

Corlytics Limited

Directors' Report and Financial Statements

For the financial year ended 31 December 2016



Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

Corlytics Limited

Company Information

DIRECTORS	John Byrne Peter G Ledbetter Denis Marnane Alan Mullen Niall Olden (appointed 22 June 2016) Cyril McGuire (appointed 9 December 2016)
COMPANY SECRETARY	David Varian
REGISTERED NUMBER	535110
REGISTERED OFFICE	46 Upper Mount St. Dublin 2
TRADING ADDRESS	Nexus Building Clonskeagh Office Park Clonskeagh Dublin 4
INDEPENDENT AUDITORS	BDO Statutory Audit Firm Beaux Lane House Mercer Street Lower Dublin 2
BANKERS	AIB University College Dublin Belfield Dublin 4 Bank of Ireland University Branch Montrose Stillorgan Road Dublin
SOLICITORS	Lavelle Solicitors Saint James House Adelaide Road Dublin 2

Corlytics Limited

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Corlytics Limited

Directors' Report For the financial year ended 31 December 2016

The directors present their annual report and the audited financial statements for the financial year ended 31 December 2016.

PRINCIPAL ACTIVITIES

Corlytics provides regulatory risk intelligence and applications for the financial services sector and their regulators.

BUSINESS REVIEW

Corlytics is presently at an advanced development phase in creating regulatory risk intelligence and associated applications for the financial services sector and their regulators. The Company is now launching, promoting and selling its product internationally.

RESULTS AND DIVIDENDS

The loss for the financial year, after taxation, amounted to €709,079 (2015 - loss €139,829).

At the end of the period the company have assets of €3,852,094 (2015: €1,397,340) and liabilities of €1,780,943 (2015: €1,011,322).

The directors do not recommend payment of a dividend.

DIRECTORS AND THEIR INTERESTS

In accordance with Section 329 of the Companies Act 2014, the directors' shareholdings and the movements therein during the financial year ended 31 December 2016 were as follows:

	Ordinary shares of 1c each	
	31/12/16	1/1/16
John Byrne	-	-
Peter G Ledbetter	-	-
Denis Marnane	-	-
Alan Mullen	2,500	2,500
Niall Olden (appointed 22 June 2016)	-	-
Cyril McGuire (appointed 9 December 2016)	-	-

PRINCIPAL RISKS AND UNCERTAINTIES

In common with many early stage companies, it is exposed to a variety of risks and uncertainties. These include not being able to raise the required level of investment necessary to reach commercial success and profitability, securing customer traction and the availability of competing products which could materially impact on the companies marketplace.

ACCOUNTING RECORDS

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's trading address at Nova, UCD, Belfield, Dublin 4.

FUTURE DEVELOPMENTS

The company plans to continue its present activities and current trading levels. Employees are kept as fully informed as practicable about developments within the business.

Corlytics Limited

**Directors' Report (continued)
For the financial year ended 31 December 2016**

RESEARCH AND DEVELOPMENT ACTIVITIES

The company is presently in product development phase. In the current period a total of €856,899 (2015: €626,100) was capitalised, comprising primarily salaries and related overheads. The company will continue to capitalise amounts until such time that the product is fully built out and available for commercial release.

At the period end the directors have considered the likelihood that the amounts currently and expected to be capitalise will be recovered through revenue streams. They are satisfied that based on current projections the company will generate sufficient revenues in the future to recover all amounts capitalised.

STATEMENT ON RELEVANT AUDIT INFORMATION

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- 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.

POST BALANCE SHEET EVENTS

Since the year end the Company has converted €193,000 of liabilities (including loans) to equity.

AUDITORS

The auditors, BDO, continue in office in accordance with section 383(2) of the Companies Act 2014.

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



John Byrne
Director



Denis Marnane
Director

Date:

Corlytics Limited

Directors' Responsibilities Statement For the financial year ended 31 December 2016

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice in Ireland, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and promulgated by the Institute of Chartered Accountants in Ireland and Irish 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 assets, liabilities and financial position of the company as at the financial year end date, of the profit or loss of the company for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; 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 ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They 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.

Independent Auditors' Report to the Members of Corlytics Limited

We have audited the financial statements of Corlytics Limited for the financial year ended 31 December 2016, set out on pages 6 to 21. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' Responsibilities Statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express our opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view, of the assets, liabilities and financial position of the company as at 31 December 2016 and of its profit or loss for the financial year ended; and
- have been properly prepared in accordance with relevant financial reporting framework and in particular with the requirements of the Companies Act 2014.

Independent Auditors' Report to the Members of Corlytics Limited (continued)

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY THE COMPANIES ACT 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of our obligations under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act are not made.



