

Registration number: 10297688

**KETS Quantum Security Ltd**  
Annual Report and Unaudited Financial Statements  
for the Year Ended 31 March 2023

Pages for filing with Registrar

# KETS Quantum Security Ltd

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# KETS Quantum Security Ltd

## Company Information

<b>Directors</b>	Dr C Erven Dr C Marinelli J Hao O Tonneau L A Matthews
<b>Registered office</b>	Station Road Workshops, Station Road, Kingswood Bristol BS15 4PJ
<b>Registered number</b>	10297688
<b>Accountants</b>	Corrigan Accountants Limited 1st Floor 25 King Street Bristol BS1 4PB

## KETS Quantum Security Ltd

(Registration number: 10297688)  
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	373,835	270,632
Investments	<u>5</u>	8,832	8,832
		382,667	279,464
<b>Current assets</b>			
Debtors	<u>6</u>	277,711	204,268
Cash at bank and in hand		1,161,910	2,249,551
		1,439,621	2,453,819
<b>Creditors:</b> Amounts falling due within one year	<u>7</u>	(145,388)	(127,477)
<b>Net current assets</b>		1,294,233	2,326,342
<b>Net assets</b>		1,676,900	2,605,806
<b>Capital and reserves</b>			
Called up share capital		296	296
Share premium reserve		4,648,261	4,648,261
Other reserves		421,179	-
Profit and loss account		(3,392,836)	(2,042,751)
<b>Total equity</b>		1,676,900	2,605,806

**KETS Quantum Security Ltd**

**(Registration number: 10297688)**  
**Balance Sheet as at 31 March 2023**

For the financial year ending 31 March 2023 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.

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 for issue by the Board on 27 September 2023 and signed on its behalf by:

.....

L A Matthews  
Director

# KETS Quantum Security Ltd

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

### 1 Statutory information

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

The address of its registered office is:

Station Road Workshops,  
Station Road,  
Kingswood  
Bristol  
BS15 4PJ

### 2 Accounting policies

#### Summary of significant accounting policies

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.

#### Statement of compliance

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

#### Basis of preparation

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

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

#### Going concern

The financial statements have been prepared on a going concern basis on the assumption that the company has and will continue to receive sufficient available investment to continue to support its activities.

#### Group accounts not prepared

These financial statements present information about the company but not about its group as a whole. The company has taken advantage of the exemption provided by section 398 of the Companies Act 2006 to not produce consolidated group financial statements on the basis that the group is small..

#### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

#### Government grants

Government grants are recognised, using the accrual model, at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received.

## KETS Quantum Security Ltd

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

#### 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.

#### Tax

The tax expense for the period comprises 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 in the countries where the company operates and generates taxable income.

#### Tangible fixed assets

Tangible fixed assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Furniture and fittings	20% straight line
Computer equipment	20% straight line
Plant and machinery	20% straight line
Leasehold improvements	over the life of the lease

#### Research and development costs

Research and development costs are written off to profit or loss in the year incurred.

#### Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits.

## **KETS Quantum Security Ltd**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023**

#### **Trade debtors**

Trade debtors are recognised at the transaction price and subsequently measured less provision for impairment. 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 receivables.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### **Trade creditors**

Trade creditors are recognised at the transaction price.

#### **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.

#### **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.

#### **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.

#### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

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

## KETS Quantum Security Ltd

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

#### Share based payments

The company has issued options over its unissued shares to employees. FRS 102 requires that the cost of equity-settled transactions is measured by reference to the fair value of the equity instruments granted at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant option holders become fully entitled to the award. Fair value is determined using an appropriate pricing model.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and taking into account management's best estimate of the achievement or otherwise of non-market conditions and of the number of equity instruments that will ultimately vest. The movement in cumulative expense since the previous balance sheet date is recognised in the profit and loss account, with a corresponding entry in equity.

No expense has been recognised in the year under review, on the grounds that the expense is immaterial.

#### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 21 (2022 - 16).

