

**Strategic Report,  
Report of the Directors and  
Financial Statements  
for the Year Ended 31 December 2018  
for  
MATHENGINE PLC**

# MATHENGINE PLC

## Contents of the Financial Statements for the year ended 31 December 2018

---

	<b>Page</b>
<b>Company Information</b>	1
<b>Strategic Report</b>	2
<b>Report of the Directors</b>	3
<b>Report of the Independent Auditors</b>	5
<b>Income Statement</b>	7
<b>Other Comprehensive Income</b>	8
<b>Balance Sheet</b>	9
<b>Statement of Changes in Equity</b>	10
<b>Cash Flow Statement</b>	11
<b>Notes to the Cash Flow Statement</b>	12
<b>Notes to the Financial Statements</b>	13
<b>Detailed Profit and Loss Account</b>	19

**MATHENGINE PLC**

**Company Information  
for the year ended 31 December 2018**

---

**Directors:**

D J N Nabarro  
W G Wells

**Registered office:**

No. 1 The Yard  
Burraton Square  
Poundbury  
Dorset  
DT1 3GR

**Registered number:**

03334206 (England and Wales)

**Auditors:**

Haines Watts  
Chartered Accountants and Statutory Auditor  
Sterling House  
19/23 High Street  
Kidlington  
Oxfordshire  
OX5 2DH

**MATHENGINE PLC**

**Strategic Report  
for the year ended 31 December 2018**

---

The directors present their strategic report for the year ended 31 December 2018.

**Review of business and key financial indicators**

Value of the Company's portfolio

During the year to 31st December 2018, the value of the Company's assets increased to £775,027, an eighteen-point-one per cent (18.1%) improvement on the previous year's net asset value figure of £656,206, as stated under FRS (Financial Reporting Standard) 102.

At the year end, the company held cash amounting to 6.1% of net assets and on a per share basis, Mathengine's Ordinary shares had an approximate net asset value of 3.1 pence per share.

Company website

Shareholders can continue to track the progress of our company at your Company's website at [www.mathengineplc.com](http://www.mathengineplc.com).

Portfolio policy, development and performance

As stated in last year's Report and Accounts, the Company's prime investment is in Vena Solutions Inc., the Canadian corporate performance management software company. Very close to the end of the year, the Company received a cash offer of C\$ 5.28 per share for the shares that Mathengine owned in Vena Solutions Inc. The Company accepted the offer and sold 210,000 shares or circa 84% of its shareholding of 250,000 common shares in January 2019 for C\$1,108,800. Mathengine has retained 40,000 Vena Common shares for further capital growth. Full details about Vena can be found on our MathEngine web-site as above.

Interested MathEngine shareholders can also look at Vena's web-site at [www.venasolutions.com](http://www.venasolutions.com).

**Principal risks and uncertainties**

The Company's internal controls are designed to meet its particular needs and the financial risks to which it is exposed.

In this context, the controls can only provide reasonable, not absolute, assurance against material errors, losses or fraud by third parties.

The directors take an active role in assessing the potential financial risks in all areas of the business by reviewing the investments regularly and also through day to day management control.

The Company's principle financial assets are investments and cash which are monitored daily.

**On behalf of the board:**

.....  
D J N Nabarro - Director

Date: .....

## MATHENGINE PLC

### Report of the Directors for the year ended 31 December 2018

---

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

#### **Principal activity**

The principal activity of the Company in the year under review was that of an investment company aiming to achieve capital appreciation over a long-term perspective.

#### **Dividends**

No dividends will be distributed for the year ended 31 December 2018.

#### **Future developments**

The Company has no debt and now significant cash in hand and the board will continue to seek other interesting and potentially profitable investment opportunities for the Company.

#### **Directors**

The directors shown below have held office during the whole of the period from 1 January 2018 to the date of this report.

D J N Nabarro

W G Wells

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

#### **Statement as to disclosure of information to auditors**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**MATHENGINE PLC**

**Report of the Directors  
for the year ended 31 December 2018**

---

**Auditors**

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**On behalf of the board:**

.....  
D J N Nabarro - Director

Date: .....

## **Report of the Independent Auditors to the Members of MathEngine plc**

---

### **Opinion**

We have audited the financial statements of MathEngine plc (the 'company') for the year ended 31 December 2018 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of  
MathEngine plc**

---

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 a Report of the Auditors 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.

Rodney Style ACA (Senior Statutory Auditor)  
for and on behalf of Haines Watts  
Chartered Accountants and Statutory Auditor  
Sterling House  
19/23 High Street  
Kidlington  
Oxfordshire  
OX5 2DH

Date: .....



