales	**141,869**	*192,769*

	2017 £	2016 £
Cost of sales		
Purchases	**42,000**	*120,787*

	2017 £	2016 £
Administration expenses		
Motor vehicle leasing	**3,389**	*15,371*
Telephone	**18,936**	*17,946*
Computer running costs	**-**	*4,455*
Accountancy	**4,500**	*1,975*
Bank charges	**1,420**	*418*
Bad and doubtful debts	**32,150**	*11,000*
Management charges	**-**	*24,490*
Insurances	**750**	-
Repairs and maintenance	**1,759**	-
Amortisation of intangible assets	**-**	*16,517*
Impairment losses	**-**	*214,723*
Amounts due to related party written off	**-**	*(291,802)*
Amounts due from related party written off	**41,047**	-
	103,951	*15,093*

	2017 £	2016 £
Interest payable		
Bank interest paid	**184**	-