

**Group Strategic Report, Report of the Directors and
Audited Consolidated Financial Statements for the Year Ended 31 December 2021
for
Appear Here Limited**

Davis Grant Limited
Chartered Certified Accountants and
Statutory Auditors
Treviot House
186-192 High Road
Ilford
Essex
IG1 1LR

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for the Year Ended 31 December 2021**

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Appear Here Limited
Company Information
for the Year Ended 31 December 2021

DIRECTORS:

R A Bailey
N D Hutchinson

REGISTERED OFFICE:

2nd Floor
13-19 Vine Hill
London
EC1R 5DW

REGISTERED NUMBER:

07736672 (England and Wales)

AUDITORS:

Davis Grant Limited
Chartered Certified Accountants and
Statutory Auditors
Treviot House
186-192 High Road
Ilford
Essex
IG1 1LR

**Group Strategic Report
for the Year Ended 31 December 2021**

The directors present their strategic report of the company and the group for the year ended 31 December 2021.

The company has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors report. It has done so in respect of future development and financial instruments.

REVIEW OF BUSINESS

The results for the year and financial position of the Company and Group are shown in the financial statements on pages 10 to 37.

2021 has ended a challenging year of trading for the Group in the wake of the ongoing COVID-19 crisis. Each of the major territories in which the Group operates, encompassing UK, France and the US were significantly impacted by government mandated restrictions, preventing all but essential retail businesses from trading for the first half of 2021. However, with the restrictions lifted by the end of the first half of 2021, we saw an increase in demand in the market, a trend that continued into 2022.

The lasting effects of the COVID-19 crisis has necessitated the preservation of cash and management of the cost base by the business. The Group scaled back its operations outside the UK to provide greater focus and strive for self-sufficiency. The COVID-19 crisis has led the Group to operate with a much leaner headcount and a lower overall cost base, however whilst maintaining revenue growth.

The Group completed an investment round of £2.8m in July 2023, converting all COVID-19 convertible loan notes.

The key results for the Group are shown below:

	2021	2020 (restated)	Change
	£	£	%
Turnover	1,321,523	859,493	53.76
Gross Profit/(Loss)	293,565	(314,677)	193.29
Profit/(loss) after tax	(2,449,106)	(3,694,369)	33.74
Equity Shareholders Funds	1,017,218	3,415,546	(70.22)

PRINCIPAL RISKS AND UNCERTAINTIES

The current macro-economic environment continues to bring uncertainty across all global industries, in particular retail. In order to successfully navigate through the crisis, clear and decisive action has been taken by the Group in order to both preserve cash and fulfil on its objectives.

The directors believe the Group continues to be in a good financial position due to its careful cash management and decision making. The positive levels of net assets and available funds continue to provide the platform from which to finance the company's expansion of product range, service offering and geographical sales area.

Outstanding debt is regularly monitored. The nature of our business limits the level of credit risk we are exposed to and helps to ensure aged debt never becomes a material risk. Financial controls are in place to ensure this is reviewed on a rolling basis.

The directors continually review remuneration packages and incentive plans to ensure that the risk of losing key personnel is minimal. The Group has a broad and stable senior management team in place which mitigates the impact of losing key personnel. In light of the uncertainty in the current macro-economic environment, the Group expects to continue to operate with a lean headcount and lower cost base.

**Group Strategic Report
for the Year Ended 31 December 2021**

FUTURE DEVELOPMENTS

The Directors remain confident for sustained growth in the business: additional strategic funding was achieved earlier this year, which provides a clear path for the business to execute on its objectives as we navigate through difficult times.

Further international expansion will be a strategic objective for the Group, leveraging the global networks of both brands and landlords in order to provide the best service to both sides of our marketplace.

RESEARCH AND DEVELOPMENT

The Group continues to invest in developing assets to add to its platform, and so enhance commercial opportunities. Investment in technology in order to deliver automation is critical to the Company's mission, removing friction in the booking process and ultimately making more ideas happen than ever before.

FINANCIAL INSTRUMENTS

The Group has normal exposure to price, credit, liquidity and cash-flow risks. The Group earns revenue in USD, GBP and Euros. The Group does not enter into any hedging transactions but retains bank balances in a combination of these currencies.

ON BEHALF OF THE BOARD:

R A Bailey - Director

9 August 2023

**Report of the Directors
for the Year Ended 31 December 2021**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of market place for short term commercial rentals.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2021.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

R A Bailey
N D Hutchinson

Other changes in directors holding office are as follows:

R C Hunt - resigned 29 September 2021

STRATEGIC REPORT

The Directors have chosen in accordance with S414c of the Companies Act to set out in the strategic report information required by Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch 7 to be contained in the Directors' report.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

**Report of the Directors
for the Year Ended 31 December 2021**

AUDITORS

The auditors, Davis Grant Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

R A Bailey - Director

9 August 2023

Report of the Independent Auditors to the Members of Appear Here Limited

Opinion

We have audited the financial statements of Appear Here Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 December 2021 and of the group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed and subject to the emphasis of matter noted below, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Emphasis of matter

As outlined in the going concern note within accounting policies we bring to your attention the uncertainty in relation to the recoverability of the subsidiary undertakings intercompany balances. Our opinion is not modified in relation to this matter.

