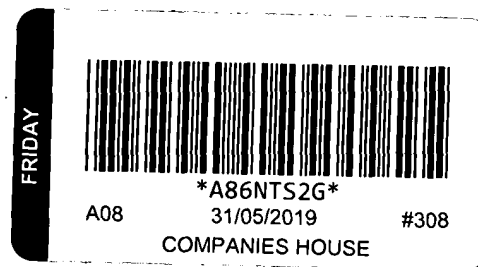


Registration number: 05023238

CORTEX LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018



CORTEX LIMITED

(REGISTRATION NUMBER: 05023238)
BALANCE SHEET AS AT 30 SEPTEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	4	221,000	205,000
Tangible assets	5	118,333	128,421
Investments	6	<u>1</u>	<u>1</u>
		<u>339,334</u>	<u>333,422</u>
Current assets			
Debtors	7	805,648	1,318,639
Cash at bank and in hand		<u>1,159,583</u>	<u>570,169</u>
		1,965,231	1,888,808
Creditors: Amounts falling due within one year	8	<u>(1,771,216)</u>	<u>(1,719,493)</u>
Net current assets		<u>194,015</u>	<u>169,315</u>
Total assets less current liabilities		533,349	502,737
Provisions		<u>(62,031)</u>	<u>(53,562)</u>
Net assets		<u><u>471,318</u></u>	<u><u>449,175</u></u>
Capital and reserves			
Called up share capital		8,100	8,100
Profit and loss account		<u>463,218</u>	<u>441,075</u>
Total equity		<u><u>471,318</u></u>	<u><u>449,175</u></u>

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 in accordance with FRS 102 Section 1A Small Entities.

These financial statements have been delivered 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 has been taken.

Approved and authorised by the Board on 22/5/19 and signed on its behalf by:



A J Edwards
Director

The notes on pages 2 to 8 form an integral part of these financial statements.

CORTEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

Bridge House
Waterfront East
Level Street
Brierley Hill
DY5 1XR

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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' Section 1A Small Entities.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Name of parent of group

These financial statements are consolidated in the financial statements of Innovise Limited.

The financial statements of Innovise Limited may be obtained from the company's registered office.

Judgements and estimation uncertainty

No significant judgements have been made by the management in preparing these financial statements.

Development costs

The company has capitalised development costs applying judgement with regard to the future economic inflow to the company.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

CORTEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

2 Accounting policies (continued)

Research and development

Research expenditure is written off in the year in which it is incurred.

Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the group expected to benefit from the project.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, on a straight line bases over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Development costs	Over 2 years

Tangible assets

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

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures & Fittings	20% of cost
Leasehold Improvements	Over term of lease
Computer Equipment	33% of cost

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

CORTEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

2 Accounting policies (continued)

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial Instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when, there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

CORTEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

2 Accounting policies (continued)

Impairment

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year 34 (2017: 29).

4 Intangible assets

	Internally generated software development costs £
Cost	
At 1 October 2017	612,000
Additions acquired separately	<u>192,000</u>
At 30 September 2018	<u>804,000</u>
Amortisation	
At 1 October 2017	407,000
Amortisation charge	<u>176,000</u>
At 30 September 2018	<u>583,000</u>
Carrying amount	
At 30 September 2018	<u><u>221,000</u></u>
At 30 September 2017	<u><u>205,000</u></u>

CORTEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

5 Tangible assets

	Short Leasehold Property Improvements £	Furniture & Fittings £	Computer Equipment £	Total £
Cost				
At 1 October 2017	79,420	44,299	31,888	155,607
Additions	4,930	-	8,760	13,690
At 30 September 2018	84,350	44,299	40,648	169,297
Depreciation				
At 1 October 2017	3,330	3,598	20,258	27,186
Charge for the year	8,290	8,880	6,608	23,778
At 30 September 2018	11,620	12,478	26,866	50,964
Carrying amount				
At 30 September 2018	72,730	31,821	13,782	118,333
At 30 September 2017	76,090	40,701	11,630	128,421

6 Investments

	2018 £	2017 £
Investments in subsidiaries	1	1

7 Debtors

	2018 £	2017 £
Trade debtors	297,437	708,164
Other debtors	261,949	472,062
Income tax asset	246,262	138,413
	805,648	1,318,639

Details of non-current trade and other receivables

£40,800 (2017 - £40,800) of other debtors is classified as non-current.

The deferred tax asset related to decelerated capital allowances.

CORTEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

8 Creditors

	2018	2017
	£	£
Due within one year		
Trade creditors	10,084	112,918
Amounts owed to group undertakings	824,076	573,642
Social security and other taxes	75,123	100,572
Other creditors	12,116	5,285
Accrued expenses and deferred income	849,817	899,896
Income tax liability	-	27,180
	<u>1,771,216</u>	<u>1,719,493</u>

9 Obligations under leases

Operating leases

As at 30 September 2017 the company had total commitments under non-cancellable operating leases for property of £646,000 (2016: £20,417).

10 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary A of £1 each	100	100	100	100
Ordinary B of £1,000 each	8	8,000	8	8,000
	<u>108</u>	<u>8,100</u>	<u>108</u>	<u>8,100</u>

Shares rights are the same in all respects except that profits distributable to ordinary B shareholders are at the prior sanction of ordinary A shareholders and there are restrictive rights on the ordinary B shares in the event of a sale of the company.

11 Pension and other schemes

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £28,726 (2017 - £19,726).

Contributions totalling £12,116 (2017 - £5,284) were payable to the scheme at the end of the year and are included in creditors.

CORTEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

12 Related party transactions

The company has taken advantage of the exemption in the FRS 102 from disclosing transactions with other members of the group.

13 Control

The immediate and ultimate parent company is Innovise Limited, a company which is registered in England and Wales. Innovise Limited prepares group accounts for the group in which the company is a member. Copies are available from Bridge House Waterfront East, Level Street, Brierley Hill, United Kingdom, DY5 1XR.

14 Auditors report

The auditors' report on the full financial statements was issued by Hazlewoods LLP, Windsor House, Bayshill Road, Cheltenham, GL50 3AT on ~~22 May 2019~~ ^{22 May 2019}. The senior statutory auditor was David Main. The auditors' opinion was unqualified and there were no matters to which the auditors drew attention by emphasis.