

**HOPTROFF LONDON LIMITED**

**Financial Statements**

**for the Year Ended 30 April 2022**

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for the year ended 30 April 2022**

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**HOPTROFF LONDON LIMITED**

**Company Information  
for the year ended 30 April 2022**

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**Directors:**

R G Hoptroff  
S Kenny  
D Hulbert  
T D Richards  
G Dalal

**Registered office:**

New Derwent House  
69-73 Theobalds Road  
London  
WC1X 8TA

**Registered number:**

09566434 (England and Wales)

**Auditors:**

Haines Watts  
Chartered Accountants and Statutory Auditor  
New Derwent House  
69-73 Theobalds Road  
London  
WC1X 8TA

**HOPTROFF LONDON LIMITED (REGISTERED NUMBER: 09566434)**

**Balance Sheet  
30 April 2022**

	Notes	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Intangible assets	4		50,000		78,571
Tangible assets	5		88,546		43,250
Investments	6		<u>7</u>		<u>7</u>
			138,553		121,828
<b>Current assets</b>					
Debtors	7	551,290		235,500	
Cash at bank		<u>428,113</u>		<u>794,519</u>	
		979,403		1,030,019	
<b>Creditors</b>					
Amounts falling due within one year	8	<u>378,451</u>		<u>692,733</u>	
<b>Net current assets</b>			<u>600,952</u>		<u>337,286</u>
<b>Total assets less current liabilities</b>			<u>739,505</u>		<u>459,114</u>
<b>Creditors</b>					
Amounts falling due after more than one year	9		(30,759)		(90,516)
<b>Provisions for liabilities</b>			<u>(12,559)</u>		<u>(15,343)</u>
<b>Net assets</b>			<u>696,187</u>		<u>353,255</u>
<b>Capital and reserves</b>					
Called up share capital	10		929,980		792,842
Share premium	11		5,076,008		3,498,929
Retained earnings	11		<u>(5,309,801)</u>		<u>(3,938,516)</u>
<b>Shareholders' funds</b>			<u>696,187</u>		<u>353,255</u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 31 January 2023 and were signed on its behalf by:

D Hulbert - Director

**Notes to the Financial Statements  
for the year ended 30 April 2022**

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**1. Statutory information**

Hoptroff London Limited is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office can be found on the Company Information page.

**2. Accounting policies**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The presentational and functional currency of the financial statements is the Pound Sterling (£).

Amounts in the financial statements have been rounded to the nearest £.

**Preparation of consolidated financial statements**

The financial statements contain information about Hoptroff London Limited as an individual Company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

**Significant judgements and estimates**

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

**Critical judgements in applying the Company's accounting policies**

The critical judgement that the directors' have made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

**(i) Assessing indicators and impairment**

In assessing whether there have been any indicators or impairment assets, the directors' have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience or recoverability. There have been no indicators or impairments identified during the current financial year.

**Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**(ii) Recoverability of receivables**

The Company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors' consider factors such as the aging of the receivables, past experience and recoverability, and the credit profile of individual or groups of customers.

Notes to the Financial Statements - continued  
for the year ended 30 April 2022

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2. Accounting policies - continued

**Turnover**

Turnover represents amounts receivable for licenses provided in the year and is stated net of VAT. Turnover is recognised in line with accrual accounting bases on fees received for licenses provided in the financial year, evenly accrued over the term of the contract.

**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.

The assets are being amortised evenly over their estimated useful life of three years.

**Tangible fixed assets**

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

Computer equipment - 33% on cost

**Impairment of fixed assets**

At each reporting period end date, the Company reviews the carrying amounts of its tangible 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.

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.

**Government grants**

Grants are accounted for under the accruals model, as permitted by FRS 102. Grants related to expenditure on tangible fixed assets are credited to the Income Statement at the same rate as depreciation on the asset 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 other income within the Income Statement in the same period as related expenditure.

**Investments in subsidiaries**

Investments in subsidiary undertaking are recognised at cost less accumulated impairment losses. The directors' undertake impairment reviews on investments annually.

**Financial instruments**

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

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 Income Statement.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Income Statement.

Notes to the Financial Statements - continued  
for the year ended 30 April 2022

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2. **Accounting policies - continued**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Income Statement, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

**(ii) Financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, 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 receipts discounted at a market rate of interest.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

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

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the 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 in connection with research activities is charged in the period in which it is incurred. Development costs are capitalised to the extent that they can be attributed directly to a specific project, where the project's technical and commercial feasibility have been proved and there is reasonable probability that the development activity will generate future economic benefits.

**Pension costs and other post-retirement benefits**

The Company operates a defined contribution pension scheme. Contributions payable to the Company's pension scheme are charged to the Income Statement in the period to which they relate.

**Going concern**

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

Notes to the Financial Statements - continued  
for the year ended 30 April 2022

2. **Accounting policies - continued**

The Company has been in the research and development phase of the product life cycle, which is an indication as to why the Company is loss making with negative reserves.

The current economic conditions present increased risks for all businesses. In response to such conditions, the directors have carefully considered these risks including an assessment on uncertainty on future trading projection for a period of at least 12 months from the date of signing the financial statements, and the extent to which they might affect the preparation of the financial statements on a going concern basis.

