



14 October 2016

## Kyckr Ireland Limited – Financial Statements for the year ended 30 June 2016

Pursuant to ASX Listing Rule 18.8, please find attached the audited statutory accounts of Kyckr Ireland Limited (formally Global Business Register Limited) for the year ended 30 June 2016.

Kyckr Ireland Limited was acquired by Kyckr Limited on 1 September 2016 and the financial statements attached represent the financial position of the company pre-acquisition.

Revenue for the year ended 30 June 2016 increased 120% to €800k (A\$1.2m) compared to the prior year. EBITDA excluding transaction costs for the year ended 30 June 2016 was €153k (A\$228k), compared to an EBITDA loss of €118k (A\$176k) an improvement of €271k (A\$404k).

## About Kyckr Limited

Kyckr is a proven end to end managed services provider of KYB (KYC for businesses) solutions. To the best of our knowledge our solutions are globally legally the most compliant, sourcing information live and direct from over 150 business registers and other sources around the world. We uniquely use automation to on-board, off-board, cleanse, remediate, categorise and other KYB related decisions. Our clients are banks and other sectors that require protection against money laundering, terrorism financing and tax fraud.

**Kyckr Ireland Limited**  
(formerly Global Business Register Limited)

**Report And Financial Statements**

**For the year ended 30 June 2016**

# Kyckr Ireland Limited

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## Kyckr Ireland Limited

### Directors and other information

<b>Directors</b>	Robert Leslie Ben Cronin	
<b>Company Secretary</b>	Robert Leslie	
<b>Company Number</b>	436024	
<b>Registered Office and Business Address</b>	Arc Labs Research Center WIT West Campus Carriganore Waterford	
<b>Auditors</b>	Nexia Smith & Williamson Chartered Accountants and Registered Auditor Paramount Court Corrig Road Sandyford Business Park Dublin 18	
<b>Bankers</b>	Ulster Bank Waterford Branch 97/98 Custom House Quay Waterford	Ulster Bank Strabane Branch 29 Abercorn Square Strabane Co Tyrone BT82 8AL
<b>Solicitors</b>	MW Keller & Son Solicitors 8 Gladstone Street Waterford	Mason Hayes Curran South Bank House Barrow Street Dublin 4

# **Kyckr Ireland Limited**

## **Directors' Report**

For the year ended 30 June 2016

The directors present their report and the audited financial statements for the year ended 30 June 2016.

### **Principal Activity**

The principal activity of the company is the distribution and selling of official corporate information.

### **Review of Business**

The Financial Statements are prepared for the period 1 July 2015 to 30 June 2016. The period reflects significantly increased revenues generated from automated related projects with significant blue-chip clients.

### **Principal Risks and Uncertainties**

The directors consider that the principal risks and uncertainties faced by the company include:

Economic risk:

- The risk of increased interest rates and/or inflation may have an adverse impact on served markets;
- The risk of fluctuations in exchange rates and attitudes towards our products changing adversely.

These risks are mitigated by continuous product development to stay on the leading edge to meet customer demands.

Competition risk:

- The risk that competitors will develop products with more capabilities at a cheaper price.

The directors of the company manage competition risk through close attention to customer service levels and product innovation.

Financial risk:

- The risk that there will be no reliable accounting information available in order to make informed management decisions.

The company has budgetary and financial reporting procedures in place, supported by appropriate key performance indicators to manage cost, liquidity and other financial risks.

### **Results and Dividends**

The loss for the period after providing for depreciation and taxation amounted to €(207,875) (June 15 - €(192,512)).

The directors do not recommend payment of a dividend.

# Kyckr Ireland Limited

## Directors' Report

For the year ended 30 June 2016

### Directors

The directors who served during the year were:

Robert Leslie

Ben Cronin

In accordance with Section 329 of the Companies Act 2014, the directors' shareholdings and the movements therein during the financial period ended 30 June 2016 were as follows:

	Ordinary shares of €0.50 each	
	2016	2015
	€	€
Robert Leslie	70,825	69,575
Ben Cronin	62,725	61,475

### Future Developments

Kyckr Ireland Limited continues to invest in developing its automation model capabilities and positioning to ensure they deliver the best to their clients and prospects.