Stewart Dunne
for and on behalf of
BDO
Dublin
Statutory Audit Firm
AI223876

Date: 19 September 2017

Corlytics Limited

**Statement of Comprehensive Income
For the financial year ended 31 December 2016**

	Note	2016 €	<i>9 months ending December 2015</i> €
Turnover	4	-	3,385
GROSS PROFIT		<u>-</u>	<u>3,385</u>
Administrative expenses		(658,931)	(121,462)
OPERATING LOSS	5	(658,931)	(118,077)
Interest payable and expenses	8	(50,148)	(21,752)
LOSS BEFORE TAX		(709,079)	(139,829)
LOSS FOR THE FINANCIAL YEAR		(709,079)	(139,829)
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR			
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		(709,079)	(139,829)

All amounts relate to continuing operations.

Corlytics Limited

**Balance Sheet
As at 31 December 2016**

	Note	2016 €	2015 €
FIXED ASSETS			
Intangible assets	9	2,076,092	1,219,193
Tangible assets	10	1,847	3,243
		2,077,939	1,222,436
CURRENT ASSETS			
Debtors: amounts falling due within one year	11	63,600	170,601
Cash at bank and in hand	12	1,679,888	4,303
		1,743,488	174,904
Creditors: amounts falling due within one year	13	(800,276)	(461,332)
NET CURRENT ASSETS/(LIABILITIES)		943,212	(286,428)
TOTAL ASSETS LESS CURRENT LIABILITIES		3,021,151	936,008
Creditors: amounts falling due after more than one year	14	(650,000)	(550,000)
NET ASSETS		2,371,151	386,008
CAPITAL AND RESERVES			
Called up share capital presented as equity	17	2,764	1,437
Share premium account	18	3,238,092	830,197
Other reserves	18	285,000	-
Profit and loss account	18	(1,154,705)	(445,626)
SHAREHOLDERS' FUNDS		2,371,151	386,008

The financial statements were approved and authorised for issue by the board:



John Byrne
Director



Denis Marnane
Director

Date:

The notes on pages 10 to 21 form part of these financial statements.

Corlytics Limited

Statement of Changes in Equity
For the financial year ended 31 December 2016

	Called up share capital €	Share premium account €	Other reserves €	Profit and loss account €	Total equity €
At 1 January 2016	1,437	830,197	-	(445,626)	386,008
COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR					
Loss for the financial year	-	-	-	(709,079)	(709,079)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR	-	-	-	(709,079)	(709,079)
Shares issued during the financial year	1,327	2,407,895	-	-	2,409,222
Cancellation of shares transferred from debt	-	-	285,000	-	285,000
TOTAL TRANSACTIONS WITH OWNERS	1,327	2,407,895	285,000	-	2,694,222
AT 31 DECEMBER 2016	2,764	3,238,092	285,000	(1,154,705)	2,371,151

Statement of Changes in Equity
For the financial year ended 31 December 2015

	Called up share capital €	Share premium account €	Profit and loss account €	Total equity €
At 1 January 2015	1,437	830,197	(305,797)	525,837
COMPREHENSIVE INCOME FOR THE YEAR				
Loss for the year	-	-	(139,829)	(139,829)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-	(139,829)	(139,829)
AT 31 DECEMBER 2015	1,437	830,197	(445,626)	386,008

The notes on pages 10 to 21 form part of these financial statements.

Corlytics Limited

**Statement of Cash Flows
For the financial year ended 31 December 2016**

	2016 €	2015 €
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	(709,079)	(139,829)
ADJUSTMENTS FOR:		
Depreciation of tangible assets	3,117	1,057
Interest paid	50,148	21,752
Taxation charge	-	(342)
Decrease/(increase) in debtors	1,334	(145,731)
Increase in creditors	219,611	169,399
NET CASH GENERATED FROM OPERATING ACTIVITIES	<u>(434,869)</u>	<u>(93,694)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of intangible fixed assets	(856,899)	(626,100)
Purchase of tangible fixed assets	(1,721)	(1,166)
NET CASH FROM INVESTING ACTIVITIES	<u>(858,620)</u>	<u>(627,266)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of ordinary shares	2,769,222	596,000
Expenses paid in connection with share issue	-	100,000
Other new loans	550,000	-
Shares treated as debt - issued	(600,000)	-
Shares treated as debt - redeemed	300,000	-
Interest paid	(50,148)	(14,327)
NET CASH USED IN FINANCING ACTIVITIES	<u>2,969,074</u>	<u>681,673</u>
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	<u>1,675,585</u>	<u>(39,287)</u>
Cash and cash equivalents at beginning of financial year	4,303	43,590
CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL YEAR	<u>1,679,888</u>	<u>4,303</u>
CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL YEAR COMPRISE:		
Cash at bank and in hand	1,679,888	4,303
	<u>1,679,888</u>	<u>4,303</u>

Corlytics Limited

Notes to the Financial Statements For the financial year ended 31 December 2016

1. GENERAL INFORMATION

These financial statements comprising the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes constitute the individual financial statements of Corlytics Limited for the financial year ended 31 December 2016.

