

Registered number: 05494036

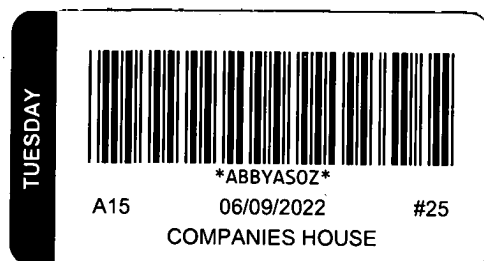
UNDO LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2021



UNDO LIMITED
REGISTERED NUMBER: 05494036

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	4	110,672	114,100
Tangible assets	5	33,979	100,440
		<u>144,651</u>	<u>214,540</u>
Current assets			
Debtors: amounts falling due after more than one year	7	-	34,314
Debtors: amounts falling due within one year	7	1,572,229	802,637
Cash at bank and in hand		1,493,748	4,199,955
		<u>3,065,977</u>	<u>5,036,906</u>
Creditors: amounts falling due within one year	8	(1,213,457)	(584,156)
Net current assets		<u>1,852,520</u>	<u>4,452,750</u>
Total assets less current liabilities		<u>1,997,171</u>	<u>4,667,290</u>
Creditors: amounts falling due after more than one year	9	(3,920,000)	(3,858,354)
Provisions for liabilities			
Deferred tax		(13,487)	(26,723)
		<u>(13,487)</u>	<u>(26,723)</u>
Net (liabilities)/assets		<u>(1,936,316)</u>	<u>782,213</u>
Capital and reserves			
Called up share capital	11	8,265	8,239
Share premium account		19,880,038	19,867,438
Foreign exchange reserve		(12,584)	(26,046)
Profit and loss account		(21,812,035)	(19,067,418)
		<u>(1,936,316)</u>	<u>782,213</u>

UNDO LIMITED
REGISTERED NUMBER: 05494036

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The directors consider 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.

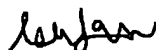
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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 consolidated statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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



Dr G E W Law
Director

Date: 31 August 2022

The notes on pages 9 to 22 form part of these financial statements.

UNDO LIMITED
REGISTERED NUMBER: 05494036

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	4	110,672	114,100
Tangible assets	5	33,979	100,440
Investments	6	8	8
		<u>144,659</u>	<u>214,548</u>
Current assets			
Debtors: amounts falling due after more than one year	7	-	34,314
Debtors: amounts falling due within one year	7	2,215,327	870,877
Cash at bank and in hand		1,139,852	3,915,449
		<u>3,355,179</u>	<u>4,820,640</u>
Creditors: amounts falling due within one year	8	(1,522,144)	(533,573)
Net current assets		<u>1,833,035</u>	<u>4,287,067</u>
Total assets less current liabilities		<u>1,977,694</u>	<u>4,501,615</u>
Creditors: amounts falling due after more than one year	9	(3,920,000)	(3,640,000)
Net assets excluding pension asset		<u>(1,942,306)</u>	<u>861,615</u>
Net (liabilities)/assets		<u>(1,942,306)</u>	<u>861,615</u>
Capital and reserves			
Called up share capital	11	8,265	8,239
Share premium account		19,880,038	19,867,438
Profit and loss account brought forward		(19,014,062)	(13,713,944)
Loss for the year		(3,082,586)	(5,440,239)
Other changes in the profit and loss account		266,039	140,121
Profit and loss account carried forward		<u>(21,830,609)</u>	<u>(19,014,062)</u>
		<u>(1,942,306)</u>	<u>861,615</u>

UNDO LIMITED
REGISTERED NUMBER: 05494036

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The directors consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of 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 directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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 consolidated statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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



Dr G E W Law
Director

Date: 31 August 2022

The notes on pages 9 to 22 form part of these financial statements.