### Post Balance Sheet Events

97.59% of the shares in Kyckr Ireland Limited and all Convertible Redeemable Preference Shares held by Enterprise Ireland were acquired by an Australian entity, Kyckr Limited on 1 September 2016. Kyckr Limited raised funds via an Initial Public Offering and listed on the Australian Securities Exchange on 7 September 2016.

This acquisition and listing of the parent company will allow Kyckr Ireland Limited accelerate their extensive plans to support the global needs of their clients and pursue the global opportunities with the KYC related products.

The Company changed its name to Kyckr Ireland Limited from Global Business Register Limited on 22 September 2016.

### Auditors

The auditors, Nexia Smith & Williamson, continue in office in accordance with the provisions of Section 384(2) of the Companies Act 2014.

# Kyckr Ireland Limited

## Directors' Report

For the year ended 30 June 2016

### Accounting Records

The measures taken by the directors to secure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014, regarding that proper accounting records are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The accounting records are maintained at the company's office at Arc Labs Research Center, WIT West Campus, Carriganore, Waterford.

Signed on behalf of the Board



Robert Leslie



Ben Cronin

Date:

13 October 2016

# Kyckr Ireland Limited

## Statement of Directors' Responsibilities

For the year ended 30 June 2016

The directors are responsible for preparing the financial statements in accordance with applicable Irish law and International Financial Reporting Standards (IFRS) as adopted for use in the European Union and with those parts of the Companies Act 2014 applicable to companies reporting under IFRS.

Under the Company law, 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 period end date and of the profit or loss of the company for that period and otherwise comply with Companies Act 2014. In preparing these financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS adopted by the EU, subject to any material departures disclosed and explained in the financial statements; 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 confirm that they have complied with the above requirements in preparing the financial statements.

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 are prepared in accordance with IFRS endorsed by the European Union and with those parts of the Companies Acts 2014 applicable to companies reporting under IFRS. 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.

The directors confirm that they have complied with these requirements and, having a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, continue to adopt the going concern basis in preparing the financial statements.

Signed on behalf of the Board

  
Robert Leslie  
Ben Cronin

Date: 13 October 2016



## **INDEPENDENT AUDITOR'S REPORT to the Shareholders of Kyckr Ireland Limited**

We have audited the financial statements of Kyckr Ireland Limited for the period ended 30 June 2016 which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Financial Position, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 set out on page 6, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an 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 Auditing Practices Board's (APB'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. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view, in accordance with IFRS as adopted by the European Union, of the state of affairs of the company as at 30 June 2016 and of its results for the period then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

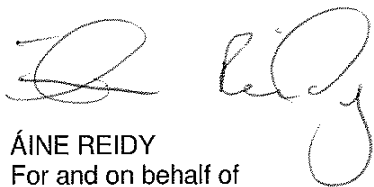
## **INDEPENDENT AUDITOR'S REPORT to the Shareholders of Kyckr Ireland Limited**

### **Matters on which we are required to report by the Companies Act 2014**

- We have obtained all the information and explanations that we consider necessary for the purposes of our audit.
- In our opinion proper accounting records have been kept by the company.
- 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 the provisions in the Companies Acts 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.



ÁINE REIDY  
For and on behalf of  
NEXIA SMITH & WILLIAMSON  
Chartered Accountants and Registered Auditor  
Paramount Court  
Corrig Road  
Sandyford Business Park  
Dublin 18

Date : 13 October 2016

## Kyckr Ireland Limited

### STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2016

	Notes	2016 €	2015 €
<b>Revenue</b>		<b>796,244</b>	<b>361,823</b>
Cost of sales		(216,361)	(166,422)
<b>Gross profit</b>		<b>579,883</b>	<b>195,401</b>
Administrative expenses		(510,180)	(409,720)
Transaction costs		(114,487)	-
<b>Operating profit/(loss)</b>		<b>(44,784)</b>	<b>(214,319)</b>
Finance costs	2	(10,714)	(3,175)
<b>Loss on ordinary activities before taxation</b>	3	<b>(55,498)</b>	<b>(217,494)</b>
Tax on profit/loss on ordinary activities	5	(152,377)	24,982
<b>Loss and total comprehensive income for the financial year</b>		<b>(207,875)</b>	<b>(192,512)</b>

The company's revenue and expenses all relate to continuing operations

Approved by the board on 13 October 2016 and signed on its behalf by:

  
Robert Leslie

  
Ben Cronin

The notes on pages 17 to 28 form part of these financial statements.


