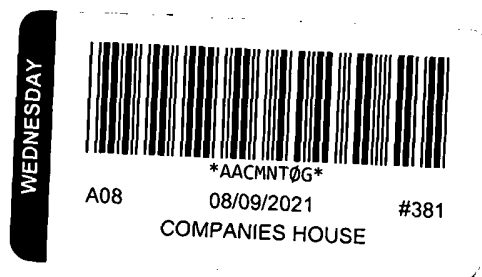


Company Number 8065264

LOOKOUT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED
ENDED 31 JANUARY 2021



LOOKOUT LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

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LOOKOUT LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2021

COMPANY INFORMATION

Directors

Mr M Nasiff
Lookout Inc

Registered Office

Mulberry
Shrubbs Hill Lane
Sunningdale
Berkshire
SL5 0LD

Auditor

Hayvenhursts Limited
Statutory Auditor
Fairway House
Links Business Park
St Mellons
Cardiff
CF3 0LT

Registered Number

8065264

LOOKOUT LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2021

The directors present their annual report and the audited financial statements of the company for the year ended 31 January 2021.

Principal Activity

The company provided pre-sales and support services to its parent company, Lookout Inc throughout the year. The results for the year ended 31 January 2021 are set out in the statement of comprehensive income on page 7. The directors consider the state of affairs of the company to be satisfactory. No dividends were paid or proposed during the year (2020: £nil).

Future developments

The directors plan for the company to continue to trade as it has done, with no significant future developments to report.

Going Concern

The directors have considered Going Concern, and given the working capital cycle of the business, recognise the need for ongoing support from their parent company, Lookout Inc. Having made enquiries, the parent company has indicated its willingness to continue to provide such financial support to the company as necessary to enable it to continue in operational existence for the foreseeable future, and for a period of not less than 12 months from the date of approval of these financial statements.

Financial instruments

The company may be impacted by customer credit risk, effects arising from price risk, contract breach and liquidity risk. The majority of the goods and services sold by the company are provided by its own resources or are bought in from related parties. Where services are bought in the costs of these are recharged to customers. Credit risk management follows normal best practice and includes varying levels of credit assessments according to customer size and active credit performance management through key performance indicators such as days' sales outstanding. Contract risk is managed by entering into cost plus arrangements. Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company aims to mitigate liquidity risk by managing cash generation by its operations and through its participation in the in-house banking arrangements of the parent group. The directors are not aware of any other pending significant financial risks.

Directors

The directors who held office during the year and up to the date of signing these financial statements were as follows:

Mr M Nasiff
Lookout Inc

Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements

The directors are responsible for preparing the Directors' Report 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for

LOOKOUT LIMITED
DIRECTORS' REPORT (*Continued*)
FOR THE YEAR ENDED 31 JANUARY 2021

Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements
(continued)

that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors indemnity arrangements

The parent company has executed deeds of indemnity for the benefit of each director of the company, and each person who was a director of the company during the year, in respect of liabilities that may attach to them in their capacity as directors of the company or of associated companies. These indemnities were granted at different times according to the law in place at the time and where relevant are qualifying third-party indemnity provisions as defined by section 234 of the Companies Act 2006. These indemnities were in force throughout the year and are currently in force.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

By order of the Board

DocuSigned by:



DC2415F81240487
Mr M Nasiff, Director

23 August 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOOKOUT LIMITED

Opinion

We have audited the financial statements of Lookout Limited (the 'company') for the year ended 31 January 2021 which comprise the Income Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 company's affairs as at 31 January 2021 and of its profit 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOOKOUT LIMITED

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

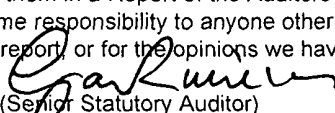
Auditors' responsibilities for the audit of the financial statements

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.

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.

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.


Gareth R Williams (Senior Statutory Auditor)
for and on behalf of Hayvenhursts Limited
Chartered Accountants & Statutory Auditor
Fairway House
Links Business Park
St Mellons
Cardiff
CF3 0LT

6 September 2021

LOOKOUT LIMITED
 STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 JANUARY 2021

	<u>Notes</u>	31.1.21 £	31.1.20 £
Turnover	1, 4	4,595,383	4,906,167
Administration expenses		(4,345,434)	(4,665,311)
Profit on ordinary activities before taxation	5	249,949	240,856
Taxation on ordinary activities	8	(28,737)	(48,681)
Net retained profit for the financial period		221,212	192,175

All amounts relate to continuing activities.

