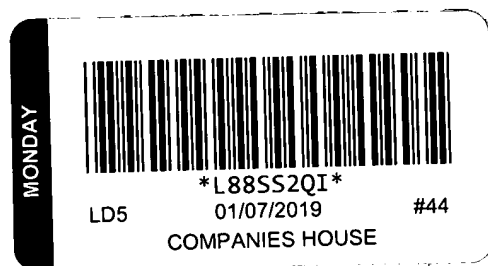


Company Registration No. 06979250 (England and Wales)

ALVA REPUTATION ANALYSIS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR



ALVA REPUTATION ANALYSIS LIMITED

CONTENTS

	Page
<i>Directors' report</i>	1
Directors' responsibilities statement	2
Balance sheet	3 - 4
Statement of changes in equity	5
Notes to the financial statements	6 - 13

ALVA REPUTATION ANALYSIS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the year ended 31 December 2018.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A Lopez-Valenzuela	
A Pickering	(Resigned 28 February 2019)
Q Boyd	
O Thomas	
W Haney	(Appointed 24 January 2018)
R Goldsmith	(Appointed 22 June 2018)
J J Lehman	(Appointed 22 June 2018)

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



.....
A Lopez-Valenzuela

Director

Date:28/6/19.....

ALVA REPUTATION ANALYSIS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors are responsible 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 then 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.

ALVA REPUTATION ANALYSIS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Intangible assets	3		172,699		-
Tangible assets	4		18,635		22,469
Investments	5		67		67
			<u>191,401</u>		<u>22,536</u>
Current assets					
Debtors	7	883,229		680,362	
Cash at bank and in hand		1,477,637		343,943	
		<u>2,360,866</u>		<u>1,024,305</u>	
Creditors: amounts falling due within one year	8	<u>(1,210,622)</u>		<u>(821,314)</u>	
Net current assets			<u>1,150,244</u>		<u>202,991</u>
Total assets less current liabilities			<u>1,341,645</u>		<u>225,527</u>
Creditors: amounts falling due after more than one year	9		<u>(1,315,400)</u>		<u>-</u>
Net assets			<u><u>26,245</u></u>		<u><u>225,527</u></u>
Capital and reserves					
Called up share capital	10		2,097		2,035
Share premium account			2,670,296		2,570,272
Profit and loss reserves			<u>(2,646,148)</u>		<u>(2,346,780)</u>
Total equity			<u><u>26,245</u></u>		<u><u>225,527</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

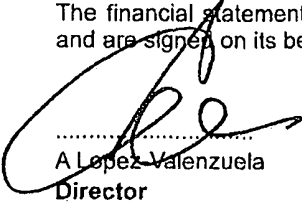
These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

ALVA REPUTATION ANALYSIS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2018

The financial statements were approved by the board of directors and authorised for issue on 28/1/19 and are signed on its behalf by:



.....
A Lopez Valenzuela
Director

Company Registration No. 06979250

ALVA REPUTATION ANALYSIS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 January 2017		2,035	2,570,272	(1,770,092)	802,215
Year ended 31 December 2017:					
Loss and total comprehensive income for the year		-	-	(576,688)	(576,688)
Balance at 31 December 2017		2,035	2,570,272	(2,346,780)	225,527
Year ended 31 December 2018:					
Loss and total comprehensive income for the year		-	-	(299,368)	(299,368)
Issue of share capital	10	62	100,024	-	100,086
Balance at 31 December 2018		2,097	2,670,296	(2,646,148)	26,245

ALVA REPUTATION ANALYSIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Alva Reputation Analysis Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Print Rooms, 164-180 Union Street, Unit 5.10, London, SE1 0LH.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared on a going concern basis under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents amounts receivable for services net of VAT and trade discounts. Revenue is recognised as earned when, and to the extent that the company obtains the right to consideration in exchange for its performance. Income received in advance of providing the service is recognised over the period that the service is provided and revenue is accrued or deferred accordingly.