# Kyckr Ireland Limited


## STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

	Notes	2016 €	2015 €
<b>Non Current Assets</b>			
Intangible assets	6	80,296	139,039
Plant and equipment	7	9,502	1,255
		<b>89,798</b>	<b>140,294</b>
<b>Current Assets</b>			
Trade and other receivables	8	222,227	66,150
Deferred tax asset	9	-	152,377
Cash and cash equivalents	10	65,293	11,465
		<b>287,520</b>	<b>229,992</b>
<b>Trade and other payables</b>	12	<b>(522,226)</b>	<b>(304,465)</b>
<b>Net Current Assets/(Liabilities)</b>		<b>(234,706)</b>	<b>(74,473)</b>
<b>Total Assets less Current Liabilities</b>		<b>(144,908)</b>	<b>65,821</b>
<b>Non-Current Liabilities</b>			
<b>Creditors</b>			
Amounts falling due after more than one year	13	(356,154)	(609,008)
<b>Net Liabilities</b>		<b>(501,062)</b>	<b>(543,187)</b>
<b>Equity</b>			
Share capital	16	155,390	146,250
Share premium account		702,110	461,250
Retained earnings		(1,358,562)	(1,150,687)
		<b>(501,062)</b>	<b>(543,187)</b>

Approved by the board on 13 October 2016 and signed on its behalf by:

  
 Robert Leslie

  
 Ben Cronin

The notes on pages 17 to 28 form part of these financial statements.

## Kyckr Ireland Limited

### STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2016

	Share capital	Share premium	Retained earnings	Total equity
	€	€	€	€
<b>At 1 July 2015</b>	146,250	461,250	(1,150,687)	(543,187)
Issue of share capital	9,140	240,860	-	250,000
Total comprehensive income for the period	-	-	(207,875)	(207,875)
<b>At 30 June 2016</b>	<b>155,390</b>	<b>702,110</b>	<b>(1,358,562)</b>	<b>(501,062)</b>
In respect of the prior year				
<b>At 1 July 2014</b>	146,250	461,250	(958,175)	(350,675)
Total comprehensive income for the year	-	-	(192,512)	(192,512)
<b>At 30 June 2015</b>	<b>146,250</b>	<b>461,250</b>	<b>(1,150,687)</b>	<b>(543,187)</b>

## Kyckr Ireland Limited

### STATEMENT OF CASH FLOWS

For the period ended 30 June 2016

	2016 €	2015 €
<b>Cashflows from operating activities</b>		
Operating (loss)/profit	(44,784)	(214,319)
Depreciation and amortization	78,812	96,612
Loss on disposal of assets	4,430	-
Movement in receivables	(156,077)	(22,639)
Movement in payables	(20,047)	65,269
<b>Cash generated by operations</b>	<b>(137,666)</b>	<b>(75,077)</b>
Taxation	-	14,638
<b>Net cash from operating activities</b>	<b>(137,666)</b>	<b>(60,439)</b>
<b>Investing activities</b>		
Investment in intangible assets	(22,480)	(33,960)
Purchase of computer equipment	(10,266)	-
<b>Net cash used in investing activities</b>	<b>(32,746)</b>	<b>(33,960)</b>
<b>Financing activities</b>		
Issue of share capital	250,000	-
Interest paid	(10,714)	(3,083)
Other new long term loans	230,000	50,000
Advances from related parties	4,954	(9,343)
Repayments to related parties	(250,000)	-
<b>Net cash from financing activities</b>	<b>224,240</b>	<b>37,574</b>
Net increase / (decrease) in cash and cash equivalents	53,828	(56,825)
<b>Cash and cash equivalents at 1 July 2015</b>	<b>11,465</b>	<b>68,290</b>
<b>Cash and cash equivalents at 30 June 2016</b>	<b>65,293</b>	<b>11,465</b>

## **Kyckr Ireland Limited**

### **ACCOUNTING POLICIES**

for the year ended 30 June 2016

The principal accounting policies are set out below.

#### **Basis of Preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union (EU) and those parts of the Companies Act 2014 applicable to companies reporting under IFRS. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

There are no IFRS's or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the company.

#### **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods provided in the normal course of business, net of discounts and VAT.

