

Registration number: 03064807

Crowd for Angels (UK) Limited

Annual Report and Financial Statements

for the Year Ended 30 June 2020

KNAV
Statutory Auditors
Hygeia Building
Ground Floor
66-68 College Road
Harrow
Middlesex
HA1 1BE



Crowd for Angels (UK) Limited

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Crowd for Angels (UK) Limited

Company Information

Directors Mr A P De Nazareth
Mr D K Varma

Company secretary Mr D K Varma

Registered office Painters Hall Chambers
8 Little Trinity Lane
London
EC4V 2AN

Auditors KNAV
Statutory Auditors
Hygeia Building
Ground Floor
66-68 College Road
Harrow
Middlesex
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Crowd for Angels (UK) Limited

Directors' Report for the Year Ended 30 June 2020

The directors present their report and the financial statements for the year ended 30 June 2020.

Directors of the company

The directors who held office during the year were as follows:

Mr A P De Nazareth

Mr D K Varma - Company secretary and director

Principal activity

The principal activity of the company is that of operating a FCA Regulated crowd funding platform for debt and equity funding for public and private companies

Going concern

At the time of approving these financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Also, the directors do not expect there to be any major impacts due to the COVID-19 virus on the financials and accordingly these financial statements have been prepared on a going concern basis.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

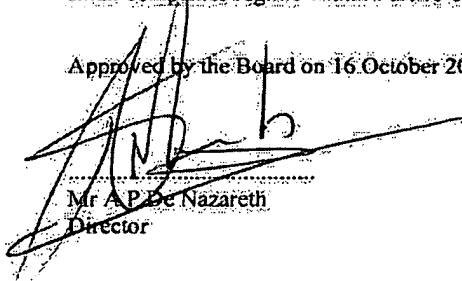
Reappointment of auditors

The auditors KNAV are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small companies provision statement

This report has 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.

Approved by the Board on 16 October 2020 and signed on its behalf by:



Mr A P De Nazareth
Director

Crowd for Angels (UK) Limited

Statement of Directors' Responsibilities

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 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.

Crowd for Angels (UK) Limited

Independent Auditor's Report to the Members of Crowd for Angels (UK) Limited

Opinion

We have audited the financial statements of Crowd for Angels (UK) Limited (the 'company') for the year ended 30 June 2020, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and 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 FRS 102 Section 1A '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 30 June 2020 and of its loss 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 Auditor's 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

Crowd for Angels (UK) Limited

Independent Auditor's Report to the Members of Crowd for Angels (UK) Limited

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set-out on page 3], 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 is 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.

Auditor's 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 an auditor's report 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.

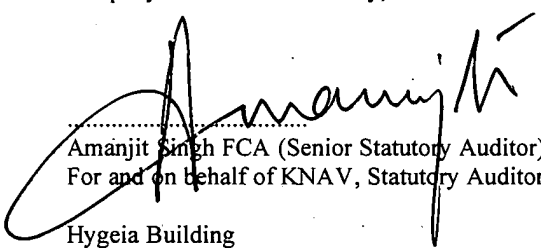
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Crowd for Angels (UK) Limited

Independent Auditor's Report to the Members of Crowd for Angels (UK) Limited

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 an auditor's 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.



.....
Amanjit Singh FCA (Senior Statutory Auditor)
For and on behalf of KNAV, Statutory Auditor

Hygeia Building
Ground Floor
66-68 College Road
Harrow
Middlesex
HA1 1BE

16 October 2020

Crowd for Angels (UK) Limited

Profit and Loss Account for the Year Ended 30 June 2020

	Note	2020 £	2019 £
Turnover		69,118	42,341
Cost of sales		<u>(1,338)</u>	<u>(4,800)</u>
Gross profit		67,780	37,541
Administrative expenses		(262,573)	(219,741)
Other operating income		<u>18,674</u>	<u>-</u>
Operating loss		(176,119)	(182,200)
Income from other fixed asset investments		-	(37,934)
Other interest receivable and similar income		4,295	2,744
Interest payable and similar expenses		<u>(4,049)</u>	<u>(3,729)</u>
Loss before tax	4	<u>(175,873)</u>	<u>(221,119)</u>
Loss for the financial year		<u>(175,873)</u>	<u>(221,119)</u>

The notes on pages 10 to 16 form an integral part of these financial statements.