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

**Report of the Independent Auditors to the Members of
Appear Here Limited**

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of Appear Here Limited

Auditors' responsibilities for the audit of the financial statements

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

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud and error; and to respond appropriately to these risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned in accordance with the ISA's (UK).

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company and the sector in which they operate. We determined that the following laws and regulations were most significant: the Companies Act 2006, the UK Corporate Governance code and the UK corporate taxation laws,
- We obtained an understanding of how the company are complying with the with those legal and regulatory frameworks by making enquiries with the companies directors. We corroborated our inquiries through our review of the board minutes and other information provided to the audit team.

We assessed the susceptibility of the companies' financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process
- Challenging assumptions and judgements made by management in its significant accounting estimates
- Identifying and testing journal entries, in particular any journal entries posted with unusual account collaborations
- Assessing the extent of compliance with the relevant laws and regulations.

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 Report of the Auditors.

**Report of the Independent Auditors to the Members of
Appear Here 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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Barry Grant Chernoff FCA FCCA (Senior Statutory Auditor)
for and on behalf of Davis Grant Limited
Chartered Certified Accountants and
Statutory Auditors
Treviot House
186-192 High Road
Ilford
Essex
IG1 1LR

10 August 2023

**Consolidated
Income Statement
for the Year Ended 31 December 2021**

		2021	2020 as restated
	Notes	£	£
TURNOVER	3	1,321,523	859,493
Cost of sales		<u>1,027,958</u>	<u>1,174,170</u>
GROSS PROFIT/(LOSS)		293,565	(314,677)
Administrative expenses		<u>3,175,511</u>	<u>4,389,335</u>
		(2,881,946)	(4,704,012)
Other operating income		<u>274,771</u>	<u>403,202</u>
OPERATING LOSS	5	(2,607,175)	(4,300,810)
Interest receivable and similar income		<u>212</u>	<u>3,936</u>
		(2,606,963)	(4,296,874)
Interest payable and similar expenses	7	<u>118,410</u>	<u>3,999</u>
LOSS BEFORE TAXATION		(2,725,373)	(4,300,873)
Tax on loss	8	<u>(276,267)</u>	<u>(606,504)</u>
LOSS FOR THE FINANCIAL YEAR		(2,449,106)	(3,694,369)
Loss attributable to:			
Owners of the parent		<u>(2,449,106)</u>	<u>(3,694,369)</u>

The notes form part of these financial statements

**Consolidated
Other Comprehensive Income
for the Year Ended 31 December 2021**

	2021	2020 as restated
Notes	£	£
LOSS FOR THE YEAR	(2,449,106)	(3,694,369)
OTHER COMPREHENSIVE INCOME		
Exchange differences on retranslating of subsidiary undertaking	44,279	(21,227)
Income tax relating to other comprehensive income	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	44,279	(21,227)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(2,404,827)	
Prior year adjustment		52,038
TOTAL COMPREHENSIVE INCOME SINCE LAST ANNUAL REPORT		(3,663,558)
Total comprehensive income attributable to: Owners of the parent	(2,404,827)	(3,663,558)

The notes form part of these financial statements

Appear Here Limited (Registered number: 07736672)

**Consolidated Balance Sheet
31 December 2021**

		2021		2020 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	11		31,361		8,938
Tangible assets	12		59,091		102,493
Investments	13		<u>-</u>		<u>-</u>
			90,452		111,431
CURRENT ASSETS					
Debtors	14	1,471,309		1,170,194	
Cash at bank		<u>2,249,720</u>		<u>4,044,579</u>	
		3,721,029		5,214,773	
CREDITORS					
Amounts falling due within one year	15	<u>1,930,549</u>		<u>1,165,358</u>	
NET CURRENT ASSETS			<u>1,790,480</u>		<u>4,049,415</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,880,932		4,160,846
CREDITORS					
Amounts falling due after more than one year	16		<u>863,714</u>		<u>745,304</u>
NET ASSETS			<u>1,017,218</u>		<u>3,415,542</u>
CAPITAL AND RESERVES					
Called up share capital	18		3,022		3,002
Share premium	19		25,436,428		25,411,889
Cash advance for shares	19		4,218		21,945
Share options reserves	19		781,038		793,273
Equity reserves	19		54,696		54,696
Retained earnings	19		<u>(25,262,184)</u>		<u>(22,869,263)</u>
			<u>1,017,218</u>		<u>3,415,542</u>

The financial statements were approved by the Board of Directors and authorised for issue on 9 August 2023 and were signed on its behalf by:

R A Bailey - Director

The notes form part of these financial statements

Company Balance Sheet
31 December 2021

		2021		2020 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	11		31,362		8,939
Tangible assets	12		30,539		40,849
Investments	13		590		15,392
			62,491		65,180
CURRENT ASSETS					
Debtors	14	5,145,509		4,495,410	
Cash at bank		2,116,782		3,972,877	
		7,262,291		8,468,287	
CREDITORS					
Amounts falling due within one year	15	1,831,190		979,541	
NET CURRENT ASSETS			5,431,101		7,488,746
TOTAL ASSETS LESS CURRENT LIABILITIES			5,493,592		7,553,926
CREDITORS					
Amounts falling due after more than one year	16		863,714		745,304
NET ASSETS			4,629,878		6,808,622
CAPITAL AND RESERVES					
Called up share capital	18		3,022		3,002
Share premium	19		25,435,907		25,411,889
Cash advance for shares	19		4,218		21,945
Share options reserves	19		781,038		793,273
Equity reserves	19		54,696		54,696
Retained earnings	19		(21,649,003)		(19,476,183)
			4,629,878		6,808,622
Company's loss for the financial year			(2,184,726)		(2,957,158)

The financial statements were approved by the Board of Directors and authorised for issue on 9 August 2023 and were signed on its behalf by:

R A Bailey - Director

**Consolidated Statement of Changes in Equity
for the Year Ended 31 December 2021**

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2020	2,922	(19,205,705)	15,410,703
Prior year adjustment	-	52,038	-
As restated	2,922	(19,153,667)	15,410,703
Changes in equity			
Issue of share capital	80	-	10,001,186
Total comprehensive income	-	(3,715,596)	-
Balance at 31 December 2020	3,002	(22,869,263)	25,411,889
Changes in equity			
Issue of share capital	20	-	24,539
Total comprehensive income	-	(2,404,827)	-
Share Options exercised	-	11,906	-
Balance at 31 December 2021	3,022	(25,262,184)	25,436,428

**Consolidated Statement of Changes in Equity - continued
for the Year Ended 31 December 2021**

	Cash advance for shares £	Share options reserves £	Equity reserves £	Total equity £
Balance at 1 January 2020	-	818,892	-	(2,973,188)
Prior year adjustment	-	-	-	52,038
As restated	-	818,892	-	(2,921,150)
Changes in equity				
Issue of share capital	-	-	-	10,001,266
Total comprehensive income	-	-	-	(3,715,596)
Share option charge	-	(25,619)	-	(25,619)
Advance for shares	21,945	-	-	21,945
Equity element of CLN	-	-	54,696	54,696
Balance at 31 December 2020	21,945	793,273	54,696	3,415,542
Changes in equity				
Issue of share capital	-	-	-	24,559
Total comprehensive income	-	-	-	(2,404,827)
Share option charge	-	(329)	-	(329)
Share Options exercised	-	(11,906)	-	-
Advance for shares	4,218	-	-	4,218
Shares issued	(21,945)	-	-	(21,945)
Balance at 31 December 2021	4,218	781,038	54,696	1,017,218

The notes form part of these financial statements

**Company Statement of Changes in Equity
for the Year Ended 31 December 2021**

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2020	2,918	(16,519,025)	15,410,703
Changes in equity			
Issue of share capital	84	-	10,001,186
Total comprehensive income	-	(1,935,534)	-
Balance at 31 December 2020	<u>3,002</u>	<u>(18,454,559)</u>	<u>25,411,889</u>
Prior year adjustment	-	(1,021,624)	-
As restated	<u>3,002</u>	<u>(19,476,183)</u>	<u>25,411,889</u>
Changes in equity			
Issue of share capital	20	-	24,018
Total comprehensive income	-	(2,184,726)	-
Share Options exercised	-	11,906	-
Balance at 31 December 2021	<u>3,022</u>	<u>(21,649,003)</u>	<u>25,435,907</u>

**Company Statement of Changes in Equity - continued
for the Year Ended 31 December 2021**

	Cash advance for shares £	Share options reserves £	Equity reserves £	Total equity £
Balance at 1 January 2020	-	818,892	-	(286,512)
Changes in equity				
Issue of share capital	-	-	-	10,001,270
Total comprehensive income	21,945	-	-	(1,913,589)
Share option charge	-	(25,619)	-	(25,619)
Equity element of CLN	-	-	54,696	54,696
Balance at 31 December 2020	<u>21,945</u>	<u>793,273</u>	<u>54,696</u>	<u>7,830,246</u>
Prior year adjustment	-	-	-	(1,021,624)
As restated	<u>21,945</u>	<u>793,273</u>	<u>54,696</u>	<u>6,808,622</u>
Changes in equity				
Issue of share capital	-	-	-	24,038
Total comprehensive income	-	-	-	(2,184,726)
Share option charge	-	(329)	-	(329)
Share Options exercised	-	(11,906)	-	-
Advance for shares	4,218	-	-	4,218
Shares issued	(21,945)	-	-	(21,945)
Balance at 31 December 2021	<u>4,218</u>	<u>781,038</u>	<u>54,696</u>	<u>4,629,878</u>