Revenue is recognised to the extent that it is capable of reliable measurement, that it is probable that economic benefits will flow to the entity and that the significant risks and rewards of ownership have passed to the purchaser.

Revenue from long term contracts is recognised in accordance with the stage of completion of the contract with the revenue and portion of profit recognised in each accounting period being the amounts which reflects the work performed in that period.

Where invoices have not been issued at the year-end but the services have been performed, the relevant income/expense is accrued.

#### **Plant and equipment and depreciation**

Plant and equipment are stated at cost, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of assets, less their estimated residual value, over their expected useful lives as follows:

Computer equipment – 20%-25% Straight line

# **Kyckr Ireland Limited**

## **ACCOUNTING POLICIES**

for the year ended 30 June 2016

### **Intangible Assets**

Development costs for newly developed products that involve analysis of technical feasibility and marketability are capitalised with the directly and indirectly attributable costs of conversion if the costs can be allocated clearly and if technical feasibility and marketability of newly developed products are guaranteed (IAS 38). The development activity must also lead to future flows of capital with sufficient probability. Planned depreciation is based on planned technical useful life of the product. The useful life is 5 years. Research costs cannot be capitalised in accordance with IAS38.

### **Financial Instruments**

Financial assets and financial liabilities are recognised in the statement of financial position when the company becomes a party to contractual provisions of the instrument.

#### **Trade and other receivables**

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due. The amount of any provision is recognised in the income statement. The provision recognized is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash held by the company and short-term bank deposits with an original maturity of three months or less. These are initially and subsequently recorded at fair value.

#### **Trade and other payables**

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

#### **Share capital**

Equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definition of an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Preference share are accounted for in line with contractual agreements. Preference shares are recognised under non-current liabilities.



## **Kyckr Ireland Limited**

### **ACCOUNTING POLICIES**

for the year ended 30 June 2016

#### **Tax**

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the statement of financial position date.

Deferred income tax is provided using the balance sheet liability method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. If the temporary difference arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect accounting nor taxable profit or loss, it is not recognised.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The carrying amount of deferred tax assets is reviewed at each year end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

#### **Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the statement of financial position date. Transactions, during the year, which are denominated in foreign currencies are translated at the rates of exchange ruling at the date of the transaction. The resulting exchange differences are dealt with in the statement of comprehensive income.

#### **Research and development**

Research and development expenditure is written off to the statement of comprehensive income in the year in which it is incurred.

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same year 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 from which the company is expected to benefit.

## Kyckr Ireland Limited

### ACCOUNTING POLICIES

for the year ended 30 June 2016

#### Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### *Key sources of estimation uncertainty:*

There are no areas of estimation uncertainty.

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

#### 1. GOING CONCERN

The company incurred a loss in the period of €207,875. The Balance Sheet reflects a net deficit of €501,062 at 30 June 2016. In the balance sheet are amounts of €230,000 owing to Kyckr Limited, an Australian company with common directors who exercise control over both entities.

Kyckr Limited recently completed a successful Initial Public Offering (IPO) for its shares raising A\$5.2m (€3.5m).

Arising from this, Kyckr Limited has pledged its continuing support to provide adequate financial assistance to enable the company to continue in operational existence as a going concern for the foreseeable future. Furthermore it will not recall, or demand, any repayment of the advances made by Kyckr Limited to Kyckr Ireland Limited except in so far as the funds of the company permits repayment and that such repayment will not adversely affect the ability of the company to carry on its business as a going concern.

#### 2. FINANCE COSTS

	2016	2015
	€	€
On long-term loans	<u>10,714</u>	<u>3,175</u>

## Kyckr Ireland Limited

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

#### 3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2016 €	2015 €
Loss on ordinary activities is stated after charging/crediting:		
Amortisation of intangible assets	76,793	94,850
Loss on disposal of intangible assets	4,430	-
Depreciation of tangible assets	2,019	1,765

#### 4. EMPLOYEES AND REMUNERATION

##### Number of employees

The average number of persons employed (including executive directors) during the year was as follows:

	2016 Number	2015 Number
Admin	3	2
IT staff	9	5
	12	7

The staff costs (inclusive of directors' salaries are comprised of:

	2016 €	2015 €
Wages and salaries	335,108	252,230
Social welfare costs	28,226	17,386
	363,334	269,616