Crowd for Angels (UK) Limited**(Registration number: 03064807)****Balance Sheet as at 30 June 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	6	645	3
Investments	7	680,486	680,486
		<u>681,131</u>	<u>680,489</u>
Current assets			
Debtors	9	80,712	37,164
Investments	10	167,442	167,442
Other financial assets	8	93,346	41,900
Cash at bank and in hand		204,425	58,216
		<u>545,925</u>	<u>304,722</u>
Creditors: Amounts falling due within one year	11	<u>(49,345)</u>	<u>(44,882)</u>
Net current assets		<u>496,580</u>	<u>259,840</u>
Total assets less current liabilities		<u>1,177,711</u>	<u>940,329</u>
Creditors: Amounts falling due after more than one year	11	<u>(84,198)</u>	<u>(84,198)</u>
Net assets		<u>1,093,513</u>	<u>856,131</u>
Capital and reserves			
Called up share capital	13	1,442,474	1,303,831
Share premium reserve		952,320	677,708
Profit and loss account		<u>(1,301,281)</u>	<u>(1,125,408)</u>
Shareholders' funds		<u>1,093,513</u>	<u>856,131</u>

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 16 October 2020 and signed on its behalf by:



Mr. A. P. De Nazareth
Director

The notes on pages 10 to 16 form an integral part of these financial statements.

Crowd for Angels (UK) Limited

Statement of Changes in Equity for the Year Ended 30 June 2020

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 July 2018	1,255,385	585,033	(904,289)	936,129
Loss for the year	-	-	(221,119)	(221,119)
Total comprehensive expense	-	-	(221,119)	(221,119)
New share capital subscribed	48,446	92,675	-	141,121
At 30 June 2019	<u>1,303,831</u>	<u>677,708</u>	<u>(1,125,408)</u>	<u>856,131</u>
	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 July 2019	1,303,831	677,708	(1,125,408)	856,131
Loss for the year	-	-	(175,873)	(175,873)
Total comprehensive expense	-	-	(175,873)	(175,873)
New share capital subscribed	138,643	274,612	-	413,255
At 30 June 2020	<u>1,442,474</u>	<u>952,320</u>	<u>(1,301,281)</u>	<u>1,093,513</u>

The notes on pages 10 to 16 form an integral part of these financial statements.

Crowd for Angels (UK) Limited

Notes to the Financial Statements for the Year Ended 30 June 2020

1 General information

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

The address of its registered office is:

Painters Hall Chambers

8 Little Trinity Lane

London

EC4V 2AN

United Kingdom

These financial statements were authorised for issue by the Board on 16 October 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements 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, except that as disclosed in the accounting policies certain items are shown at fair value.

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 sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Government grants

Government grants are accounted under the accruals model as permitted by FRS102. Grants of revenue nature are recognised in the financial statements in the same period as the related expenditure.

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 rate on the date when the fair value is re-measured.

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

Crowd for Angels (UK) Limited

Notes to the Financial Statements for the Year Ended 30 June 2020

Tangible assets

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

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

Depreciation

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

Asset class	Depreciation method and rate
Fixtures and fittings	25% - Reducing balance basis

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.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

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

Trade debtors

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

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, 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.

Trade creditors

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

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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.

Crowd for Angels (UK) Limited

Notes to the Financial Statements for the Year Ended 30 June 2020

Financial instruments

Classification

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans from related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other debtors and creditors, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method.

Debt instruments that are payable or receivable within one year, typically trade creditors or debtors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms of financed at a rate of interest that is not a market rate or in case of an out-right short term loan not at a market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

For financial assets measured as amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discounted rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured as cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

3 Staff numbers

The average monthly number of persons employed by the company (including directors) during the year, was 5 (2019: 4).