**Consolidated Cash Flow Statement
for the Year Ended 31 December 2021**

	Notes	2021 £	2020 as restated £
Cash flows from operating activities			
Cash generated from operations	1	(1,873,876)	(11,338,891)
Interest paid		(118,410)	(3,999)
Government grants		203,859	393,203
Tax refund		1,320	608,252
Net cash from operating activities		<u>(1,787,107)</u>	<u>(10,341,435)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(28,376)	-
Purchase of tangible fixed assets		(18,641)	(31,368)
Sale of tangible fixed assets		957	2,420
Related party loan		(11,491)	-
Interest received		212	3,936
Net cash from investing activities		<u>(57,339)</u>	<u>(25,012)</u>
Cash flows from financing activities			
Amount introduced by directors		525	366
Amount withdrawn by directors		(2,049)	(191)
Share issue		20	80
Share Premium		24,539	10,001,186
Cash advance for shares		(17,727)	21,945
Convertible loan note		-	54,696
Net cash from financing activities		<u>5,308</u>	<u>10,078,082</u>
Decrease in cash and cash equivalents		<u>(1,839,138)</u>	<u>(288,365)</u>
Cash and cash equivalents at beginning of year	2	4,044,579	4,354,171
Effect of foreign exchange rate changes		44,279	(21,227)
Cash and cash equivalents at end of year	2	<u>2,249,720</u>	<u>4,044,579</u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2021**

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021	2020 as restated
	£	£
Loss before taxation	(2,725,373)	(4,300,873)
Depreciation charges	41,119	83,726
Loss on disposal of fixed assets	25,918	-
Share option charge	(329)	(25,619)
Government grants	(203,859)	(393,202)
Finance costs	118,410	3,999
Finance income	(212)	(3,936)
	<u>(2,744,326)</u>	<u>(4,635,905)</u>
Increase in trade and other debtors	(26,899)	(135,274)
Increase/(decrease) in trade and other creditors	897,349	(6,567,712)
Cash generated from operations	<u>(1,873,876)</u>	<u>(11,338,891)</u>

2. CASH AND CASH EQUIVALENTS

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

Year ended 31 December 2021

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	<u>2,249,720</u>	<u>4,044,579</u>

Year ended 31 December 2020

	31.12.20	1.1.20
	as restated	
	£	£
Cash and cash equivalents	<u>4,044,579</u>	<u>4,354,171</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
Net cash			
Cash at bank and in hand	<u>4,044,579</u>	<u>(1,794,859)</u>	<u>2,249,720</u>
	<u>4,044,579</u>	<u>(1,794,859)</u>	<u>2,249,720</u>
Total	<u>4,044,579</u>	<u>(1,794,859)</u>	<u>2,249,720</u>

**Notes to the Consolidated Financial Statements
for the Year Ended 31 December 2021**

1. STATUTORY INFORMATION

Appear Here Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

The group financial statements consolidate the financial statements of Appear Here Limited and all its subsidiary undertakings drawn up to 31 December each year.

The individual accounts of Appear Here Limited have also adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes
- financial instrument disclosures
- related party disclosures

Significant judgements and estimates

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Turnover

Turnover represents the total receivable value, excluding value added tax, of commission income & rental income made during the year.

Commission income is recognised when the landlord invoices the tenant.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of five years.

Development costs are being amortised evenly over their estimated useful life of five years.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Short leasehold	- Straight line over the life of the lease and Straight line over life of lease
Improvements to property	- Straight line over the life of the lease and Straight line over life of lease
Fixtures and fittings	- 33% on cost
Computer equipment	- 33% on cost

The board has agreed to capitalise tangible fixed assets which are over £1,000.

Government grants

Grant income during the year has been accounted for using the accruals model.

The grant is recognised in income in the year the related costs are incurred by the entity for which the grant is intended to compensate.

Financial instruments

Financial assets and financial liabilities are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. These are carried at transactional costs within the company's balance sheet.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

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

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Share-based payments

The grant date fair value of share-based payments awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the awards. The fair value of the awards granted is measured using an option valuation model, taking into account the terms and conditions upon which the awards were granted. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Share-based payment transactions in which the company receives goods or services by incurring a liability to transfer cash or other assets that is based on the price of the company's equity instruments are accounted for as cash-settled share-based payments. The fair value of the amount payable to employees is recognised as an expense, with a corresponding increase in liabilities, over the period in which the employees become unconditionally entitled to payment. The liability is remeasured at each balance sheet date and at settlement date. Any changes in the fair value of the liability are recognised as personnel expense in profit or loss.

Shares issued in exchange for goods or services are recorded at the fair value of the goods or services received from the supplier.

Debtors & creditors

Short term debtors are measured at transaction price, less any impairment.

Short term creditors are measured at transaction price.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include deposits held at call with banks.

Investment

Fixed asset investments are stated at cost less provision for permanent diminution in value.