As per Section 317(3) of Companies Act 2014 these are analysed in the financial statements as follows:

	2016 €	2015 €
Capitalised as intangible assets	22,480	33,960
Charged as an expense for the year	340,854	235,656
	363,334	269,616

# Kyckr Ireland Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

### 5. TAX ON LOSS ON ORDINARY ACTIVITIES

	2016 €	2015 €
<b>(a) Analysis of charge in the year</b>		
<b>Current tax</b>		
Corporation tax at 12.5% (2015 – 12.5%)	-	-
<b>Deferred tax</b>		
Deferred tax adjustment/(expense)	152,377	(24,982)

### (b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the Republic of Ireland (12.50%). The differences are explained below:

	2016 €	2015 €
Loss on ordinary activities before tax	(55,498)	(217,494)
Loss on ordinary activities before tax multiplied by the standard rate of corporation tax in the Republic of Ireland at 12.5% (2015 12.5%)	(6,937)	(27,187)
Effects of:		
Availability of tax losses	6,937	27,187
Movement in deferred tax assets	152,377	(24,982)
Total tax charge for the year (note 5(a))	152,377	(24,982)

### (c) Deferred tax assets not recognised

	2016 €	2015 €
Deferred tax assets not recognised comprises of:		
Carried forward tax losses benefit	147,018	-
Temporary differences	-	-
	147,018	-

## Kyckr Ireland Limited

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

#### 5. TAX ON LOSS ON ORDINARY ACTIVITIES (continued)

The above potential tax benefit, which includes tax losses and temporary differences has not been recognised in the balance sheet as recovery of this benefit is not probable. There is no expiration date for the tax losses carried forward. The estimated amount of cumulative tax losses at 30 June 2016 was €1.18m. Utilisation of these tax losses is dependent on the Company satisfying certain tests at the time the losses are recouped.

#### 6. INTANGIBLE ASSETS

	<b>Computer Software &amp; Development €</b>
<b>Cost</b>	
At 1 July 2015	551,867
Additions	22,480
Impairments	(27,819)
At 30 June 2016	<u>546,528</u>
<b>Provision for amortisation</b>	
At 1 July 2015	412,828
Impairments	(23,389)
Charge for the year	76,793
At 30 June 2016	<u>466,232</u>
<b>Net book values</b>	
At 30 June 2016	<u><b>80,296</b></u>
<b>Prior year:</b>	
	<b>Computer Software &amp; Development €</b>
<b>Cost</b>	
At 1 July 2014	517,907
Additions	33,960
At 30 June 2015	<u>551,867</u>
<b>Provision for amortisation</b>	
At 1 July 2014	317,978
Charge for the year	94,850
At 30 June 2015	<u>412,828</u>
<b>Net book values</b>	
At 30 June 2015	<u><b>139,039</b></u>

## Kyckr Ireland Limited

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

#### 7. PLANT AND EQUIPMENT

	Fixtures, fittings and equipment €	Computer equipment €	Total €
<b>Net Book Value</b>			
At 1 July 2015	-	1,255	1,255
Additions	-	10,266	10,266
Depreciation charge	-	(2,019)	(2,019)
At 30 June 2016	-	<b>9,502</b>	<b>9,502</b>
<b>Net Book Value</b>			
At 1 July 2014	-	3,017	3,017
Depreciation charge	-	(1,762)	(1,762)
At 30 June 2015	-	<b>1,255</b>	<b>1,255</b>
<b>At 30 June 2016</b>			
Cost	1,270	30,356	31,626
Accumulated depreciation	(1,270)	(20,854)	(22,124)
Net book value	-	<b>9,502</b>	<b>9,502</b>
<b>At 30 June 2015</b>			
Cost	1,270	20,090	21,360
Accumulated depreciation	(1,270)	(18,835)	(20,105)
Net book value	-	<b>1,255</b>	<b>1,255</b>

## Kyckr Ireland Limited

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

#### 8. TRADE AND OTHER RECEIVABLES

	2016	2015
	€	€
Trade receivables	160,219	48,516
Other receivables	23,600	10,000
Other taxation and social security	-	2,419
Prepayments and accrued income	38,408	5,215
	<b>222,227</b>	<b>66,150</b>

Trade receivables are non-interest bearing and generally have a 30-60 day term. Due to their short maturities, the fair value of trade receivables approximates their book value.