Corlytics Limited is a private company limited by shares incorporated in the Republic of Ireland. The Registered Office is 46 Upper Mount St., Dublin 2. The principal place of business of the company is Nova UCD, Belfield, Dublin 4. The nature of the company's operations and its principal activities are set out in the Directors' Report on pages 1 to 2.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Turnover comprises the invoice value of product supplied by the company, exclusive of value added tax.

2.3 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.

The company believes it is appropriate to only amortise the intangible asset when the asset is fully developed. It will then begin to amortise the intangible asset when the company begins to generate the economic benefit from the asset.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Corlytics Limited

Notes to the Financial Statements For the financial year ended 31 December 2016

2. ACCOUNTING POLICIES (CONTINUED)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures, fittings and equipment -	33%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

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 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.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.7 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, loans to related parties and investments in non-puttable 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 financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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.

Corlytics Limited

Notes to the Financial Statements For the financial year ended 31 December 2016

2. ACCOUNTING POLICIES (CONTINUED)

2.8 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.

2.9 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is Euros.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.10 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.

2.11 Borrowing costs

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

Corlytics Limited

Notes to the Financial Statements For the financial year ended 31 December 2016

2. ACCOUNTING POLICIES (CONTINUED)

2.12 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.13 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs will be subsequently amortised on a straight line basis over their useful economic life.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

Corlytics Limited

Notes to the Financial Statements For the financial year ended 31 December 2016

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from the estimates.

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 that period. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

Going Concern

The directors have prepared budgets and cash flows for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the group and company's ability to meet its liabilities as they fall due, and to continue as a going concern. Since the year end the Company has signed some new strategic contracts with key clients. Although there are uncertainties facing the business at this stage of its development the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

Carrying value of intangible assets

The company has capitalised development costs as part of its ongoing activities. The directors have reviewed the carrying value of this intangible asset at the year end and based on expected future revenues, are of the opinion that it is fairly stated.

4. TURNOVER

	2016 €	2015 €
Sales	-	3,385
	<u>-</u>	<u>3,385</u>

5. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The operating loss is stated after charging:

	2016 €	9 months ending December 2015 €
Depreciation of tangible fixed assets	3,117	1,057
Exchange differences	(4,850)	-
	<u>(1,733)</u>	<u>1,057</u>

Corlytics Limited

**Notes to the Financial Statements
For the financial year ended 31 December 2016**

6. EMPLOYEES

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

	2016 €	2015 €
Wages and salaries	568,461	205,046
Capitalised development costs	(456,031)	(167,535)
	112,430	37,511
	112,430	37,511

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

	2016 No.	2015 No.
Number of employees	14	9
	14	9
	14	9

7. DIRECTORS' REMUNERATION

	2016 €	2015 €
Directors' emoluments	83,982	22,000
	83,982	22,000
	83,982	22,000

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2016 €	2015 €
Other interest payable	50,148	21,752
	50,148	21,752
	50,148	21,752

Corlytics Limited

Notes to the Financial Statements
For the financial year ended 31 December 2016

9. INTANGIBLE ASSETS

	Development Costs €
COST	
At 1 January 2016	1,219,193
Additions	856,899
At 31 December 2016	<u>2,076,092</u>
 NET BOOK VALUE	
At 31 December 2016	<u>2,076,092</u>
<i>At 31 December 2015</i>	<u>1,219,193</u>
	 Development Costs €
COST	
At 1 January 2015	593,093
Additions	626,100
At 31 December 2015	<u>1,219,193</u>
 NET BOOK VALUE	
At 31 December 2015	<u>1,219,193</u>
<i>At 31 December 2014</i>	<u>593,093</u>

Corlytics Limited

Notes to the Financial Statements
For the financial year ended 31 December 2016

10. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment €
COST OR VALUATION	
At 1 January 2016	8,566
Additions	1,721
At 31 December 2016	<u>10,287</u>
DEPRECIATION	
At 1 January 2016	5,323
Charge for the period on owned assets	3,117
At 31 December 2016	<u>8,440</u>
NET BOOK VALUE	
At 31 December 2016	<u>1,847</u>
<i>At 31 December 2015</i>	<u>3,243</u>
Fixtures, fittings and equipment €	
COST OR VALUATION	
At 1 January 2015	7,400
Additions	1,166
AT 31 DECEMBER 2015	<u>8,566</u>
DEPRECIATION	
At 1 January 2015	2,466
Charge for the period on owned assets	2,857
At 31 December 2015	<u>5,323</u>
NET BOOK VALUE	
At 31 December 2015	<u>3,243</u>
<i>At 31 December 2014</i>	<u>4,934</u>

