

**5TH TIER LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**5TH TIER LIMITED**

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**5TH TIER LIMITED**

**COMPANY INFORMATION**

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<b>Director</b>	R S T Evison
<b>Registered number</b>	03774129
<b>Registered office</b>	16 Great Queen Street Covent Garden London WC2B 5AH
<b>Accountants</b>	Blick Rothenberg Limited Chartered Accountants 16 Great Queen Street Covent Garden London WC2B 5AH

**5TH TIER LIMITED****BALANCE SHEET  
AS AT 31 DECEMBER 2020**

	<b>Note</b>	<b>2020 £</b>	<b>2019 £</b>
<b>Fixed assets</b>			
Intangible assets	4	116,929	129,921
Investments	6	-	1
		<u>116,929</u>	<u>129,922</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	-	36
Cash at bank and in hand		545	48
		<u>545</u>	<u>84</u>
Creditors: amounts falling due within one year	8	(161,292)	(157,439)
<b>Net current liabilities</b>		<u>(160,747)</u>	<u>(157,355)</u>
<b>Net liabilities</b>		<u>(43,818)</u>	<u>(27,433)</u>
<b>Capital and reserves</b>			
Called up share capital	9	4,221,653	4,221,653
Share premium account		10,667,117	10,667,117
Profit and loss account		(14,932,588)	(14,916,203)
<b>Total equity</b>		<u>(43,818)</u>	<u>(27,433)</u>

The director considers that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and in accordance with Section 1A of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

**5TH TIER LIMITED**

**BALANCE SHEET (CONTINUED)  
AS AT 31 DECEMBER 2020**

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The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....  
**R S T Evison**

Director

Date: 24 September 2021

The notes on pages 4 to 10 form part of these financial statements.

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# 5TH TIER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1. General information

5th Tier Limited is a private company limited by shares incorporated in England and Wales. Its registered office is 16 Great Queen Street, Covent Garden, London, WC2B 5AH.

The financial statements are presented in Sterling (£).

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### 2.2 Going concern

On 30 January 2020 the World Health Organisation declared Coronavirus (COVID-19) a public health emergency. Following the outbreak of COVID-19 the company took advantage of some of the economic measures put in place by the UK Government and the company adapted its operations and overhead base accordingly.

The financial statements have been prepared on a going concern basis notwithstanding the fact that the company has a deficiency of £43,817 on total equity at the end of the year. The directors consider this basis to be appropriate as the company has continued financial support from its parent company.

#### 2.3 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Patents	-	10 % reducing balance
Development expenditure	-	10 % reducing balance

#### 2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

# 5TH TIER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 2. Accounting policies (continued)

#### 2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	-
	3 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

#### 2.5 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

#### 2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

#### 2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 2.8 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

# 5TH TIER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 2. Accounting policies (continued)

#### 2.9 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

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

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.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

#### Financial assets

Basic financial assets, including other debtors, cash and bank balances, intercompany working capital balances, and intercompany financing are initially recognised at transaction price, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

#### Financial liabilities

Basic financial liabilities, including other 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 payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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



# 5TH TIER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 2. Accounting policies (continued)

#### Financial instruments (continued)

##### Impairment of financial assets

Financial assets 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 at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

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

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### Offsetting of financial assets and financial liabilities

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. Employees

The average monthly number of employees, including directors, during the year was 1 (2019 - 2).

# 5TH TIER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 4. Intangible assets

	Patents £	Development expenditure £	Total £
<b>Cost</b>			
At 1 January 2020	754,383	2,236,265	2,990,648
	<u>754,383</u>		
At 31 December 2020	<u>754,383</u>	<u>2,236,265</u>	<u>2,990,648</u>
<b>Amortisation</b>			
At 1 January 2020	624,462	2,236,265	2,860,727
	12,992		
Charge for the year on owned assets		-	12,992
	<u>637,454</u>		
At 31 December 2020	<u>637,454</u>	<u>2,236,265</u>	<u>2,873,719</u>
<b>Net book value</b>			
At 31 December 2020	<u>116,929</u>	-	<u>116,929</u>
	<u>129,921</u>		
<b>At 31 December 2019</b>		-	<u>129,921</u>

# 5TH TIER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 5. Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
At 1 January 2020	82,830
At 31 December 2020	82,830
<b>Depreciation</b>	
At 1 January 2020	82,830
At 31 December 2020	82,830
<b>Net book value</b>	
At 31 December 2020	-
At 31 December 2019	-

### 6. Fixed asset investments

	Investments in subsidiary companies £
At 1 January 2020	1
Disposal	(1)
At 31 December 2020	-

5 Tier Technologies Limited was a dormant company which never traded and was dissolved on 13 October 2020.

### 7. Debtors

	2020 £	2019 £
Other debtors	-	36

## 5TH TIER LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	159,292	155,439
Accruals and deferred income	2,000	2,000
	<u>161,292</u>	<u>157,439</u>

#### 9. Share capital

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
234,241 (2019 - 234,241) A Ordinary shares shares of £1.00 each	234,241	234,241
2,050,117 (2019 - 2,050,117) B Ordinary shares shares of £0.50 each	1,025,059	1,025,059
29,623,534 (2019 - 29,623,534) Ordinary shares shares of £0.10 each	2,962,353	2,962,353
	<u>4,221,653</u>	<u>4,221,653</u>

#### 10. Reserves

##### Share premium account

The share premium reserve includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

##### Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

#### 11. Related party transactions

The company has taken advantage of the exemption contained in FRS 102 section 33 "Related Party Disclosures" from disclosing transactions with entities which are a wholly owned part of the group.

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.