A provision for impairment of trade receivables is established when there is no objective evidence that the company will be able to collect all amounts due according to the original terms. The company considers factors such as default or delinquency in payment, significant financial difficulties of the debtor and the probability that the debtor will enter bankruptcy in deciding whether the trade receivable is impaired.

#### 9. DEFERRED TAX

	2016	2015
	€	€
Deferred tax	-	152,377

The company has a deferred tax asset of €Nil which is calculated at current corporation tax rates of 12.5%. The above potential tax benefit, which includes tax losses and temporary differences has not been recognised in the balance sheet as recovery of this benefit is not probable in the foreseeable future.

#### 10. CASH AND CASH EQUIVALENTS

	2016	2015
	€	€
Cash at bank and in hand	65,293	11,465

The directors consider that the carrying amount of these assets is a reasonable approximation of their fair value.

# Kyckr Ireland Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

### 11. TAXATION

	2016 €	2015 €
Debtors:		
VAT	-	2,419
	<u>-</u>	<u>2,419</u>
Creditors:		
VAT	15,115	-
Corporation tax	2,074	1,554
PAYE/PRSI	11,509	11,415
	<u>28,698</u>	<u>12,969</u>

### 12. TRADE AND OTHER PAYABLES

Amounts falling due within one year	2016 €	2015 €
Trade creditors	68,379	76,833
Amounts owed to connected parties	252,077	29,909
Taxation and social welfare (Note 11)	28,698	12,969
Directors' current accounts	-	26,443
Other creditors	-	166
Accruals and deferred income	173,072	158,145
	<u>522,226</u>	<u>304,465</u>

Trade payables comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 30 days. No interest is charged on the outstanding balance.

Amounts due to shareholders of €14,269 (June 2015: €29,909) are included in amounts due to connected parties. Included in amounts owed to connected parties is a general loan of €100,000 received from GlobalSign NV/SA in 2012. The loan is due to be repaid in January 2017. Interest is being charged at 3% per annum and will be repayable with the capital at the end of the term of the loan. The interest charged for the year is included in the statement of comprehensive income. The balance due to GlobalSign at 30 June 2016 is €113,962 (June 2015: €109,008). The remaining amounts owed to connected companies of €123,846 relate to the short term element of a convertible loan received from Kyckr Limited, an Australian company which is connected by common directorships. This loan is repayable on a monthly basis on and from 12 months following the initial drawdown of funds. Interest is payable on this loan at 8% per annum.

Kyckr Limited may convert all or any part of the convertible loan at any time upon 2 business day's written notice to the Borrower. The rate of conversion will be one share for each amount of the principal sum plus accrued interest which represents part or all of €10.



## Kyckr Ireland Limited

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

#### 13. CREDITORS

Amounts falling due after more than one year	2016 €	2015 €
Amounts owed to connected parties	106,154	109,008
Preference shares	250,000	250,000
Other loans	-	250,000
	<b>356,154</b>	<b>609,008</b>

Amounts owed to connected companies of €106,154 relates to a convertible loan received from Kyckr Limited, an Australian company which is connected by common directorships. This loan is repayable on a monthly basis on and from 6 months following the initial drawdown of funds. Interest is payable on this loan at 8%. The balance represents the element of the loan falling due after more than one year.

The other loan consists of two promissory note loans for €100,000 each, entered into by Kyckr Ireland Limited with Global Business Register Asia Pacific Pte Ltd. Kyckr Ireland Limited agreed to repay the €200,000 on 18 November 2018. The interest on the promissory notes is charged at 0%. On 30 October 2014, the company agreed another promissory note loan with Global Business Register Asia Pacific Pte Ltd for €50,000. This was repayable on 18 November 2018 and interest is charged at 0%. The loan was converted into equity on 31 March 2016.

Included in long term liabilities are 250,000 8% Cumulative Redeemable Preference Shares with a nominal value of €0.01 per share issued at €1.00 per share. These shares were acquired by Kyckr Limited on 1 September 2016.

#### 14. SECURITY

Kyckr Ireland Limited granted a security interest and equitable mortgage in respect of all the present and future assets of Kyckr Ireland Limited to Kyckr Limited.

