

Company Registration No. 09233870 (England and Wales)

FRAUGSTER LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR

FRAUGSTER LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Statement of changes in equity	3
Notes to the financial statements	4 - 9

FRAUGSTER LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 €	2017 €
Fixed assets			
Intangible assets	3	13,394	15,174
Tangible assets	4	125,627	90,606
		<u>139,021</u>	<u>105,780</u>
Current assets			
Debtors	5	423,359	93,743
Cash at bank and in hand		7,764,814	2,681,212
		<u>8,188,173</u>	<u>2,774,955</u>
Creditors: amounts falling due within one year	6	(236,611)	(1,830,796)
Net current assets		<u>7,951,562</u>	<u>944,159</u>
Total assets less current liabilities		<u>8,090,583</u>	<u>1,049,939</u>
Creditors: amounts falling due after more than one year	7	-	(513,958)
Net assets		<u><u>8,090,583</u></u>	<u><u>535,981</u></u>
Capital and reserves			
Called up share capital	8	600	488
Share premium account		15,230,132	3,935,208
Profit and loss reserves		(7,140,149)	(3,399,715)
Total equity		<u><u>8,090,583</u></u>	<u><u>535,981</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

FRAUGSTER LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2018

The financial statements were approved by the board of directors and authorised for issue on 27 August 2019 and are signed on its behalf by:

M Laemmle
Director

Company Registration No. 09233870

FRAUGSTER LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital €	Share premium account €	Profit and loss reserves €	Total €
Balance at 1 January 2017		488	3,935,208	(915,819)	3,019,877
Period ended 31 December 2017:					
Loss and total comprehensive income for the period		-	-	(2,483,896)	(2,483,896)
Balance at 31 December 2017		488	3,935,208	(3,399,715)	535,981
Year ended 31 December 2018:					
Loss and total comprehensive income for the year		-	-	(3,740,434)	(3,740,434)
Issue of share capital	8	166	11,294,924	-	11,295,090
Reduction of shares	8	(54)	-	-	(54)
Balance at 31 December 2018		600	15,230,132	(7,140,149)	8,090,583

FRAUGSTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Fraugster Limited is a private company limited by shares incorporated in England and Wales. The registered office is Third Floor, 20 Old Bailey, London, EC4M 7AN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in euros, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2018 are the first financial statements of Fraugster Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2017. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the provision of services is recognised in the period in which the service is provided.

1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Intellectual Property rights	10% straight line
------------------------------	-------------------

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	33 1/3% straight line
--------------------	-----------------------

FRAUGSTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

FRAUGSTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 44 (2017 - 28).

FRAUGSTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

3 Intangible fixed assets

	Intellectual Property rights €
Cost	
At 1 January 2018 and 31 December 2018	17,797
Amortisation and impairment	
At 1 January 2018	2,623
Amortisation charged for the year	1,780
At 31 December 2018	4,403
Carrying amount	
At 31 December 2018	13,394
At 31 December 2017	15,174

4 Tangible fixed assets

	Plant and machinery etc €
Cost	
At 1 January 2018	122,591
Additions	65,123
At 31 December 2018	187,714
Depreciation and impairment	
At 1 January 2018	31,985
Depreciation charged in the year	30,102
At 31 December 2018	62,087
Carrying amount	
At 31 December 2018	125,627
At 31 December 2017	90,606

5 Debtors

	2018 €	2017 €
Amounts falling due within one year:		
Other debtors	423,359	93,743

FRAUGSTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

6 Creditors: amounts falling due within one year

	2018	2017
	€	€
Trade creditors	76,670	3,684
Taxation and social security	10,066	49,941
Other creditors	149,875	1,777,171
	<u>236,611</u>	<u>1,830,796</u>

7 Creditors: amounts falling due after more than one year

	2018	2017
	€	€
Other creditors	-	513,958
	<u>-</u>	<u>513,958</u>

8 Called up share capital

	2018	2017
	€	€
Ordinary share capital		
Issued and fully paid		
227,683,467 Ordinary shares of £0.000001 each	254	294
124,955,000 Series A shares of £0.000001 each	140	137
39,020,000 Seed shares of £0.000001 each	43	57
146,159,900 Series B shares of £0.000001 each	163	-
	<u>600</u>	<u>488</u>

During the year the £0.01 Ordinary shares, Series A shares and Seed shares were redesignated in to £0.000001 shares.

Following the redesignation of shares a new class of £0.000001 Series B shares was issued. 142,578,367 £0.000001 Series B shares were issued at a total premium of €11,294,923.

During the year a transfer of 8,285,000 shares was made from Ordinary Shares to Series A Shares and 621,533 shares from Ordinary Shares to Series B Shares. Additionally a transfer of 2,960,000 shares was made from Seed Shares into Series B Shares.

All classes of shares of £0.000001 each have equal voting rights. Series B shares get potential preference of receiving the proceeds on a sale, The remaining proceeds on sale are then distributed in the following order: Series A, then Seed and then Ordinary shares.

FRAUGSTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

8 Called up share capital

(Continued)

Reconciliation of movements during the year:

	Ordinary shares Number	Series A shares Number	Seed shares Number	Series B shares Number
At 1 January 2018	23,659	11,667	4,198	-
Issue of fully paid shares	-	-	-	142,578,367
Sub-division	236,566,341	116,658,333	41,975,802	146,159,900
Transfer of shares	(8,906,533)	8,285,000	(2,960,000)	3,581,533
At 31 December 2018	227,683,467	124,955,000	39,020,000	292,319,800

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.