UNDO LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Share premium account	Foreign exchange reserve	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£	£
At 1 January 2021	8,239	19,867,438	(26,046)	(19,067,418)	782,213	782,213
Loss for the year	-	-	-	(3,010,656)	(3,010,656)	(3,010,656)
Movement on share options	-	-	-	266,039	266,039	266,039
Movement on foreign exchange reserve	-	-	13,462	-	13,462	13,462
Total comprehensive income for the year	-	-	13,462	(2,744,617)	(2,731,155)	(2,731,155)
Shares issued during the year	26	12,600	-	-	12,626	12,626
Total transactions with owners	26	12,600	-	-	12,626	12,626
At 31 December 2021	8,265	19,880,038	(12,584)	(21,812,035)	(1,936,316)	(1,936,316)

UNDO LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Share premium account	Foreign exchange reserve	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£	£
At 1 January 2020	8,239	19,867,438	(6,341)	(13,837,577)	6,031,759	6,031,759
Loss for the year	-	-	-	(5,369,962)	(5,369,962)	(5,369,962)
Movement on share options	-	-	-	140,121	140,121	140,121
Movement on foreign exchange reserve	-	-	(19,705)	-	(19,705)	(19,705)
Total comprehensive income for the year	-	-	(19,705)	(5,229,841)	(5,249,546)	(5,249,546)
Total transactions with owners	-	-	-	-	-	-
At 31 December 2020	8,239	19,867,438	(26,046)	(19,067,418)	782,213	782,213

The notes on pages 9 to 22 form part of these financial statements.

UNDO LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	8,239	19,867,438	(19,014,062)	861,615
Comprehensive income for the year				
Loss for the year	-	-	(3,082,586)	(3,082,586)
Movement on share options	-	-	266,039	266,039
Other comprehensive income for the year	-	-	266,039	266,039
Total comprehensive income for the year	-	-	(2,816,547)	(2,816,547)
Contributions by and distributions to owners				
Shares issued during the year	26	12,600	-	12,626
Total transactions with owners	26	12,600	-	12,626
At 31 December 2021	8,265	19,880,038	(21,830,609)	(1,942,306)

The notes on pages 9 to 22 form part of these financial statements.

UNDO LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	8,239	19,867,438	(13,713,944)	6,161,733
Comprehensive income for the year				
Loss for the year	-	-	(5,440,239)	(5,440,239)
Movement on share options	-	-	140,121	140,121
Other comprehensive income for the year	-	-	140,121	140,121
Total comprehensive income for the year	-	-	(5,300,118)	(5,300,118)
Total transactions with owners	-	-	-	-
At 31 December 2020	8,239	19,867,438	(19,014,062)	861,615

The notes on pages 9 to 22 form part of these financial statements.

UNDO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. GENERAL INFORMATION

Undo Limited is a private company limited by shares and incorporated in England and Wales. Its registered office is 50 - 60 Station Road, Cambridge, England, CB1 2JH.

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 Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 BASIS OF CONSOLIDATION

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being

UNDO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (CONTINUED)

2.3 GOING CONCERN

The Company incurred a loss of £3,082,586 (2020: £5,440,239) in the year. The financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of the financial statements. The Company is involved in continuing research and development activities and is expected to continue make losses, although at significantly lower levels, and be in a net cash outflow position, in the near future as it progresses its activities.

The directors have considered the likely impact of the ongoing economic uncertainty on the operations of the business. On the basis of new business secured to-date in 2022, the current new business pipeline, the annual renewal basis for existing customer revenues, and the opportunities presented by the product for cost-savings in deep technology sectors that are relatively unaffected by the ongoing economic uncertainty, the directors are of the opinion that the Company is well placed to continue on its growth trajectory over the foreseeable future.

The directors have prepared cash flow forecasts to August 2023 for the Company, which incorporate the anticipated effects of the ongoing economic uncertainty and which demonstrate the need to secure limited additional funding during the period. Having considered the recent history of obtaining investor funding, and on the basis of preliminary discussions with advisors and existing investors, the directors are confident of being able to close a funding round and attract the required investment in future if necessary and are therefore satisfied that it is appropriate to adopt the going concern basis.