Convertible loan notes

The component parts of compound instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. On initial recognition, the financial liability component is recorded at its fair value. At the date of issue, in the case of a convertible bond denominated in the functional currency of the issuer that may be converted into a fixed number of equity shares, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in the equity reserve within equity and is not subsequently remeasured.

Transaction costs are apportioned between the liability and equity components of the convertible instrument based on their relative fair values at the date of issue. The portion relating to the equity component is charged directly against equity.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

Going concern

The group has been negatively affected by the Covid pandemic and 2021 has been a challenging trading year. The directors remain confident, that with careful cash management, the group will continue to grow its customer base and is well placed to expand the brand within the sector in which it operates.

Within the company balance sheet £3,954,733 is due from subsidiary undertakings as at 31 December 2021, the directors have no reason to believe these balances are not recoverable. As mentioned above the group as a whole has been negatively affected by the Covid-19 pandemic and trading within these companies was significantly scaled back however the directors have strategic plans in place to resume trading in these jurisdictions allowing for all intercompany balances to be recovered. The financial statements have therefore been prepared on a going concern basis.

3. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	2021	2020 as restated
	£	£
Commission income	1,221,920	711,328
Rental income	99,603	148,165
	<u>1,321,523</u>	<u>859,493</u>

An analysis of turnover by geographical market is given below:

	2021	2020 as restated
	£	£
United Kingdom	1,110,204	633,683
Europe	62,310	119,202
United States of America	149,009	106,608
	<u>1,321,523</u>	<u>859,493</u>

4. EMPLOYEES AND DIRECTORS

	2021	2020 as restated
	£	£
Wages and salaries	2,047,784	3,123,892
Social security costs	195,612	318,259
Other pension costs	31,502	-
	<u>2,274,898</u>	<u>3,442,151</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

4. **EMPLOYEES AND DIRECTORS - continued**

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

	2021	2020 as restated
Directors	3	3
Cost of sales	7	16
Overheads	<u>25</u>	<u>39</u>
	<u>35</u>	<u>58</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 4 (2020 - 9) .

The remuneration for the key management personnel amounted to £134,098 (2020: £116,388).

Share option charges relating to key management personnel amounted to £nil (2020: £nil).

	2021 £	2020 as restated £
Directors' remuneration	<u>117,750</u>	<u>102,185</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

5. **OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	2021 £	2020 as restated £
Depreciation - owned assets	37,547	80,172
Loss on disposal of fixed assets	25,918	-
Patents and licences amortisation	4,534	3,554
Development costs amortisation	1,419	-
Auditors' remuneration	73,250	56,600
Foreign exchange differences	<u>(2,923)</u>	<u>(25,462)</u>

6. **EXCEPTIONAL ITEMS**

	2021 £	2020 as restated £
Exceptional items	<u>(17,437)</u>	<u>-</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020 as restated
	£	£
Bank loan interest	118,410	-
Interest on overdue PAYE	-	3,999
	<u>118,410</u>	<u>3,999</u>

8. TAXATION

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	2021	2020 as restated
	£	£
Current tax:		
UK corporation tax	128	843
Adjustments in respect of previous periods	<u>(276,395)</u>	<u>(607,347)</u>
Tax on loss	<u>(276,267)</u>	<u>(606,504)</u>

UK corporation tax was charged at 19 %) in 2020.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

8. TAXATION - continued

Reconciliation of total tax credit included in profit and loss

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

	2021	2020 as restated
	£	£
Loss before tax	<u>(2,725,373)</u>	<u>(4,300,873)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19 % (2020 - 19 %)	(517,821)	(817,166)
Effects of:		
Expenses not deductible for tax purposes	802	4,331
Income not taxable for tax purposes	(12,221)	-
Depreciation in excess of capital allowances	10,665	9,254
Adjustments to tax charge in respect of previous periods	(276,395)	(607,347)
Tax adjustment for subsidiaries	53,388	139,909
R & D Enhanced deduction	-	(204,706)
Tax credit adjustment	-	362,173
Overseas subsidiary tax	127	843
Losses carried forward	523,913	502,946
Losses surrendered to group	-	3,259
Effect of prior year adjustment	(58,725)	-
Total tax credit	<u>(276,267)</u>	<u>(606,504)</u>

Tax effects relating to effects of other comprehensive income

	2021	
	Gross	Net
	£	£
Exchange differences on retranslating of subsidiary undertaking	44,279	44,279
	<u>44,279</u>	<u>44,279</u>
	2020	
	Gross	Net
	£	£
Exchange differences on retranslating of subsidiary undertaking	(21,227)	(21,227)
	<u>(21,227)</u>	<u>(21,227)</u>

Factors that may affect future tax charges

In the March 2021 Budget, it was announced that the UK corporation tax rate would increase to 25% from 1 April 2023 for profits over £250,000. There are no other significant factors that may affect future tax charges.