**MATHEngine PLC**  
**Income Statement**  
**for the year ended 31 December 2018**

	Notes	31/12/18 £	31/12/17 £
<b>Turnover</b>		-	-
Administrative expenses		<u>(16,225)</u>	<u>(31,456)</u>
<b>Operating loss</b>	4	<u>(16,225)</u>	<u>(31,456)</u>
Interest receivable and similar income		<u>1,132</u>	<u>7,527</u>
Gain/loss on revaluation of assets		<u>(15,093)</u>	<u>(23,929)</u>
		<u>165,614</u>	<u>142,631</u>
		<u>150,521</u>	<u>118,702</u>
Interest payable and similar expenses	5	<u>-</u>	<u>(1,000)</u>
<b>Profit before taxation</b>		<u>150,521</u>	<u>117,702</u>
Tax on profit	6	<u>(31,700)</u>	<u>(10,600)</u>
<b>Profit for the financial year</b>		<u><u>118,821</u></u>	<u><u>107,102</u></u>

The notes form part of these financial statements

MATHENGINE PLC

Other Comprehensive Income  
for the year ended 31 December 2018

---

	Notes	31/12/18 £	31/12/17 £
<b>Profit for the year</b>		<b>118,821</b>	107,102
<b>Other comprehensive income</b>			
Profit and Loss		<b>167,092</b>	153,879
Revaluation reserve		<b>(167,092)</b>	(153,879)
Income tax relating to components of other comprehensive income		-	-
		<hr/>	<hr/>
<b>Other comprehensive income For the year, net of income tax</b>		-	-
		<hr/>	<hr/>
<b>Total comprehensive income for the year</b>		<b>118,821</b>	107,102
		<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

MATHENGINE PLC (REGISTERED NUMBER: 03334206)

Balance Sheet  
31 December 2018

	Notes	£	31/12/18 £	£	31/12/17 £
<b>Fixed assets</b>					
Investments	7		782,803		632,189
<b>Current assets</b>					
Debtors	8	20,277		18,889	
Cash at bank		47,570		49,051	
		<u>67,847</u>		<u>67,940</u>	
<b>Creditors</b>					
Amounts falling due within one year	9	6,823		6,823	
<b>Net current assets</b>			<u>61,024</u>		<u>61,117</u>
<b>Total assets less current liabilities</b>			<u>843,827</u>		<u>693,306</u>
<b>Provisions for liabilities</b>	10		<u>68,800</u>		<u>37,100</u>
<b>Net assets</b>			<u>775,027</u>		<u>656,206</u>
<b>Capital and reserves</b>					
Called up share capital	11		2,422,003		2,422,003
Share premium	12		12,249,614		12,249,614
Retained earnings	12		(13,896,590)		(14,015,411)
<b>Shareholders' funds</b>			<u>775,027</u>		<u>656,206</u>

The financial statements were approved by the Board of Directors on ..... and were signed on its behalf by:

.....  
D J N Nabarro - Director

MATHENGINE PLC

Statement of Changes in Equity  
for the year ended 31 December 2018

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
<b>Balance at 1 January 2017</b>	2,422,003	(14,122,513)	12,249,614	549,104
<b>Changes in equity</b>				
Total comprehensive income	-	107,102	-	107,102
<b>Balance at 31 December 2017</b>	<u>2,422,003</u>	<u>(14,015,411)</u>	<u>12,249,614</u>	<u>656,206</u>
<b>Changes in equity</b>				
Total comprehensive income	-	118,821	-	118,821
<b>Balance at 31 December 2018</b>	<u><u>2,422,003</u></u>	<u><u>(13,896,590)</u></u>	<u><u>12,249,614</u></u>	<u><u>775,027</u></u>

The notes form part of these financial statements

**MATHEngine PLC**

**Cash Flow Statement  
for the year ended 31 December 2018**

	Notes	31/12/18 £	31/12/17 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(12,613)	(65,273)
Interest paid		-	(1,000)
Tax paid		-	(1,067)
		<hr/>	<hr/>
Net cash from operating activities		(12,613)	(67,340)
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Purchase of fixed asset investments		-	(18,068)
Sale of fixed asset investments		15,000	150,000
Interest received		1,132	7,527
		<hr/>	<hr/>
Net cash from investing activities		16,132	139,459
		<hr/>	<hr/>
<b>Cash flows from financing activities</b>			
Amount introduced by directors		-	1,000
Amount withdrawn by directors		(5,000)	(26,000)
		<hr/>	<hr/>
Net cash from financing activities		(5,000)	(25,000)
		<hr/>	<hr/>
<b>(Decrease)/increase in cash and cash equivalents</b>		<b>(1,481)</b>	<b>47,119</b>
<b>Cash and cash equivalents at beginning of year</b>	2	<b>49,051</b>	<b>1,932</b>
		<hr/>	<hr/>
<b>Cash and cash equivalents at end of year</b>	2	<b>47,570</b>	<b>49,051</b>
		<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