Corlytics Limited

**Notes to the Financial Statements
For the financial year ended 31 December 2016**

11. DEBTORS

	2016 €	2015 €
Trade debtors	-	13,541
Other debtors	129	-
Called up share capital not paid	-	75,000
Prepayments and accrued income	8,701	6,541
Tax recoverable	54,770	75,519
	63,600	170,601

12. CASH AND CASH EQUIVALENTS

	2016 €	2015 €
Cash at bank and in hand	1,679,888	4,303
	1,679,888	4,303

13. CREDITORS: Amounts falling due within one year

	2016 €	2015 €
Other loans	150,000	-
Trade creditors	467,987	217,163
Directors' current accounts	10,000	10,000
Taxation and social insurance	3,520	-
Other creditors	2,867	4,785
Accruals	155,746	219,228
Deferred income	10,156	10,156
	800,276	461,332

14. CREDITORS: Amounts falling due after more than one year

	2016 €	2015 €
Convertible Loan Note	650,000	250,000
Shares classified as financial liabilities (note 17)	-	300,000
	650,000	550,000

Disclosure of the terms and conditions attached to the non-equity shares is made in note 17.

Corlytics Limited

**Notes to the Financial Statements
For the financial year ended 31 December 2016**

15. LOANS

Analysis of the maturity of loans is given below:

	2016 €	2015 €
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Other loans	<u>150,000</u>	<u>-</u>
	<u>150,000</u>	<u>-</u>
AMOUNTS FALLING DUE 1-2 YEARS		
Convertible Loan Note	<u>650,000</u>	<u>250,000</u>

16. FINANCIAL INSTRUMENTS

	2016 €	2015 €
FINANCIAL ASSETS		
Financial assets measured at fair value through profit or loss	1,679,888	4,303
Financial assets measured at amortised cost	-	13,541
	<u>1,679,888</u>	<u>17,844</u>
FINANCIAL LIABILITIES		
Other financial liabilities measured at amortised cost	<u>(1,277,987)</u>	<u>(777,163)</u>
	<u>(1,277,987)</u>	<u>(777,163)</u>

Financial assets measured at fair value through profit or loss comprise cash at bank.

Financial assets measured at amortised cost comprise trade debtors.

Financial liabilities measured at at amortised cost comprise Other loans, trade creditors, directors current accounts, convertible loan notes and shares classified as financial liabilities.

Corlytics Limited

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17. SHARE CAPITAL

	2016 €	2015 €
Shares presented as equity		
Authorised		
100,000,000 Ordinary shares of €0.01 each	1,000,000	1,000,000
200,000 A Ordinary shares of €0.01 each	2,000	-
30,000 B Ordinary shares of €0.01 each	300	-
285,000 Deferred ordinary shares of €0.01 each	2,850	-
300,000 8% Cumulative Redeemable Preference Shares shares of €0.01 each	-	3,000
	1,005,150	1,003,000
Allotted, called up and fully paid		
154,180 (2015 -143,700) Ordinary shares of €0.01 each	1,542	1,437
94,213 A Ordinary shares of €0.01 each	942	-
28,000 B Ordinary shares of €0.01 each	280	-
	2,764	1,437

As part of the company's fundraising activities several new classes of share capital were created and new tranches of shares were issued in each class as reflected above. These shares were issued for a value in excess of the nominal value of the shares and this excess has been taken to the share premium account. The 300,000 8% Cumulative Redeemable Convertible Preference Shares were redesignated to 15,000 A Ordinary Shares and 285,000 Deferred Ordinary Shares. The 285,000 Deferred Ordinary Shares were subsequently redeemed and cancelled.

18. RESERVES

Share premium account

This represents the amount paid for the share capital in excess of the nominal value of the shares.

Other reserves

This relates to share capital that was redeemed by the company and subsequently cancelled.

Profit and loss account

The profit and loss account represents cumulative gains and losses recognised in the Statement of Comprehensive Income, net of transfers to/from other reserves.

Corlytics Limited

**Notes to the Financial Statements
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19. CAPITAL COMMITMENTS

The company had no material capital commitments at 31 December 2016.

20. POST BALANCE SHEET EVENTS

Since the year end the Company has converted €193,000 of liabilities (including loans) to equity.

21. APPROVAL OF FINANCIAL STATEMENTS

The board of directors approved these financial statements for issue on 19 September 2017