# Kyckr Ireland Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

### 15. FINANCIAL INSTRUMENTS

The company's financial instruments comprise cash and cash equivalents and items such as trade payables and trade receivables which arise directly from its operations. The main purpose of these financial instruments is to provide finance for the company's operations.

The company's operations expose it to a variety of financial risks including credit risk and foreign currency exchange rate risk. Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a subcommittee of the board. The policies set by the board of directors are implemented by the company's finance department.

#### Credit risk

The company's credit risk is primarily attributable to its trade receivables. The company has implemented policies that require appropriate credit checks on potential customers before sales are made. This is monitored on a regular basis by the finance team and the board of directors. In addition, receivable balances are monitored on an ongoing basis with the result that the company's exposure to bad debt is not significant.

With respect to credit risk arising from the other financial assets of the company, comprising of cash and cash equivalents and financial assets, the company's exposure to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying amounts of these instruments. For the purpose of the company's dealings with other banks and brokers, the company's operational risk management director reviews and considers any new relationships with banks and brokers. The criteria is such that only first class counterparties are considered.

The maximum exposure to credit risk at the reporting date was:

	<b>30 June 2016</b>
	<b>€</b>
Cash and cash equivalents (Note 10)	65,293
Trade receivables (Note 8)	222,227

#### Foreign currency exchange risk

Due to the nature of the company's trading activities, which are conducted primarily in the local currency of the country of operation resulting in low levels of foreign currency transaction risk; variances arising in this regard are reflected in operating costs or cost of sales in the Statement of Comprehensive Income in the period in which they arise.

## Kyckr Ireland Limited

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

#### 15. FINANCIAL INSTRUMENTS (continued)

##### Market risk and sensitivity analysis

##### Interest rate risk

The majority of the company's financial assets and liabilities are non-interest bearing. As a result, the company is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. The company's interest-bearing financial assets and liabilities expose it to risks associated with the fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

##### Litigation risk

In the company's normal course of business, the company may become involved in various types of litigation. The company makes provisions for such contingencies if the directors and its legal advisors consider that the company is likely to have to make payments and if the amount of those payments can be reliably estimated. When required, all provisions for risks connected with litigation would be included in the company's Statement of Financial Position under "other provisions" (Jun 2016 and Jun 2015: Nil). With respect to potential claims against the company of which the management become aware, where the management and its legal advisors consider that such claims are without merit or can be successfully defended or will not have a significant impact on the company's situation or operating results no provisions will be made.

##### Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below summarises the profile of the company's financial liabilities based on contractual undiscounted cash flows. Balances due equal their carrying amounts, as the impact of discounting is insignificant. The financial assets and financial liabilities are receivable/payable within one year.

	Carrying amount €	Bank borrowings €	Total €
<b>At 30 June 2016</b>			
<b>Financial liabilities</b>			
6 months or less	415,700	-	415,700
6-12 months	106,526	-	106,526
More than 1 year	356,154	-	356,154
	<u>878,380</u>	<u>-</u>	<u>878,380</u>

# Kyckr Ireland Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

### 16. SHARE CAPITAL

<b>Authorised Description</b>	<b>No of shares</b>	<b>Value of units</b>	<b>2016 €</b>	<b>2015 €</b>
Ordinary shares	1,000,000	€0.50 cent each	500,000	500,000
Preference shares	250,000	€0.01 cent each	2,500	2,500
			<b>502,500</b>	<b>502,500</b>
<b>Allotted, called up and fully paid</b>			<b>2016 €</b>	<b>2015 €</b>
<b>Equity Shares</b>				
Ordinary shares	305,780	€0.50 cent each	<b>155,390</b>	<b>146,250</b>
			<b>155,390</b>	<b>146,250</b>
<b>Preference Shares</b>				
Preference shares	250,000	€0.01 cent each	2,500	2,500
			<b>157,890</b>	<b>148,750</b>

### 17. RELATED PARTY TRANSACTIONS

During the period the company entered into a number of transactions with related parties. These transactions consisted of sales and purchases carried out as part of the company's normal trading business. The balance due to/(from) these companies are detailed below;

GlobalSign NV – 2016: €68,410 (June 2015: €84,107). Sales included in the financial statements for the period ended 30 June 2016 amounted to €15,697. The sales figure in relation to GlobalSign NV reflects the discount price offered as a result of an upfront payment. GlobalSign NV was a 8.55% shareholder in Kyckr Ireland Limited (GBR) as at 30 June 2016.