**MATHENGINE PLC**

**Notes to the Cash Flow Statement  
for the year ended 31 December 2018**

**1. Reconciliation of profit before taxation to cash generated from operations**

	<b>31/12/18</b>	<b>31/12/17</b>
	£	£
Profit before taxation	<b>150,521</b>	117,702
Gain on revaluation of fixed assets	<b>(165,614)</b>	(142,631)
Finance costs	-	1,000
Finance income	<b>(1,132)</b>	(7,527)
	<u><b>(16,225)</b></u>	<u>(31,456)</u>
Decrease/(increase) in trade and other debtors	<b>3,612</b>	(7,817)
Decrease in trade and other creditors	-	(26,000)
	<u><b>(12,613)</b></u>	<u>(65,273)</u>
<b>Cash generated from operations</b>	<b><u>(12,613)</u></b>	<b><u>(65,273)</u></b>

**2. Cash and cash equivalents**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 December 2018**

	<b>31/12/18</b>	<b>1/1/18</b>
	£	£
Cash and cash equivalents	<b><u>47,570</u></b>	<b><u>49,051</u></b>

**Year ended 31 December 2017**

	31/12/17	1/1/17
	£	£
Cash and cash equivalents	<b><u>49,051</u></b>	<b><u>1,932</u></b>

# MATHENGINE PLC

## Notes to the Financial Statements for the year ended 31 December 2018

---

### 1. Statutory information

Mathengine Plc is a public company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

### 2. Accounting policies

#### Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

#### Significant judgements and estimates

The preparation of the financial statements in conformity with FRS 102 requires management to use accounting estimates and exercise judgement in the process of applying the company's accounting policies. There were no areas which required significant judgement or measurement uncertainty.

#### Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

#### Going concern

The directors have made an assessment of the company's ability to continue as a going concern and have identified no material uncertainties that may cast a significant doubt on the ability of the company to continue as a going concern for the foreseeable future.

### 3. Employees and directors

	31/12/18	31/12/17
	£	£
Wages and salaries	<u>5,000</u>	<u>-</u>

**MATHEngine PLC**

**Notes to the Financial Statements - continued  
for the year ended 31 December 2018**

**3. Employees and directors - continued**

The average number of employees during the year was as follows:

	<b>31/12/18</b>	<b>31/12/17</b>
Directors	<u>2</u>	<u>2</u>

Gillian Hedger is Mathengine's Company Secretary and both collates information for you for the annual audit and also from time-to-time liaises with Tom McCullough at Link Asset Services, who are our registrars but Cato Strategic remunerates her entirely.

	<b>31/12/18</b>	<b>31/12/17</b>
	<b>£</b>	<b>£</b>
Directors' remuneration	<u>5,000</u>	<u>-</u>

**4. Operating profit**

The operating profit is stated after charging:

	<b>31/12/18</b>	<b>31/12/17</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration	<b>3,500</b>	4,500
Foreign exchange differences	<u>20</u>	<u>7</u>

**5. Interest payable and similar expenses**

	<b>31/12/18</b>	<b>31/12/17</b>
	<b>£</b>	<b>£</b>
Other interest payable	<u>-</u>	<u>1,000</u>

**6. Taxation**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	<b>31/12/18</b>	<b>31/12/17</b>
	<b>£</b>	<b>£</b>
Deferred tax	<u>31,700</u>	<u>10,600</u>
Tax on profit	<u>31,700</u>	<u>10,600</u>



MATHEngine PLC

Notes to the Financial Statements - continued  
for the year ended 31 December 2018

6. Taxation - continued

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31/12/18	31/12/17
	£	£
Profit before tax	<u>150,521</u>	<u>117,702</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.250%)	28,599	22,658
Effects of:		
Expenses not deductible for tax purposes	-	94
Revaluation of investments	(31,467)	(27,456)
Current year losses carried forward	2,868	4,704
Deferred tax charge tax	<u>31,700</u>	<u>10,600</u>
Total tax charge	<u>31,700</u>	<u>10,600</u>

**Tax effects relating to effects of other comprehensive income**

	Gross	Tax	31/12/18
	£	£	Net
			£
Profit and Loss	167,092	-	167,092
Revaluation reserve	(167,092)	-	(167,092)
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>

MATHENGINE PLC

Notes to the Financial Statements - continued  
for the year ended 31 December 2018

7. Fixed asset investments

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 January 2018	685,032
Disposals	(15,000)
Revaluations	167,092
	<u>          </u>
At 31 December 2018	837,124
	<u>          </u>
<b>Provisions</b>	
At 1 January 2018	52,843
Provision for year	1,478
	<u>          </u>
At 31 December 2018	54,321
	<u>          </u>
<b>Net book value</b>	
At 31 December 2018	782,803
	<u>          </u>
At 31 December 2017	632,189
	<u>          </u>

Cost or valuation at 31 December 2018 is represented by:

	Unlisted investments £
Valuation in 2014	2,999
Valuation in 2015	(93,246)
Valuation in 2016	232,561
Valuation in 2017	153,979
Valuation in 2018	162,092
Cost	378,739
	<u>          </u>
	837,124
	<u>          </u>

The original cost of the fixed asset investments amounts to £378,739 (2017 - £388,739).

