
SEQUENCE NUTRITION LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2022

SEQUENCE NUTRITION LIMITED

COMPANY INFORMATION

Directors J J Relph
I Lychagov (appointed 3 December 2021)

Registered number 08950815

Registered office 18a/20 King Street
Maidenhead
Berkshire
United Kingdom
SL6 1EF

Accountants Donald Reid Limited
Chartered Accountants
18a/20 King Street
Maidenhead
Berkshire
SL6 1DT

SEQUENCE NUTRITION LIMITED

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SEQUENCE NUTRITION LIMITED
REGISTERED NUMBER: 08950815

BALANCE SHEET
AS AT 31 MARCH 2022

		2022	2021
		£	£
Fixed assets			
Tangible assets	5	10,205	<i>10,114</i>
		10,205	<i>10,114</i>
Current assets			
Stocks	6	640,815	<i>760,545</i>
Debtors: amounts falling due within one year	7	1,355,534	<i>1,368,938</i>
Cash at bank and in hand	8	3,762,766	<i>192,318</i>
		5,759,115	<i>2,321,801</i>
Creditors: amounts falling due within one year	9	(677,231)	<i>(1,771,135)</i>
Net current assets		5,081,884	<i>550,666</i>
Total assets less current liabilities		5,092,089	<i>560,780</i>
Creditors: amounts falling due after more than one year	10	(34,022)	<i>(43,688)</i>
Net assets		5,058,067	<i>517,092</i>
Capital and reserves			
Called up share capital	12	35	<i>20</i>
Share premium account	13	12,221,837	<i>4,864,390</i>
Other reserves	13	26,986	<i>20,000</i>
Profit and loss account	13	(7,190,791)	<i>(4,367,318)</i>
		5,058,067	<i>517,092</i>

SEQUENCE NUTRITION LIMITED
REGISTERED NUMBER: 08950815

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

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

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

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

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 March 2023.

J J Relph
Director

SEQUENCE NUTRITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Sequence Nutrition Limited is a private company limited by shares. The company was incorporated in the United Kingdom and is registered in England and Wales. The registration number of the company is 08950815. The company's registered office address is 18a/20 King Street, Maidenhead, Berkshire, United Kingdom, SL6 1EF.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Revenue

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

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

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

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

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

2.5 Government grants

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

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

2.6 Interest income

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Pensions

Defined contribution pension plan

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

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

2.9 Share based payments

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

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

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

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

2.10 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.11 Intangible assets

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

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

The estimated useful lives range as follows:

Development expenditure	-	3	years
Website	-	3	years

2.12 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Plant and machinery	-	33%
Computer equipment	-	33%

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

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

2.13 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.14 Debtors

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.15 Cash and cash equivalents

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

2.16 Creditors

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

2.17 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 17 (2021 - 17).

SEQUENCE NUTRITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

4. Intangible assets

	Development expenditure £	Website £	Total £
Cost			
At 1 April 2021	74,358	7,350	81,708
At 31 March 2022	74,358	7,350	81,708
Amortisation			
At 1 April 2021	74,358	7,350	81,708
At 31 March 2022	74,358	7,350	81,708
Net book value			
At 31 March 2022	-	-	-
At 31 March 2021	-	-	-

SEQUENCE NUTRITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. **Tangible fixed assets**

	Plant and machinery £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2021	4,156	20,420	24,576
Additions	1,353	6,556	7,909
	<hr/>	<hr/>	<hr/>
At 31 March 2022	5,509	26,976	32,485
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2021	1,878	12,584	14,462
Charge for the year on owned assets	1,096	6,722	7,818
	<hr/>	<hr/>	<hr/>
At 31 March 2022	2,974	19,306	22,280
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2022	<u>2,535</u>	<u>7,670</u>	<u>10,205</u>
At 31 March 2021	<u>2,278</u>	<u>7,836</u>	<u>10,114</u>

SEQUENCE NUTRITION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. Stocks

	2022	2021
	£	£
Work in progress (goods to be sold)	26,050	223,492
Finished goods and goods for resale	614,765	537,053
	<u>640,815</u>	<u>760,545</u>

7. Debtors

	2022	2021
	£	£
Trade debtors	286,495	129,629
Other debtors	1,018,089	411,786
Prepayments and accrued income	50,950	827,523
	<u>1,355,534</u>	<u>1,368,938</u>

8. Cash and cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	3,762,766	192,318
	<u>3,762,766</u>	<u>192,318</u>

SEQUENCE NUTRITION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Bank loans	9,666	6,311
Other loans	-	1,156,500
Trade creditors	547,767	361,615
Other taxation and social security	92,602	197,321
Other creditors	3,416	22,046
Accruals and deferred income	23,780	27,342
	<u>677,231</u>	<u>1,771,135</u>

Included in other loans is an amount of £nil (2021: £1,156,500) expected to convert to equity within one year of the balance sheet date.

10. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Bank loans	34,022	43,688
	<u>34,022</u>	<u>43,688</u>

SEQUENCE NUTRITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year		
Bank loans	9,666	6,311
Other loans	-	1,156,500
	<u>9,666</u>	<u>1,162,811</u>
Amounts falling due 1-2 years		
Bank loans	9,911	9,666
	<u>9,911</u>	<u>9,666</u>
Amounts falling due 2-5 years		
Bank loans	24,111	30,490
	<u>24,111</u>	<u>30,490</u>
Amounts falling due after more than 5 years		
Bank loans	-	3,532
	<u>-</u>	<u>3,532</u>
	<u>43,688</u>	<u>1,206,499</u>

SEQUENCE NUTRITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
35,098,270 (2021 - 23,730,836) Ordinary shares of £0.000001 each	<u>35</u>	<u>20</u>

During the year 11,367,434 Ordinary shares were issued for a consideration of £7,612,544.

13. Reserves

Share premium account

The share premium account records the amount above the nominal value received for shares sold, less transaction costs.

Other reserves

Charges relating to share based payments are included in other reserves.

Profit and loss account

The profit and loss account records the cumulative profits or losses of the company since incorporation, less any dividends.

14. Share based payments

Sequence Nutrition Limited has an equity-settled Enterprise Management Incentive Scheme ("EMI") which is available to UK employees who work for the Company and satisfy the qualifying conditions and the EMI working time requirements.

In addition to the EMI scheme, the company also has an unapproved option scheme.

The options vest over a period of up to 5 years from grant date. The Black-Scholes valuation method was used to determine the fair-value of the options vested during the year.

A charge of £26,986 (2021: £Nil) has been recognised within the profit and loss in relation to the share based payment transactions

15. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £12,228 (2021: £12,119). Contributions totalling £2,672 (2021: £3,332) were payable to the fund at the balance sheet date and are included in creditors.

SEQUENCE NUTRITION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. Commitments under operating leases

At 31 March 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022	<i>2021</i>
	£	£
Not later than 1 year	141,875	-
	<hr/>	<hr/>
	141,875	-
	<hr/> <hr/>	<hr/> <hr/>

17. Related party transactions

At the year end, included in other creditors is an amount of £531 (*2021: £1,243*) owed by the company to a director.

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