#### 4 Tangible fixed assets

	Leasehold improvements £	Computer equipment £	Furniture and fittings £	Plant and machinery £	Total £
<b>Cost</b>					
At 1 April 2022	12,569	37,747	974	265,037	316,327
Additions	-	23,630	2,449	157,194	183,273
Disposals	-	(1,380)	-	-	(1,380)
At 31 March 2023	12,569	59,997	3,423	422,231	498,220
<b>Depreciation</b>					
At 1 April 2022	-	15,803	297	29,595	45,695
Charge for the year	-	9,852	496	68,582	78,930
Eliminated on disposal	-	(240)	-	-	(240)
At 31 March 2023	-	25,415	793	98,177	124,385
<b>Carrying amount</b>					
At 31 March 2023	12,569	34,582	2,630	324,054	373,835
At 31 March 2022	12,569	21,944	677	235,442	270,632

## KETS Quantum Security Ltd

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

#### 5 Investments

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Investments in subsidiaries	8,832	8,832

#### Details of undertakings

Details of the investments are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2023	2022
<b>Subsidiary undertakings</b>				
KETS Quantum Security SAS	7 Rue de la Croix Martre, 91120, Palaiseau  France		100%	100%

#### 6 Debtors: amounts falling due within one year

	<b>Note</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
Amounts owed by group undertakings		5,197	-
Prepayments and accrued income		220,619	81,255
Corporation tax		25,832	64,393
Other debtors		26,063	58,620
		277,711	204,268

## KETS Quantum Security Ltd

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

#### 7 Creditors

	2023	2022
	£	£
<b>Amounts falling due within one year</b>		
Trade creditors	21,062	74,141
Taxation and social security	-	24,075
Other creditors	21,578	8,921
Accruals	102,748	20,340
	145,388	127,477

#### 8 Share capital

##### Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
Ordinary shares of £0.01 each	19,605	196.05	19,605	196.05
Pre-series A shares of £0.01 each	10,013	100.13	10,013	100.13
	29,618	296	29,618	296

#### 9 Obligations under leases and hire purchase contracts

##### Operating leases

The total of future minimum lease payments is as follows:

	2023	2022
	£	£
Total lease commitment	7,464	-

## KETS Quantum Security Ltd

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

#### 10 Share-based payments

##### EMI options

##### Scheme details and movements

Certain employees have been granted options over the unissued share capital of the company. The options vest upon an exit event.

The movements in the number of share options during the year were as follows:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Outstanding, start of period	1,173	1,173
Granted during the period	2,181	-
Forfeited during the period	(1,305)	-
Outstanding, end of period	2,049	1,173
Exercisable, end of period	-	-

The movements in the weighted average exercise price of share options during the year were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Outstanding, start of period	119.56	119.56
Granted during the period	0.01	-
Forfeited during the period	107.47	-
Outstanding, end of period	0.01	119.56
Exercisable, end of period	-	-

## KETS Quantum Security Ltd

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

#### Unapproved options

##### Scheme details and movements

Certain employees have been granted options over the unissued share capital of the company. The options vest upon an exit event.

The movements in the number of share options during the year were as follows:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Outstanding, start of period	-	244
Granted during the period	1,017	-
Forfeited during the period	(471)	(244)
Outstanding, end of period	546	-
Exercisable, end of period	-	-

The movements in the weighted average exercise price of share options during the year were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Outstanding, start of period	-	119.56
Granted during the period	55.38	-
Forfeited during the period	119.56	119.56
Outstanding, end of period	0.01	-
Exercisable, end of period	-	-

No share based payments expense has been included as it is not material.

#### 11 Share application reserve

During the year, the company entered into an Advance Subscription Agreement which entitled the company to £421,179 of funds in advance of the shares being issued. The £421,179 of cash received in the year has been recognised in the balance sheet with the corresponding credit in the share application reserve.

## **KETS Quantum Security Ltd**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023**

#### **12 Financial commitments, guarantees and contingencies**

##### **Amounts not provided for in the balance sheet**

The total amount of contingencies not included in the balance sheet is £16,629 (2022 - £Nil). The contingent liability relates to rent expenses over the past 3 years in excess of the previous agreement which expired. The amount is not agreed and is being wholly disputed by the Directors given that there is no formal agreement.

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.