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021**

9. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

10. PRIOR YEAR ADJUSTMENT

In the preparation of this year's accounts, it was determined that a prior year adjustment was required in respect of amounts owed by Appear Here France to Appear Here Limited. Amounts totalling £1,021,624, of which £292,331.80 related to outstanding trade invoices, were formally written off in December 2018 as the likelihood of being recovered was deemed unlikely. This adjustment has been reflected in the individual accounts, decreasing the retained earnings and increasing the intercompany in the parent company, Appear Here Limited.

However, the prior year adjustment of £1,021,624 cancels each other on consolidation and is therefore not reflected in the consolidated accounts.

A prior year adjustment of £52,038 was also needed to correct the opening position of Appear Here France in 2020, which has resulted in an increase in retained earnings in the consolidated accounts.

11. INTANGIBLE FIXED ASSETS

Group

	Patents and licences £	Development costs £	Totals £
COST			
At 1 January 2021	23,768	2,650	26,418
Additions	-	28,376	28,376
At 31 December 2021	<u>23,768</u>	<u>31,026</u>	<u>54,794</u>
AMORTISATION			
At 1 January 2021	14,830	2,650	17,480
Amortisation for year	4,534	1,419	5,953
At 31 December 2021	<u>19,364</u>	<u>4,069</u>	<u>23,433</u>
NET BOOK VALUE			
At 31 December 2021	<u>4,404</u>	<u>26,957</u>	<u>31,361</u>
At 31 December 2020	<u>8,938</u>	<u>-</u>	<u>8,938</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

11. INTANGIBLE FIXED ASSETS - continued

Company

	Patents and licences £	Development costs £	Totals £
COST			
At 1 January 2021	23,768	2,650	26,418
Additions	-	28,376	28,376
At 31 December 2021	<u>23,768</u>	<u>31,026</u>	<u>54,794</u>
AMORTISATION			
At 1 January 2021	14,829	2,650	17,479
Amortisation for year	4,534	1,419	5,953
At 31 December 2021	<u>19,363</u>	<u>4,069</u>	<u>23,432</u>
NET BOOK VALUE			
At 31 December 2021	<u>4,405</u>	<u>26,957</u>	<u>31,362</u>
At 31 December 2020	<u>8,939</u>	<u>-</u>	<u>8,939</u>

12. TANGIBLE FIXED ASSETS

Group

	Short leasehold £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2021	54,307	23,510	90,479	187,739	356,035
Additions	1	-	3,224	15,416	18,641
Disposals	(32,262)	-	-	(1,436)	(33,698)
At 31 December 2021	<u>22,046</u>	<u>23,510</u>	<u>93,703</u>	<u>201,719</u>	<u>340,978</u>
DEPRECIATION					
At 1 January 2021	11,850	23,191	75,355	143,146	253,542
Charge for year	4,408	1,979	7,999	23,161	37,547
Eliminated on disposal	(6,344)	-	-	(479)	(6,823)
Reclassification/transfer	-	(2,379)	-	-	(2,379)
At 31 December 2021	<u>9,914</u>	<u>22,791</u>	<u>83,354</u>	<u>165,828</u>	<u>281,887</u>
NET BOOK VALUE					
At 31 December 2021	<u>12,132</u>	<u>719</u>	<u>10,349</u>	<u>35,891</u>	<u>59,091</u>
At 31 December 2020	<u>42,457</u>	<u>319</u>	<u>15,124</u>	<u>44,593</u>	<u>102,493</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

12. **TANGIBLE FIXED ASSETS - continued**

Company

	Short leasehold £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2021	8,779	21,877	78,529	162,619	271,804
Additions	-	-	3,223	15,416	18,639
At 31 December 2021	<u>8,779</u>	<u>21,877</u>	<u>81,752</u>	<u>178,035</u>	<u>290,443</u>
DEPRECIATION					
At 1 January 2021	2,268	20,219	74,808	133,660	230,955
Charge for year	<u>1,756</u>	<u>1,658</u>	<u>2,990</u>	<u>22,545</u>	<u>28,949</u>
At 31 December 2021	<u>4,024</u>	<u>21,877</u>	<u>77,798</u>	<u>156,205</u>	<u>259,904</u>
NET BOOK VALUE					
At 31 December 2021	<u>4,755</u>	<u>-</u>	<u>3,954</u>	<u>21,830</u>	<u>30,539</u>
At 31 December 2020	<u>6,511</u>	<u>1,658</u>	<u>3,721</u>	<u>28,959</u>	<u>40,849</u>

13. **FIXED ASSET INVESTMENTS**

Company

	Shares in group undertakings £
COST	
At 1 January 2021	15,392
Additions	2
Impairments	<u>(14,804)</u>
At 31 December 2021	<u>590</u>
NET BOOK VALUE	
At 31 December 2021	<u>590</u>
At 31 December 2020	<u>15,392</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021**

13. FIXED ASSET INVESTMENTS - continued

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Appear Here France

Registered office: 18 Rue Jean Mermoz, Paris 75008, France

Nature of business: Supply of pop-up shops

	%
Class of shares:	holding
Ordinary	100.00

Appear Here Inc.