There are no other recognised gains or losses for the current year.

The notes on pages 10 to 18 form part of these financial statements

LOOKOUT LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2021

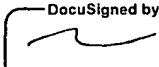
Company Number 8065264

	Notes	As at 31.1.21		As at 31.1.20	
		£	£	£	£
Fixed assets					
Tangible assets	9		314,709		501,831
Current assets					
Debtors	10	1,659,857		1,715,834	
Cash at bank and in hand		<u>215,181</u>		<u>192,355</u>	
		1,875,038		1,908,189	
Creditors: amounts falling due within one year	11	<u>630,717</u>		<u>876,197</u>	
Net current assets			1,244,321		1,031,992
Creditors: amounts falling due after more than one year	12		118,702		314,708
Net assets			<u>1,440,328</u>		<u>1,219,115</u>
Capital and reserves					
Called up share capital	15		100		100
Profit and Loss account			1,440,228		1,219,015
Shareholder's funds			<u>1,440,328</u>		<u>1,219,115</u>

These financial statements have been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

These financial statements were approved and authorised for issue by the directors on the 23 August 2021 and are signed on their behalf by:

Mr M Nasiff, Director

DocuSigned by:

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The notes on pages 10 to 18 form part of these financial statements

LOOKOUT LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JANUARY 2021

	Called up Share capital £	Profit and loss account £	Total equity £
Balance at 1 February 2019	100	1,026,840	1,026,940
Profit for the financial year	-	192,175	192,175
Balance at 31 January 2020	<u>100</u>	<u>1,219,015</u>	<u>1,219,115</u>
Balance at 1 February 2020	100	1,219,015	1,219,115
Profit for the financial year	-	221,212	221,212
Balance at 31 January 2021	<u><u>100</u></u>	<u><u>1,440,228</u></u>	<u><u>1,440,328</u></u>

LOOKOUT LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2021

1 General information

The company provides pre-sales and support services to its parent company, Lookout Inc. Lookout Limited is a private company limited by shares incorporated, registered and domiciled in England, registration number 8065264. The registered office is Mulberry, Shrubbs Hill Lane, Sunningdale, Berkshire, SL5 0LD.

2 Basis of preparation of financial statements

The financial statements of Lookout Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial reporting standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and the Companies Act 2006.

3 Accounting Policies**Summary of significant accounting policies**

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

The financial statements have been prepared on a going concern basis under the historical cost convention.

The preparation of financial statements in conformity with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

The company is 100% owned by its ultimate parent, Lookout Inc. which is the smallest and largest group to consolidate these financial statements. Copies of the consolidated financial statements are available from 275 Battery St, Suite 200, San Francisco, CA 94111, USA.

Going concern

The directors have considered Going Concern, and given the working capital cycle of the business, recognise the need for ongoing support from their parent company, Lookout Inc. Having made enquiries, the parent company has indicated its willingness to continue to provide such financial support to the company as necessary to enable it to continue in operational existence for the foreseeable future, and for a period of not less than 12 months from the date of approval of these financial statements.

LOOKOUT LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2021

3 Accounting Policies (Continued)**Basic financial instruments****(i) Trade and other debtors / Trade and other creditors**

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit or loss.

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

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to settle on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Revenue recognition

The company recognises revenue from the provision of services to its parent company in the month in which the service is delivered, when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably and (d) it is probable that future economic benefits will flow to the entity.

Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes incurred in only original purchase price and expenditure directly bringing the assets into working condition for their intended use. Depreciation is provided at rates calculated to write off the cost of each asset less the estimated residual value over its estimated useful life. The principal annual rates in use are:

Computer and office equipment	33.3% on cost
-------------------------------	---------------

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 within "other operating income" in statement of comprehensive income.