Revenue from contracts for the provision of services is recognised by reference to the stage of completion. Revenue is recognised as contract activity progresses, so that for incomplete contracts, it reflects the partial performance of the contractual obligations. For such contracts, the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed.

1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Intangible assets are made up entirely of an internally generated IT software development project.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives from the date they are ready for use.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% on a straight line basis
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ALVA REPUTATION ANALYSIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ALVA REPUTATION ANALYSIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity Instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.11 Taxation

The tax expense represents the sum of the tax currently payable.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

ALVA REPUTATION ANALYSIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting 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. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

1.15 Research and development

Research and development expenditure is written off against profits in the year in which it is incurred unless it is capitalised in accordance with the Intangible fixed asset accounting policy 1.3.

1.16 Reserves

Share premium

The share premium reserve represents the excess of consideration paid for Ordinary shares above par value.

Profit and loss reserves

The profit and loss reserve represents accumulated results to date.

ALVA REPUTATION ANALYSIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 31 (2017 - 32).

3 Intangible fixed assets

	Other £
Cost	
At 1 January 2018	-
Additions	172,699
At 31 December 2018	172,699
Amortisation and impairment	
At 1 January 2018 and 31 December 2018	-
Carrying amount	
At 31 December 2018	172,699
At 31 December 2017	-

By the year end all of the intangibles shown above had not been brought into use and therefore they have not been amortised in these financial statements.

4 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 January 2018	84,905
Additions	11,432
Disposals	(868)
At 31 December 2018	95,469
Depreciation and impairment	
At 1 January 2018	62,436
Depreciation charged in the year	14,635
Eliminated in respect of disposals	(237)
At 31 December 2018	76,834
Carrying amount	
At 31 December 2018	18,635
At 31 December 2017	22,469

ALVA REPUTATION ANALYSIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

5 Fixed asset investments

	2018	2017
	£	£
Investments	67	67

The amount in fixed asset investments relates to Alva Reputation Intelligence Inc., a wholly owned subsidiary incorporated in the United States of America.

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2018 & 31 December 2018	67
Carrying amount	
At 31 December 2018	67
At 31 December 2017	67

6 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Alva Reputation Intelligence Inc	United States of America	Reputation intelligence	Ordinary shares	100.00	

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Alva Reputation Intelligence Inc	(154,610)	100

ALVA REPUTATION ANALYSIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

7 Debtors		
	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	705,366	451,354
Amounts owed by group undertakings	52,298	-
Other debtors	125,565	229,008
	<u>883,229</u>	<u>680,362</u>
8 Creditors: amounts falling due within one year		
	2018	2017
	£	£
Bank loans and overdrafts	184,600	-
Trade creditors	124,317	238,537
Amounts owed to group undertakings	-	789
Taxation and social security	131,194	63,777
Other creditors	770,511	518,211
	<u>1,210,622</u>	<u>821,314</u>
9 Creditors: amounts falling due after more than one year		
	2018	2017
	£	£
Bank loans and overdrafts	1,315,400	-
	<u>1,315,400</u>	<u>-</u>
<p>Clydesdale Bank Plc. holds a fixed and floating charge over the assets of the company in respect of the bank loan totalling £1,500,000 taken out by the company during the year.</p>		
10 Called up share capital		
	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
34,600 Ordinary 'A class' Shares of 1p each	346	346
131,905 Ordinary 'B class' Shares of 1p each	1,319	1,273
43,232 Series A Shares of 1p each	432	416
	<u>2,097</u>	<u>2,035</u>

ALVA REPUTATION ANALYSIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

11 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018	2017
	£	£
	153,557	288,962
	<u>153,557</u>	<u>288,962</u>

12 Share based payments

At the year end there were 16,790 share options in issue which had been granted to employees. The options are over the ordinary 'B' shares of £0.01 each. 4,646 share options were exercised during the year. The exercise price is £0.01 and they expire after 10 years. The options vest at the earlier of a qualifying event or between two and four years from the date of grant.

The share option charge is not material and has therefore not been included in the financial statements.

13 Ultimate controlling party

At the year end, the directors are of the opinion that there is no ultimate controlling party.