
TAKE NOTE LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2021

TAKE NOTE LTD
REGISTERED NUMBER: 05954367

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	6	511,706	470,129
Tangible assets	7	6,414	2,445
		<u>518,120</u>	<u>472,574</u>
Current assets			
Debtors: amounts falling due within one year	8	360,805	326,566
Cash at bank and in hand	9	600,348	631,925
		<u>961,153</u>	<u>958,491</u>
Creditors: amounts falling due within one year	10	(344,172)	(308,531)
Net current assets		<u>616,981</u>	<u>649,960</u>
Total assets less current liabilities		<u>1,135,101</u>	<u>1,122,534</u>
Provisions for liabilities			
Deferred tax	11	(97,720)	(88,908)
		<u>(97,720)</u>	<u>(88,908)</u>
Net assets		<u><u>1,037,381</u></u>	<u><u>1,033,626</u></u>
Capital and reserves			
Called up share capital		11	11
Share premium account	13	6,914	6,914
Profit and loss account	13	1,030,456	1,026,701
		<u><u>1,037,381</u></u>	<u><u>1,033,626</u></u>

STATEMENT OF FINANCIAL POSITION (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 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:

.....
D. Abbott
Director

Date: 23 May 2022

The notes on pages 4 to 13 form part of these financial statements.

TAKE NOTE LTD

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 2020	11	6,914	1,197,558	1,204,483
Comprehensive income for the year				
Profit for the year	-	-	117,389	117,389
Total comprehensive income for the year	-	-	117,389	117,389
Dividends: Equity capital	-	-	(288,246)	(288,246)
Total transactions with owners	-	-	(288,246)	(288,246)
At 1 January 2021	11	6,914	1,026,701	1,033,626
Comprehensive income for the year				
Profit for the year	-	-	134,816	134,816
Total comprehensive income for the year	-	-	134,816	134,816
Dividends: Equity capital	-	-	(131,061)	(131,061)
Total transactions with owners	-	-	(131,061)	(131,061)
At 31 December 2021	11	6,914	1,030,456	1,037,381

The notes on pages 4 to 13 form part of these financial statements.

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

1. General information

Take Note Ltd is a private limited company, limited by shares, incorporated in England and Wales.

The address of the registered office is Three Tuns House, 109 Borough High Street, London, SE1 1NL.

The company's registration number is 05954367.

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

The financial statements have been prepared on a going concern basis.

The directors have carefully reviewed the future prospects of the company and its future cash flows, including an assessment of the impact of the COVID-19 pandemic. Despite the significant disruption to sales activities during the COVID-19 pandemic, the annual results remain strong in comparison with past years' performance. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future being at least the next 12 months from the signing of these financial statements.

For this reason, the directors continue to adopt the going concern basis for the preparation of the Financial Statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the company was unable to continue as a going concern.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

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

2. Accounting policies (continued)

2.4 Intangible assets

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on a straight line basis over the anticipated life of the benefits arising from the completed produce or project.

Where intangible assets are acquired by Take Note Ltd from third parties the costs of acquisition are capitalised. They are amortised from the point at which they are available for use, over their estimated useful lives.

Estimated useful lives for intangible fixed assets are 5 years.

At each balance sheet date, intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

2.5 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.

- 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:

Office equipment	-	20%
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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.

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

2. Accounting policies (continued)

2.6 Financial instruments

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

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

2.7 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 reporting 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 Company 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.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company 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 Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

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

2. Accounting policies (continued)

2.9 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the reporting date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

2.10 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, which range from 3 to 6 years.

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.

2.11 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.12 Interest income

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

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

2. Accounting policies (continued)

2.13 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 reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 reporting date.

2.14 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.15 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.

2.16 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.

2.17 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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

2. Accounting policies (continued)**3. Exceptional items**

During the year, an exceptional amount of £65,934 (2020: £Nil) was transferred from the Statement of Financial Position to the Statement of Comprehensive Income following a reconciliation of the Value Added Tax control account and a switch from the cash to the accruals basis of accounting for Value Added Tax..