Registered office: C/o Wework, 524 Broadway, New York, NY-10012

Nature of business: Supply of pop-up shops

	%
Class of shares:	holding
Ordinary	100.00

AH Otto Holding Limited

Registered office: 13-19 Vine Hill, London, United Kingdom, EC1R 5DW

Nature of business: Holding Co.(Dormant)

	%
Class of shares:	holding
Ordinary	100.00

AH Otto Limited

Registered office: 13-19 Vine Hill, London, United Kingdom, EC1R 5DW

Nature of business: Commercial property rental company

	%
Class of shares:	holding
Ordinary	100.00

AH Otto 2 Limited

Registered office: 13-19 Vine Hill, London, United Kingdom, EC1R 5DW

Nature of business: Commercial property rental company

	%
Class of shares:	holding
Ordinary	100.00

AH Otto 3 Limited

Registered office: 13-19 Vine Hill, London, United Kingdom, EC1R 5DW

Nature of business: Commercial property rental company

	%
Class of shares:	holding
Ordinary	100.00

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

13. **FIXED ASSET INVESTMENTS - continued**

AH Otto 4 Limited

Registered office: 13-19 Vine Hill, London, United Kingdom, EC1R 5DW

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

Eddy Property Holdings Limited

Registered office: 13-19 Vine Hill, London, United Kingdom, EC1R 5DW

Nature of business: Commercial property rental company

Class of shares:	%
Ordinary	holding 100.00

AH DMY Property Management Limited

Registered office: 13-19 Vine Hill, London, United Kingdom, EC1R 5DW

Nature of business: Commercial property rental company

Class of shares:	%
Ordinary	holding 100.00

All subsidiaries are directly owned by Appear Here Ltd, except the following which are indirectly held through their parent entity being owned by Appear Here Ltd: AH Otto Limited, AH Otto 2 Limited, AH Otto 3 Limited and AH Otto 4 Limited,

14. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2021	2020 as restated	2021	2020 as restated
	£	£	£	£
Trade debtors	523,291	407,488	378,058	252,363
Amounts owed by group undertakings	-	2,255	3,954,733	3,603,820
Other debtors	570,410	315,484	459,187	221,367
Directors' loan accounts	6,326	4,802	6,326	4,802
Tax	277,990	1,618	277,990	1,618
VAT	-	15,048	-	9,015
Deferred tax asset	4,497	5,922	-	-
Prepayments and accrued income	88,795	417,577	69,215	402,425
	<u>1,471,309</u>	<u>1,170,194</u>	<u>5,145,509</u>	<u>4,495,410</u>

Deferred tax asset

	Group		Company	
	2021	2020 as restated	2021	2020 as restated
	£	£	£	£
Accelerated capital allowances	<u>4,497</u>	<u>5,922</u>	<u>-</u>	<u>-</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

14. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

Amounts owed by group undertakings are repayable on demand.

15. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2021	2020	2021	2020
		as restated		as restated
	£	£	£	£
Trade creditors	355,409	186,626	345,342	161,789
Amounts owed to group undertakings	-	13,748	42,808	16,488
PAYE	57,158	81,157	55,810	62,748
VAT	106,133	-	124,241	-
Other creditors	1,171,258	682,971	1,159,674	670,547
Net wages	879	1,994	-	1,994
Accruals and deferred income	239,712	198,862	103,315	65,975
	<u>1,930,549</u>	<u>1,165,358</u>	<u>1,831,190</u>	<u>979,541</u>

16. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group		Company	
	2021	2020	2021	2020
		as restated		as restated
	£	£	£	£
Other creditors	<u>863,714</u>	<u>745,304</u>	<u>863,714</u>	<u>745,304</u>

17. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	2021	2020
		as restated
	£	£
Within one year	425,137	537,368
Between one and five years	705,000	1,315,005
In more than five years	70,000	130,000
	<u>1,200,137</u>	<u>1,982,373</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

17. LEASING AGREEMENTS - continued

Company

	Non-cancellable operating leases	
	2021	2020 as restated
	£	£
Within one year	132,637	244,868
Between one and five years	-	132,637
	<u>132,637</u>	<u>377,505</u>

18. CALLED UP SHARE CAPITAL

Class	Nominal Value	2021	2020
Ordinary	£0.0001	17,269,966	17,068,931
A Preferred	£0.0001	7,015,520	7,015,520
Seed Preferred	£0.0001	4,038,600	4,038,600
B Ordinary	£0.00001	18,904,330	18,904,330
Total		<u>47,228,416</u>	<u>47,027,381</u>

198,890 Ordinary shares of £0.0001 each were allotted as fully paid at a premium of £0.118 per share during the year.

2,145 Ordinary shares of £0.0001 each were allotted as fully paid at a premium of £0.265 per share during the year.