The directors have produced budgets and cash flow projections for both the forecast and worst case scenarios, which indicate that the Company will have sufficient resources to continue in operation. In addition, the directors completed a successful fundraising campaign during the remainder of 2022, the majority of which came from a significant new investor. They are in discussions for further funding in 2023 although this is not envisaged to be a necessity for the funding of the Company.

Based on assessment, the directors consider that the Company maintains an appropriate level of liquidity, sufficient to meet the demands of the business including any capital and servicing obligations and external debt liabilities.

In addition, the Company's assets are assessed for recoverability on a regular basis, and the directors consider that the Company is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubts upon the Company's ability to continue as a going concern. Thus the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

3. **Employees and directors**

The average number of employees during the year was 17 (2021 - 13 ).

4. **Intangible fixed assets**

	<b>Goodwill</b> £	<b>Other intangibles</b> £	<b>Totals</b> £
<b>Cost</b>			
At 1 May 2021			
and 30 April 2022	50,000	100,000	150,000
<b>Amortisation</b>			
At 1 May 2021	50,000	21,429	71,429
Amortisation for year	-	28,571	28,571
At 30 April 2022	50,000	50,000	100,000
<b>Net book value</b>			
At 30 April 2022	-	50,000	50,000
At 30 April 2021	-	78,571	78,571



Notes to the Financial Statements - continued  
for the year ended 30 April 2022

## 5. Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
At 1 May 2021	69,471
Additions	93,595
At 30 April 2022	<u>163,066</u>
<b>Depreciation</b>	
At 1 May 2021	26,221
Charge for year	48,299
At 30 April 2022	<u>74,520</u>
<b>Net book value</b>	
At 30 April 2022	<u>88,546</u>
At 30 April 2021	<u>43,250</u>

## 6. Fixed asset investments

	Shares in group undertakings £
<b>Cost</b>	
At 1 May 2021 and 30 April 2022	<u>7</u>
<b>Net book value</b>	
At 30 April 2022	<u>7</u>
At 30 April 2021	<u>7</u>

## 7. Debtors: amounts falling due within one year

	2022 £	2021 £
Trade debtors	18,491	7,646
Amounts owed by group undertakings	162,432	72,322
Other debtors	26,717	14,437
Tax	191,632	135,595
VAT	46,909	4,801
Prepayments and accrued income	105,109	699
	<u>551,290</u>	<u>235,500</u>

## 8. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	10,508	9,484
Trade creditors	79,816	76,246
Social security and other taxes	17,293	24,055
Other creditors	7	398,485
Accruals and deferred income	270,827	184,463
	<u>378,451</u>	<u>692,733</u>

Notes to the Financial Statements - continued  
for the year ended 30 April 2022

9. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans - 1-2 years	10,001	9,757
Bank loans - 2-5 years	20,758	20,287
Bank loans more 5 yr by instal	-	10,472
Other creditors	-	50,000
	<u>30,759</u>	<u>90,516</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	<u>-</u>	<u>10,472</u>

10. Called up share capital

Allotted and issued:

Number:	Class:	Nominal value:	2022	2021
			£	£
9,299,794	Ordinary shares	10p	<u>929,980</u>	<u>792,842</u>

During the year 1,371,373 Ordinary shares of £0.10 each were issued at the following premiums:

Number issued:	Premium:
1,371,373	£1.15

11. Reserves

	Retained earnings	Share premium	Totals
	£	£	£
At 1 May 2021	(3,938,516)	3,498,929	(439,587)
Deficit for the year	(1,371,285)		(1,371,285)
Issue of share capital	-	1,577,079	1,577,079
At 30 April 2022	<u>(5,309,801)</u>	<u>5,076,008</u>	<u>(233,793)</u>

12. Disclosure under Section 444(5B) of the Companies Act 2006

The Auditors' Report was unqualified.

Andrew Jepson FCCA (Senior Statutory Auditor)  
for and on behalf of Haines Watts

13. Related party disclosures

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

14. Ultimate controlling party

There is no ultimate controlling party.

**Notes to the Financial Statements - continued**  
**for the year ended 30 April 2022**

**15. Share-based payment transactions****Enterprise Management Incentive Scheme share options issued**

Company employees have been granted options under an Enterprise Management Incentive Scheme at exercise prices of £0.39, £0.42, £0.50 and £1.25, which entitles the holders to options on shares in the Company at a future date. The option prices granted were agreed in advance with HMRC Shares & Asset Valuation Division and represented current actual and unrestricted market value at the time of granting the options. Options may be exercised at any time between the vesting date and one day before the 10 year anniversary of the grant date.

The directors consider that the fair value at grant date of the options are comparable to the option price. Therefore there has been no charge recognised in the Income Statement and equity in 2021 or 2022.

The following table shows the movements during the year:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Outstanding at 1 May	157,500	87,500
Granted during the year	437,500	70,000
Lapsed/cancelled during the year	(110,000)	-
Exercised during the year	-	-
Outstanding at 30 April	<u>485,000</u>	<u>157,500</u>

Options granted but not vested at 30 April	<u>382,500</u>	<u>88,750</u>
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The standard vesting period of the options in this scheme is 2 years and 3 years and at year end the average vesting period left on the options in the scheme were 1 year and 1 month.

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.