

Alertive Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2020

Coates and Partners Limited
Chartered Accountants
The Old Vicarage
51 St John Street
Ashbourne
Derbyshire
DE6 1GP

Alertive Limited

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Alertive Limited

Company Information

Directors Mr M L Gauler
Mr K A Douglas
Mr R W Booth
Mr R H Cunningham

Company secretary Mr K A Douglas

Registered office The Old Vicarage
51 St John Street
Ashbourne
Derbyshire
DE6 1GP

Accountants Coates and Partners Limited
Chartered Accountants
The Old Vicarage
51 St John Street
Ashbourne
Derbyshire
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Alertive Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable 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 state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Alertive Limited

(Registration number: 03133149) Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	14,142	39,580
Investments		<u>61</u>	<u>61</u>
		<u>14,203</u>	<u>39,641</u>
Current assets			
Debtors	<u>6</u>	477,020	499,801
Cash at bank and in hand		<u>1,011,229</u>	<u>96,666</u>
		1,488,249	596,467
Creditors: Amounts falling due within one year	<u>7</u>	<u>(134,456)</u>	<u>(1,710,010)</u>
Net current assets/(liabilities)		<u>1,353,793</u>	<u>(1,113,543)</u>
Total assets less current liabilities		1,367,996	(1,073,902)
Creditors: Amounts falling due after more than one year	<u>7</u>	(4,145,926)	(489,907)
Deferred Income		<u>(850,324)</u>	<u>(1,274,405)</u>
Net liabilities		<u>(3,628,254)</u>	<u>(2,838,214)</u>
Capital and reserves			
Called up share capital		4,168	4,168
Share premium reserve		5,139,453	5,139,453
Profit and loss account		<u>(8,771,875)</u>	<u>(7,981,835)</u>
Total equity		<u>(3,628,254)</u>	<u>(2,838,214)</u>

For the financial year ending 31 December 2020 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland'.

Alertive Limited

(Registration number: 03133149) Balance Sheet as at 31 December 2020

These financial statements have been delivered to the Registrar of Companies in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account and directors' report has been taken.

Approved and authorised by the Board on 19 February 2021 and signed on its behalf by:

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Mr K A Douglas

Company secretary and director

Alertive Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

1 General information

The company is a private company limited by share capital incorporated in England and Wales registration number: 03133149.

The address of its registered office is:

The Old Vicarage
51 St John Street
Ashbourne
Derbyshire
DE6 1GP
England

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland - Section 1A' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The presentation currency is £ sterling.

Group accounts not prepared

The company is part of a small group. The company has taken advantage of the exemption provided by Section 398 of the Companies Act 2006 and has not prepared group accounts.

Going concern

The accounts have been prepared on the going concern basis. The directors have considered a number of factors to provide themselves with assurance that this is appropriate including:

- a) The Company's state of liquidity, customer renewals due and current pipeline
- b) The Company's financial plans for the next 3 years and the need to invest in the ongoing growth of the business
- c) The sufficiency of resource plans and the operational risks faced by the business

The Directors are comfortable with adopting the Going Concern basis given their review of these and other relevant factors.

Alertive Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

Revenue recognition

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers. Service income is recognised based on performance and licence income is recognised on a straight line basis over the term of the licence.

Contract revenue recognition

Income on maintenance contracts is recognised on a straight line basis over the term of the contract. Income on other contracts is recognised on the basis of the stage of contract completion achieved and to the extent that the company is confident that substantially no further material work will be required to be performed.

Government grants

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Foreign currency transactions and balances

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

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Tax credits represent the recovery of research and development claims made during the year.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land and buildings	term of lease
Plant and equipment	25% straight line basis

Development costs

Research and development costs are charged to the profit and loss account as incurred.

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Alertive Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Defined contribution pension obligation

The company operates a defined contribution scheme for the benefit of its employees.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 33 (2019 - 39).

4 Tangible assets

	Land and buildings £	Office and computer equipment £	Total £
Cost			
At 1 January 2020	3,341	285,969	289,310
Additions	-	6,179	6,179
Disposals	(3,341)	(250,107)	(253,448)
At 31 December 2020	-	42,041	42,041
Depreciation			
At 1 January 2020	2,227	247,503	249,730
Charge for the year	-	11,071	11,071
Eliminated on disposal	(2,227)	(230,675)	(232,902)
At 31 December 2020	-	27,899	27,899

Alertive Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

	Land and buildings £	Office and computer equipment £	Total £
Carrying amount			
At 31 December 2020	-	14,142	14,142
At 31 December 2019	1,114	38,466	39,580

5 Investments

	2020 £	2019 £
Investments in subsidiaries	61	61

Subsidiaries

Cost

At 1 January 2020	61
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Carrying amount

At 31 December 2020	61
At 31 December 2019	61

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2020	2019
Subsidiary undertakings				
CommonTime, Inc.	711S. Carson Street Suite 4 Carson City Nevada NV 89701 USA	Ordinary	100%	100%

Alertive Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

6 Debtors

	2020 £	2019 £
Trade debtors	165,180	133,900
Other debtors	311,840	365,901
	<u>477,020</u>	<u>499,801</u>
Total current trade and other debtors	<u>477,020</u>	<u>499,801</u>

7 Creditors

Creditors: amounts falling due within one year

	2020 £	2019 £
Due within one year		
Convertible debt	-	850,000
Trade creditors	11,324	102,978
Taxation and social security	67,224	117,298
Other creditors	55,908	639,734
	<u>134,456</u>	<u>1,710,010</u>

Creditors include government loans which are secured over the assets of the company of £48,039 (2019 - £228,555).

Creditors: amounts falling due after more than one year

	2020 £	2019 £
Due after one year		
Convertible debt	3,501,312	-
Other creditors	644,614	489,907
	<u>4,145,926</u>	<u>489,907</u>

Creditors include government loans which are secured over the assets of the company of £590,172 (2019 - £435,465).

The company has convertible loans notes amounting to £3,501,312 (2019 -£nil) in issue, it is the intention of the Directors to fully convert the loan notes into equity within the next few years.

Alertive Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

8 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £1,605 (2019 - £79,696). The financial commitments relate to operating lease payments due with £1,605 (2019 -£73,550) due within one year and £Nil (2019 - £6,146) between two and five years.

Amounts disclosed in the balance sheet

Included in the balance sheet are contingencies of £92,097 (2019 - £112,651).

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.