LOOKOUT LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2021

3 Accounting Policies (Continued)**Employee benefits****(i) Defined contribution pension plans**

The company operates a defined contribution plan for its employees. A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

(ii) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All gains and losses on translation and from the settlement of transactions are included in the profit and loss account. The company's functional and presentational currency is the pound sterling.

Related party transactions

The company discloses transactions with related parties which are not wholly owned within the group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These 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

LOOKOUT LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2021

3 Accounting Policies (Continued)**(ii) Deferred tax (continued)**

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Share capital

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

Leased assets

For any new contracts entered into on or after 1 February 2019, the company considers whether a contract is, or contains a lease. A lease is defined as "a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration". To apply this definition the company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the company
- the company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights with the defined scope of the contract
- the company has the right to direct the use of the identified asset throughout the period of use.

At lease commencement date, the company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date, net of any incentives received.

The company depreciates the right-of-use assets on a straight line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

At the commencement date, the company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

The company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in other creditors.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Given the straightforward nature of the company, the directors do not consider there to be any critical accounting judgements or uncertainties.

Share-based payments

Where share options are awarded to employees, the fair value of the options, measured at the date of grant of the options using an appropriate valuation model is charged to the profit and loss account over the period in which the options vest.

LOOKOUT LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2021

4 Turnover

Turnover (all derived from the single activity of the company) in the year was segmented as follows:

	31.1.21 £	31.1.20 £
United States of America	4,595,383	4,906,167
	<u>4,595,383</u>	<u>4,906,167</u>

5 Operating profit

The operating profit before tax is stated after charging:

	31.1.21 £	31.1.20 £
Depreciation of owned assets	192	1,155
Audit fees payable to the company's auditors	4,500	4,250
Staff Costs - wages and salaries	2,706,054	2,587,146
- social security	482,518	504,180
- other pension costs	92,096	88,355
Foreign exchange loss	<u>7,367</u>	<u>8,885</u>

6 Directors

	31.1.21 £	31.1.20 £
Directors emoluments	<u>-</u>	<u>-</u>

The directors of the company are also directors or officers of the parent company. The directors' services to the company do not occupy a significant amount of their time and are considered to be incidental, and so the directors do not consider that they received any remuneration for their services to the company for either the year to 31 January 2021 or year to 31 January 2020.

Other than the board, there were no other key management personnel in the year.

LOOKOUT LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2021

7 Employees and directors

The average monthly number of employees (including executive directors) during the year was:

	31.1.21 Number	31.1.20 Number
Administration	2	3
Sales and support	18	20
	<u>20</u>	<u>23</u>

8 Taxation on profit on ordinary activities

The tax charge on the profit on ordinary activities for the period was as follows:

	31.1.21 £	31.1.20 £
(i) Current tax:		
Corporation tax on ordinary activities in current period at prevailing rates	43,775	54,090
Corporation tax on ordinary activities in prior period at prevailing rates	(15,038)	(5,409)
	<u>28,737</u>	<u>48,681</u>

(ii) Reconciliation of tax charge:

The tax assessed on the profit on ordinary activities for the year is lower (2020: lower) than the standard average rate of corporation tax in the UK of 19% (2020: 19%):

	31.1.21 £	31.1.20 £
Profit on ordinary activities before taxation	<u>249,949</u>	<u>240,856</u>
Current tax at 19% (2020: 19%)	47,490	45,763
Effects of:		
Depreciation (less) / more than capital allowances in period	(1,486)	(1,847)
Expenses not deductible for tax purposes	994	3,292
R&D tax credit	(19,171)	(19,423)
Over provision	15,947	26,305
Overprovision in prior year	(15,038)	(5,409)
Total current tax charge	<u>28,736</u>	<u>48,681</u>

LOOKOUT LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2021

9 Property, plant and equipment

	Computer Equipment £	Property, Plant & Equipment £	Total £
Cost			
As at 1 February 2020	2,309	591,834	594,143
Additions in the year	-	-	-
At 31 January 2021	2,309	591,834	594,143
Depreciation			
As at 1 February 2020	2,117	90,194	92,311
Charge for the year	192	186,931	187,123
At 31 January 2021	2,309	277,125	279,434
Net book value			
At 31 January 2021	-	314,709	314,709
At 31 January 2020	192	501,640	501,832

Included in Property, plant and equipment is the office building, a right-of-use asset.