4 Loss before tax

Arrived at after charging/(crediting)

	2020	2019
	£	£
Depreciation expense	216	2

Crowd for Angels (UK) Limited

Notes to the Financial Statements for the Year Ended 30 June 2020

5 Government grant

During the year, the Company received financial support by way of a Government grant in respect of the Coronavirus Job Retention Scheme (CJRS) for employees that have been furloughed.

The Government grant received amounted to £18,261 (2019: £Nil) and this has been recognised in these financial statements. There were no unfulfilled conditions and/or other contingencies attaching to the grant income recognised.

6 Tangible assets

	Furniture, fittings and equipment £
Cost	
At 1 July 2019	345
Additions	858
At 30 June 2020	<u>1,203</u>
Depreciation	
At 1 July 2019	342
Charge for the year	216
At 30 June 2020	<u>558</u>
Carrying amount	
At 30 June 2020	<u><u>645</u></u>
At 30 June 2019	<u><u>3</u></u>

Crowd for Angels (UK) Limited

Notes to the Financial Statements for the Year Ended 30 June 2020

7 Investments

	2020 £	2019 £
Investments in subsidiaries	<u>680,486</u>	<u>680,486</u>
Subsidiaries		£
Cost or valuation		
At 1 July 2019		<u>680,486</u>
Carrying amount		
At 30 June 2020		<u>680,486</u>
At 30 June 2019		<u>680,486</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2020	2019
Subsidiary undertakings				
Crowd for Angels Limited	England and Wales	Ordinary Shares	83.34%	83.34%

8 Other financial assets (current and non-current)

	Financial assets at amortised cost £
Current financial assets	
Cost or valuation	
At 1 July 2019	41,900
Additions	<u>51,446</u>
At 30 June 2020	<u>93,346</u>
Carrying amount	
At 30 June 2020	<u>93,346</u>

Crowd for Angels (UK) Limited

Notes to the Financial Statements for the Year Ended 30 June 2020

9 Debtors

	2020 £	2019 £
Trade debtors	14,180	10,117
Other debtors	38,727	10,913
Accrued income	15,217	-
Prepayments	12,588	16,134
Total current trade and other debtors	<u>80,712</u>	<u>37,164</u>

10 Current asset investments

	2020 £	2019 £
Other investments	<u>167,442</u>	<u>167,442</u>

11 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Trade creditors		19,359	23,283
Amounts owed to group undertakings and undertakings in which the company has a participating interest	14	-	2,607
Taxation and social security		9,494	2,850
Other creditors		6,329	3,431
Accrued expenses		14,035	12,163
Directors current account		128	548
		<u>49,345</u>	<u>44,882</u>

Creditors: amounts falling due after more than one year

	2020 £	2019 £
Due after one year		
Other non-current financial liabilities	<u>84,198</u>	<u>84,198</u>

12 Defined contribution scheme

The company operates a defined pension scheme. The assets of the schemes are held separately from those of the Company in a independently administered fund. The pension cost charged represents contributions payable by the company to the fund and amounted to £1,722 (2019: £Nil). Contribution totalling £388 (2019: £Nil) were payable to the fund at the reporting date and are included in creditors.

Crowd for Angels (UK) Limited

Notes to the Financial Statements for the Year Ended 30 June 2020

13 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £0.10 each	<u>14,424,742</u>	<u>1,442,474.20</u>	<u>13,038,308</u>	<u>1,303,830.80</u>

During the year the company issued 1,386,434 ordinary shares of £0.10 each for a premium of £274,611 (2019: 484,457 ordinary shares of £0.10 each for a premium of £92,675).

At the year end the total number of shares in issue were 14,424,742 ordinary shares of £0.10 each, amounting to paid up share capital of £1,442,474 (2019: total number of shares in issue were 13,038,308 ordinary shares of £0.10 each, amounting to paid up share capital of £1,303,831).

At the year end the total share premium was £952,320 (2019: £677,708)

14 Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 102 Section 1A from disclosing related party transactions with other companies that are wholly owned within the group.

15 Control

The company is controlled by Mr A P De Nazareth (Director) who owns 54.21% (2019: 54.76%) of the called up share capital.