4. Employees

The average monthly number of employees, including directors, during the year was 15 (2020 - 16).

5. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	(40,180)	(52,010)
	<u>(40,180)</u>	<u>(52,010)</u>
Total current tax	<u>(40,180)</u>	<u>(52,010)</u>
Deferred tax		
Origination and reversal of timing differences	8,812	25,119
	<u>8,812</u>	<u>25,119</u>
Total deferred tax	<u>8,812</u>	<u>25,119</u>
Taxation on profit on ordinary activities	<u>(31,368)</u>	<u>(26,891)</u>

Factors affecting tax charge for the year

The company has made a tax adjusted loss for the year hence there is no tax change. The tax credit for the year represents the company's research and development tax credit claim.

Factors that may affect future tax charges

The company has tax losses of £nil (2020: £nil) which have been carried forward to utilise against future trading profits.

At present, it is envisaging that there will continue to be tax adjusted trading losses and research and development tax credit claims in future periods.

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

6. Intangible assets

	Software £
Cost	
At 1 January 2021	944,561
Additions	288,111
At 31 December 2021	1,232,672
Amortisation	
At 1 January 2021	474,432
Charge for the year on owned assets	246,534
At 31 December 2021	720,966
Net book value	
At 31 December 2021	511,706
<i>At 31 December 2020</i>	<i>470,129</i>

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

7. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 January 2021	4,544
Additions	4,865
	<u>9,409</u>
At 31 December 2021	<u>9,409</u>
Depreciation	
At 1 January 2021	2,099
Charge for the year on owned assets	896
	<u>2,995</u>
At 31 December 2021	<u>2,995</u>
Net book value	
At 31 December 2021	<u><u>6,414</u></u>
<i>At 31 December 2020</i>	<u><u>2,445</u></u>

8. Debtors

	2021 £	2020 £
Trade debtors	303,335	253,573
Other debtors	17,110	17,525
Tax recoverable	40,360	55,468
	<u>360,805</u>	<u>326,566</u>

9. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	600,348	631,925
	<u>600,348</u>	<u>631,925</u>

TAKE NOTE LTD

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

10. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	123,304	99,773
Other taxation and social security	205,004	193,660
Other creditors	305	13,966
Accruals and deferred income	15,559	1,132
	<u>344,172</u>	<u>308,531</u>

11. Deferred taxation

	2021 £	2020 £
At beginning of year	(88,908)	(63,789)
Charged to profit or loss	(8,812)	(25,119)
At end of year	<u>(97,720)</u>	<u>(88,908)</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(88,908)	(63,789)
Tax losses carried forward	(8,812)	(25,119)
	<u>(97,720)</u>	<u>(88,908)</u>

12. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
10,527 (2020 - 10,530) Ordinary shares of £0.001 each	<u>11</u>	<u>11</u>

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

13. Reserves

Share premium account

The share premium account is used to record the aggregate amount or value of premiums paid when the company's shares are issued at an amount in excess of nominal value.

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

14. Share based payments

On 2 September 2015 the Company granted 527 share options to 1 employee. The options are exercisable at a price of £13.12 per share and had a vesting period of 5 years. On 30 November 2020 these options were all exercised (2019: 527 were still to vest).

Options are forfeited if the employee ceases to hold employment within the Company before the options vest. At the balance sheet date no options had been forfeited.

No charge to the Profit and Loss account has been recognised in relation to these options on the basis this would be immaterial (2020: £nil).

15. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £20,688 (2020: £15,595). Contributions totalling £Nil (2020: £Nil) were payable to the fund at the balance sheet date and are included in creditors.

16. Commitments under operating leases

Total financial commitments, including operating leases, guarantees and contingencies which are not included in the balance sheet amount to £Nil (2020: £Nil).

17. Related party transactions

During the year the directors of the company were paid dividends totalling £131,060 (2020: £288,246).

During the year the company paid directors remuneration of £186,829 (2020: £68,731).

18. Post balance sheet events

On 22 February 2021, an agreement was reached to sell the entire share capital of the Company to Verbit UK Limited.

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.