10 Debtors	31.1.21	31.1.20
	£	£
Amounts owed by group undertakings	1,471,171	1,452,143
Other debtors	10,473	51,690
Prepayments and accrued income	178,213	212,001
	1,659,857	1,715,834

Amounts owed by group undertakings are unsecured, non-interest bearing, have no fixed date of repayment and are payable on demand.

11 Creditors: Amounts falling due within one year	31.1.21	31.1.20
	£	£
Amounts owed to group undertakings	221,543	147,470
Trade creditors	30,321	219,725
Corporation tax	31,900	43,272
Other taxation and social security	44,803	158,537
Other creditors	302,150	307,194
	630,717	876,197

12 Creditors: Amounts falling due after more than one year

	31.1.21	31.1.20
	£	£
Other creditors	118,702	314,708

13 Lease Liabilities

The company has a lease for the main office. With the exception of short-term leases, and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and asset.

Each lease generally imposes a restriction that, unless there is a contractual right for the company to sublet the asset to another party, the right-of-use asset can only be used by the company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The company is prohibited from selling or pledging the underlying leased assets as security. For leases over the office building, the company must keep that property in a good state of repair and return the property in its original condition at the end of the lease. Further, the company must insure the property and incur maintenance fees in accordance with the lease contract.

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13 Lease Liabilities (continued)

At 31 January 2021, the company had the following leases by type of right-of-use asset;

	No. of right-of-use assets leased	Range of remaining term
Office premises	1	1-2 years

Lease liabilities in relation to the office building are presented in the statement of financial position as follows:

	31.1.21 £	31.1.20 £
Current - falling due within one year	196,006	186,931
Non-Current - falling due outside one year	118,702	314,708
	<u>314,708</u>	<u>501,639</u>

14 Employee benefits

During the year contributions into defined contribution schemes of £92,095 (2020: £88,355) were made, of which £nil were outstanding at the end of the year.

15 Share capital

	31.1.21 £	31.1.20 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

16 Financial instruments

The company has the following financial instruments:

	Note	31.1.21 £	31.1.20 £
Financial assets at fair value through profit or loss		-	-
Financial assets that are debt instruments measured at amortised cost			
- Amounts owed by group undertakings	10	1,471,171	1,452,143
- Other receivables	10	10,473	51,690
		<u>1,481,644</u>	<u>1,503,833</u>
Financial liabilities measured at fair value through profit or loss		-	-
Financial liabilities measured at amortised cost			
- Amounts owed to group undertakings	11	221,543	147,470
- Trade creditors	11	30,321	219,725
- Accruals	11	106,144	120,263
		<u>358,008</u>	<u>487,458</u>

The company has no interest rate derivative financial instruments (2020: none).

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17 Share-based payments

Lookout, Inc., the parent company to Lookout Limited, offers to its employees an equity-settled share based remuneration scheme ("Equity-settled remuneration"). The share options relate to the parent company's common stock. Details of the scheme are as follows.

Exercise price (\$)	At 31 January 2020	Granted during the year	Exercised during the year	Surrendered during the year	At 31 January 2021
Stock Options					
1.01	571,764		73,437	75,677	422,650
1.71		248,350		11,046	237,304
	<u>571,764</u>	<u>248,350</u>	<u>73,437</u>	<u>86,723</u>	<u>659,954</u>

At 31 January 2021 there were xx (2020: 12) employees who subscribed to the company's share option scheme.

Options are granted under the parent company's stock incentive plan. Generally stock options to employees vest over a period of 48 months and have a contractual life of 10 years from the date of grant. Grants of stock options generally must be at an exercise price not less than the fair value of the underlying common stock on the date of grant.

18 Ultimate parent company

The company is 100% owned by its ultimate parent, Lookout Inc, a company incorporated in the USA and located at 275 Battery St, Suite 200, San Francisco, CA 94111, USA, and is included in the consolidated financial statements of that company. The accounts are not publically available.

19 Related party transactions

The company has taken advantage of the exemptions in FRS 102 from disclosing transactions with other companies that are wholly owned within the group.