8. Debtors

	31/12/18 £	31/12/17 £
Amounts falling due within one year:		
Other debtors	3,333	3,333
Directors' current accounts	5,000	-
	<u>          </u>	<u>          </u>
	8,333	3,333
	<u>          </u>	<u>          </u>

MATHENGINE PLC

Notes to the Financial Statements - continued  
for the year ended 31 December 2018

8.	<b>Debtors - continued</b>		<b>31/12/18</b>	<b>31/12/17</b>
			£	£
	Amounts falling due after more than one year:			
	Other debtors		<u>11,944</u>	<u>15,556</u>
	Aggregate amounts		<u>20,277</u>	<u>18,889</u>
9.	<b>Creditors: amounts falling due within one year</b>		<b>31/12/18</b>	<b>31/12/17</b>
			£	£
	Directors' current accounts		823	823
	Accrued expenses		<u>6,000</u>	<u>6,000</u>
			<u>6,823</u>	<u>6,823</u>
10.	<b>Provisions for liabilities</b>		<b>31/12/18</b>	<b>31/12/17</b>
			£	£
	Deferred tax		<u>68,800</u>	<u>37,100</u>
				<b>Deferred tax</b>
				£
	Balance at 1 January 2018			<u>37,100</u>
	Charge to Income Statement during year			<u>31,700</u>
	Balance at 31 December 2018			<u>68,800</u>
11.	<b>Called up share capital</b>			
	<b>Allotted, issued and fully paid:</b>			
	<b>Number:</b>	<b>Class:</b>	<b>Nominal value:</b>	
				<b>31/12/18</b>
				<b>31/12/17</b>
				£
				£
	25,975,467	Ordinary	1p	<u>259,755</u>
	216,224,820	Deferred	1p	<u>2,162,248</u>
				<u>2,422,003</u>
				<u>2,422,003</u>

**MATHENGINE PLC**

**Notes to the Financial Statements - continued  
for the year ended 31 December 2018**

**12. Reserves**

	<b>Retained earnings £</b>	<b>Share premium £</b>	<b>Totals £</b>
At 1 January 2018	(14,015,411)	12,249,614	(1,765,797)
Profit for the year	118,821		118,821
	(13,896,590)	12,249,614	(1,646,976)
	(13,896,590)	12,249,614	(1,646,976)

**13. Directors' advances, credits and guarantees**

The following advances and credits to a director subsisted during the years ended 31 December 2018 and 31 December 2017:

	<b>31/12/18 £</b>	<b>31/12/17 £</b>
<b>W G Wells</b>		
Balance outstanding at start of year	-	-
Amounts advanced	5,000	-
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	5,000	-

**14. Related party disclosures**

During the year the company paid fees of £Nil (2017 - £12,180) to Cato Strategic Limited. An unsecured loan of £5,500 was advanced to Cato Strategic Ltd during the year which was repaid in full plus £500 of interest on 13 November 2018 which represented an annualised interest rate of 29.18%. Cato Strategic Limited is a company that is 60% owned by D J N Nabarro, who is a Director of Mathengine Plc.

**15. Ultimate controlling party**

There is no controlling party.

MATHEngine PLC

Detailed Profit and Loss Account  
for the year ended 31 December 2018

	£	31/12/18 £	£	31/12/17 £
<b>Income</b>		-		-
<b>Other income</b>				
Deposit account interest	86		26	
Other loan interest receivable	1,046		7,501	
		<u>1,132</u>		<u>7,527</u>
		1,132		7,527
<b>Expenditure</b>				
Directors' salaries	5,000		-	
Office expenses	1,113		12,180	
Travelling	374		5,881	
Website and domain costs	389		-	
Sundry expenses	1		-	
Accountancy	3,113		5,609	
Legal and professional fees	2,495		2,613	
Auditors' remuneration	3,500		4,500	
Foreign exchange losses	20		7	
Entertainment	-		490	
		<u>16,005</u>		<u>31,280</u>
		(14,873)		(23,753)
<b>Finance costs</b>				
Bank charges	209		176	
Credit card	11		-	
Other interest payable	-		1,000	
		<u>220</u>		<u>1,176</u>
		(15,093)		(24,929)
<b>Gain/loss on revaluation of assets</b>				
Gain/loss on revaluation of assets		<u>165,614</u>		<u>142,631</u>
<b>Net profit</b>		<u><u>150,521</u></u>		<u><u>117,702</u></u>