2.4 TURNOVER

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.5 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.

The estimated useful lives range as follows:

Patents and licences	-	7	years
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2.6 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.

UNDO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (CONTINUED)**2.6 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.

The estimated useful lives range as follows:

Short-term leasehold improvements	- Over the period of the lease
Fixtures and fittings	- 25 - 33% straight line
Computer equipment	- 33% 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.

2.7 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 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.

2.10 CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

UNDO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (CONTINUED)

2.11 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.12 SHARE BASED PAYMENTS

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

UNDO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (CONTINUED)

2.13 OPERATING LEASES

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.14 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.15 INTEREST INCOME

Interest income is recognised in profit or loss using the effective interest method.

2.16 BORROWING COSTS

All borrowing costs are recognised in the Statement of Comprehensive Income using the effective interest method.

2.17 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

UNDO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (CONTINUED)**2.18 CURRENT AND DEFERRED TAXATION**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.19 RESEARCH AND DEVELOPMENT

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 46 (2020 - 53).

UNDO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. INTANGIBLE ASSETS

Group

	Patents and licences £
COST	
At 1 January 2021	189,803
Additions	24,173
At 31 December 2021	<u>213,976</u>
AMORTISATION	
At 1 January 2021	75,703
Charge for the year on owned assets	27,601
At 31 December 2021	<u>103,304</u>
NET BOOK VALUE	
At 31 December 2021	<u><u>110,672</u></u>
At 31 December 2020	<u><u>114,100</u></u>

UNDO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. INTANGIBLE ASSETS (CONTINUED)

Company

	Patents £
COST	
At 1 January 2021	189,803
Additions	24,173
At 31 December 2021	<u>213,976</u>
AMORTISATION	
At 1 January 2021	75,703
Charge for the year	27,601
At 31 December 2021	<u>103,304</u>
NET BOOK VALUE	
At 31 December 2021	<u><u>110,672</u></u>
At 31 December 2020	<u><u>114,100</u></u>

UNDO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

5. TANGIBLE FIXED ASSETS

Group

	Short-term leasehold improve- ments £	Fixtures and fittings £	Computer equipment £	Total £
COST OR VALUATION				
At 1 January 2021	55,624	152,648	191,436	399,708
Additions	-	-	9,972	9,972
Disposals	-	-	(1,146)	(1,146)
Transfers between classes	(4,274)	(2,209)	6,483	-
At 31 December 2021	51,350	150,439	206,745	408,534
DEPRECIATION				
At 1 January 2021	39,813	117,002	142,453	299,268
Charge for the year on owned assets	9,436	27,746	38,552	75,734
Disposals	-	-	(447)	(447)
Transfers between classes	-	20	(20)	-
At 31 December 2021	49,249	144,768	180,538	374,555
NET BOOK VALUE				
At 31 December 2021	2,101	5,671	26,207	33,979
At 31 December 2020	15,811	35,646	48,983	100,440

UNDO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

5. TANGIBLE FIXED ASSETS (CONTINUED)

Company

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
COST OR VALUATION				
At 1 January 2021	55,624	152,648	191,436	399,708
Additions	-	-	9,972	9,972
Disposals	-	-	(1,146)	(1,146)
Transfers between classes	(4,274)	(2,209)	6,483	-
At 31 December 2021	51,350	150,439	206,745	408,534
DEPRECIATION				
At 1 January 2021	39,813	117,002	142,453	299,268
Charge for the year on owned assets	9,436	27,746	38,552	75,734
Disposals	-	-	(447)	(447)
Transfers between classes	-	20	(20)	-
At 31 December 2021	49,249	144,768	180,538	374,555
NET BOOK VALUE				
At 31 December 2021	2,101	5,671	26,207	33,979
At 31 December 2020	15,811	35,646	48,983	100,440

The net book value of land and buildings may be further analysed as follows:

	2021 £	2020 £
Short leasehold	2,101	15,811
	2,101	15,811

UNDO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. FIXED ASSET INVESTMENTS

Company

	Investments in subsidiary companies £
COST OR VALUATION	
At 1 January 2021	8
At 31 December 2021	<u>8</u>

SUBSIDIARY UNDERTAKING

The following was a subsidiary undertaking of the Company:

Name	Class of shares	Holding
Undo Inc	Ordinary	100%

The aggregate of the share capital and reserves as at 31 December 2021 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves	Profit/(Loss)
Undo Inc	(2,728,894)	(1,044,709)

UNDO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. DEBTORS

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
DUE AFTER MORE THAN ONE YEAR				
Other debtors	-	34,314	-	34,314
	-	34,314	-	34,314
	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
DUE WITHIN ONE YEAR				
Trade debtors	1,018,619	251,421	588,674	40,729
Amounts owed by group undertakings	-	-	1,101,129	278,932
Other debtors	520,433	521,143	495,263	521,143
Prepayments and accrued income	33,177	30,073	30,261	30,073
	1,572,229	802,637	2,215,327	870,877

Amounts owed to group undertakings includes total amounts due of £3,340,955 (2020: £1,978,932) and a provision against the amounts due to £2,800,000 (2020 - £1,700,000).

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade creditors	12,309	36,401	12,208	36,375
Amounts owed to group undertakings	-	-	560,174	-
Other taxation and social security	104,904	105,016	104,904	105,016
Other creditors	30,615	40,244	30,615	39,835
Accruals and deferred income	1,065,629	402,495	814,243	352,347
	1,213,457	584,156	1,522,144	533,573

Other creditors include contributions of £25,643 (2020 - £25,692) payable to the Company's defined contribution pension scheme at 31 December 2021.

UNDO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Other loans	3,920,000	3,858,354	3,920,000	3,640,000
	<u>3,920,000</u>	<u>3,858,354</u>	<u>3,920,000</u>	<u>3,640,000</u>

Other loans includes a convertible loan raised using matched funding from the Government's Coronavirus Future Fund. Interest is incurred at 8%. The Convertible loan has a 3 year term, maturing on 24 June 2023 if not converted into shares by this date. If the loan does not convert then a redemption premium of 100% of the principal loan value is payable on maturity in addition to the principal loan. If the loan converts, which happens on a financing round or sale/listing of the business, then the price per share shall be discounted by 20% (under certain conditions) in relation to the principal loan amount only and not any interest.

10. DEFERRED TAXATION

Group

	2021 £
At beginning of year	(26,723)
Charged to profit or loss	13,236
AT END OF YEAR	<u>(13,487)</u>
	<u>(13,487)</u>

	Group 2021 £	Group 2020 £
Tax losses carried forward	(13,487)	(26,723)
	<u>(13,487)</u>	<u>(26,723)</u>

UNDO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. SHARE CAPITAL

	2021 £	2020 £
ALLOTTED, CALLED UP AND FULLY PAID		
6,572,828 (2020 - 6,547,507) Ordinary shares of £0.001 each	6,573	6,547
1,691,567 (2020 - 1,691,567) B Preferred shares of £0.001 each	1,692	1,692
	<u>8,265</u>	<u>8,239</u>

During the year the Company issued 25,321 (2020 - 704,607) Ordinary shares and no (2020 - 364,034) B Preferred shares resulting in an increase in share premium of £12,600 (2020 - £4,298,929).

12. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Not later than 1 year	29,678	167,571	26,689	114,380
Later than 1 year and not later than 5 years	-	-	-	28,595
	<u>29,678</u>	<u>167,571</u>	<u>26,689</u>	<u>142,975</u>

13. POST BALANCE SHEET EVENTS

On 11 August 2022 the company closed a funding round raising £903,576 from existing investors (before expenses). On 12th August, following agreement with the UK Government's Future Fund the £3.5m convertible loan notes were exchanged for ordinary shares equivalent to approximately 16% of the fully diluted share capital of the company.