GlobalSign NV also advanced in 2012 an amount of €100,000 for a term of not less than 5 years with an annual interest rate of 3% accruing annually and repayable in full with principal upon the completion of the five year term of the loan. This loan was repaid on 30 September 2016 in the amount of €114,804 inclusive of accrued interest to 30 September 2016.

During the period, Kyckr Ireland Limited also received €230,000 (June 2015: Nil) convertible loan from Kyckr Limited, an Australian company, which has been included in Note 12 and Note 13. Kyckr Limited and Kyckr Ireland Limited have common directors who exercise control over both entities.

# Kyckr Ireland Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

### 17. RELATED PARTY TRANSACTIONS (continued)

#### Loans from investors

Kyckr Ireland Limited has received loans from investors over the past number of years which have been included in Note 12 Trade and Other Payables and Note 13 Creditors falling due after more than one year. The outstanding balances on these loans is €358,231 (June 2015: €138,917). Interest on these loans amounted to €10,714 (June 2015: €3,175).

Enterprise Ireland (EI) purchased 250,000 8% cumulative redeemable convertible preference shares in Kyckr Ireland Limited in the previous year at €0.01 per share. EI paid €250,000 for the shares. The nominal value of the shares plus the share premium has been included under creditor's amounts falling due after more than one year. The cumulative redeemable convertible preference shares were acquired by Kyckr Limited on 1 September 2016.

#### Key management personnel

For the purposes of the disclosure requirements of IAS 24, the term "key management personnel" (i.e. those persons having authority and responsibility for planning, directing and controlling the activities of the group) comprises the company Directors and Secretary who manage the business and affairs of the company.

Robert Leslie and Ben Cronin served as company directors during the year, the directors are considered as key management personnel. Remuneration or benefits have been included in note 18 of the financial statements of the company for June 2016 and June 2015 in relation thereto.

The company has received loans from directors with outstanding balances of €Nil (June 2015: €26,443).

### 18. DIRECTORS' REMUNERATION AND TRANSACTIONS

	2016	2015
	€	€
Remuneration	<u>83,712</u>	<u>76,562</u>

### 19. PERIOD OF FINANCIAL STATEMENTS

The financial statements are for the 12 month period ended 30 June 2016. The comparative figures relate to the 12 month period ended 30 June 2015.

### 20. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on 13 October 2016.

**KYCKR IRELAND LIMITED**  
**SUPPLEMENTARY INFORMATION**  
**RELATING TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 2016**  
**NOT COVERED BY THE REPORT OF THE AUDITORS**

## Kyckr Ireland Limited

### SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS

#### Trading Statement

For the year ended 30 June 2016

	Schedule	2016 €	2015 €
Revenue		796,244	361,823
Cost of sales		<u>(216,361)</u>	<u>(166,422)</u>
Gross profit		579,883	195,401
Overhead expenses	1	(510,180)	(409,720)
Transaction costs		<u>(114,487)</u>	<u>-</u>
		(44,784)	(214,319)
Finance costs		<u>(10,714)</u>	<u>(3,175)</u>
<b>Net Loss</b>		<u><b>(55,498)</b></u>	<u><b>(217,494)</b></u>

## Kyckr Ireland Limited

### SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS

#### Schedule 1: Overhead Expenses

For the year ended 30 June 2016

	2016 €	2015 €
<b>Administration expenses</b>		
Wages and salaries	257,142	159,094
Directors' remuneration	83,712	76,562
Staff training	-	200
Rent payable	11,250	11,250
Rates	1,200	2,097
Insurance	2,300	2,250
Printing, postage and stationery	779	2,072
Advertising	4,134	-
Telephone	3,736	3,797
Computer maintenance costs	28,726	24,041
Motor expenses	5,123	5,816
Travelling and entertainment	16,647	15,274
Legal and professional	132	1,350
Accountancy	-	3,500
Bank charges	7,330	4,164
General expenses	1,591	1,641
Realised foreign exchange loss	3,136	-
Write off of intangibles previously capitalised	4,430	-
Amortisation of intangible assets	76,793	94,850
Depreciation on tangible assets	2,019	1,762
<b>Total overheads</b>	<b>510,180</b>	<b>409,720</b>