19. RESERVES

Group

	Retained earnings £	Share premium £	Cash advance for shares £
At 1 January 2021	(22,869,263)	25,411,889	21,945
Deficit for the year	(2,449,106)		
Cash share issue	-	23,971	-
Foreign exchange differences transferred to reserves	44,279	-	-
Issued during the year	-	568	-
Share Options exercised	11,906	-	-
Advance for shares	-	-	4,218
Shares issued	-	-	(21,945)
At 31 December 2021	<u>(25,262,184)</u>	<u>25,436,428</u>	<u>4,218</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

19. **RESERVES - continued**

Group

	Share options reserves £	Equity reserves £	Totals £
At 1 January 2021	793,273	54,696	3,412,540
Deficit for the year			(2,449,106)
Cash share issue	-	-	23,971
Foreign exchange differences transferred to reserves	-	-	44,279
Issued during the year	-	-	568
Share option charge	(329)	-	(329)
Share Options exercised	(11,906)	-	-
Advance for shares	-	-	4,218
Shares issued	-	-	(21,945)
At 31 December 2021	<u>781,038</u>	<u>54,696</u>	<u>1,014,196</u>

Company

	Retained earnings £	Share premium £	Cash advance for shares £
At 1 January 2021	(18,454,559)	25,411,889	21,945
Prior year adjustment	<u>(1,021,624)</u>		
	(19,476,183)		
Deficit for the year	(2,184,726)		
Cash share issue	-	23,450	-
Foreign exchange differences transferred to reserves	-	568	-
Share Options exercised	11,906	-	-
Advance for shares	-	-	4,218
Shares issued	-	-	(21,945)
At 31 December 2021	<u>(21,649,003)</u>	<u>25,435,907</u>	<u>4,218</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

19. **RESERVES - continued**

Company

	Share options reserves £	Equity reserves £	Totals £
At 1 January 2021	793,273	54,696	7,827,244
Prior year adjustment			(1,021,624)
			<u>6,805,620</u>
Deficit for the year			(2,184,726)
Cash share issue	-	-	23,450
Foreign exchange differences transferred to reserves	-	-	568
Share option charge	(329)	-	(329)
Share Options exercised	(11,906)	-	-
Advance for shares	-	-	4,218
Shares issued	-	-	(21,945)
At 31 December 2021	<u>781,038</u>	<u>54,696</u>	<u>4,626,856</u>

20. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the years ended 31 December 2021 & 31 December 2020:

	2021	2020
£		
Amounts advanced	2,048	366
Amounts repaid	(525)	(191)

Interest is charged on loans at the official rate of interest set by HM Revenue & Customs.

21. **POST BALANCE SHEET EVENTS**

The group agreed significant external investment in July 2023.

In March 2022 all share classes of the company were redesignated to £0.0001 ordinary £1 shares.

In March 2022 additional convertible loan notes were issued totalling £2,198,221. The loan notes are 8% unsecured and due to mature in March 2025. The shares can be converted at a 20% discount.

22. **ULTIMATE CONTROLLING PARTY**

There is no overall ultimate controlling party of the company or group.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

23. SHARE-BASED PAYMENT TRANSACTIONS

The Company operates an Enterprise Management Incentive Share Option Scheme, a French qualified share option plan, an Unapproved Share Option Scheme and an Incentive Stock options scheme. Options are granted to employees, senior employees and directors at the market price of the Company's ordinary shares. The options vest from 1 to 4 years following grant date. Options will not vest unless the employee remains in the service of the Company and provided the relevant criteria is met. The options are exercisable up until the 10th anniversary from the date of grant.

Reconciliations of the number and weighted average exercise price by option scheme are presented below.

Share option type	Date of Grant				Number of Shares
Enterprise Management Incentive	22/05/2015 - 31/12/2021				893,872
Unapproved Share Options	22/05/2015 - 28/05/2020				3,172,934
Incentive Stock Option	09/08/2017 - 31/12/2021				6,974
French qualified Share options	08/10/2018 - 31/12/2021				3,862
Total					4,077,642

	EMI Scheme	Non-EMI Scheme	ISO Scheme	French Scheme	Weighted average exercise price
Number of shares					
At 1 January 2021	994,857	3,172,934	7,948	7,790	£0.12
Granted	97,500	-	3,000	1,500	£0.17
Exercised in the year	(62,182)	-	-	(1,476)	£0.15
Lapsed in the year	(136,303)	-	(3,974)	(3,952)	£0.17
Outstanding as at 31 December 2021	893,872	3,172,934	6,974	3,862	£0.12
Exercisable as at 31 December 2021	811,872	3,172,934	6,974	3,862	£0.12

The total charge for the period was -£329 (2020: -£25,619)

The total figure included in reserves as at 31 December 2021 is £781,038 (2020: £793,273)

24. SUBSIDIARY EXEMPT FROM AUDIT

AH Otto Limited, AH Otto 3 Limited and Eddy Property Holdings Limited are all consolidated within the group financial statements. The companies are exempt from audit under S479A of the Companies Act.

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.