

Company Registration No. 09571824 (England and Wales)

CAPITALRISE FINANCE LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2021
PAGES FOR FILING WITH REGISTRAR



CAPITALRISE FINANCE LIMITED

CEO REPORT

FOR THE YEAR ENDED 31 JULY 2021

CapitalRise continues to serve two very clear customer bases: providing experienced property developers with bespoke, flexible and cost-effective funding; and providing investors with the opportunity to invest in the attractive but previously inaccessible asset class of prime real estate debt with a strong risk-adjusted return. The substantial growth both in loan origination and in funds raised from investors once again demonstrates the high demand for our products and our success in meeting that demand.

CapitalRise has enjoyed a highly successful 2021 financial year. Highlights include:

- We closed a £2.3m fundraise in January 2021. This far exceeded our original target and puts us in a strong financial position;
- We grew lending volumes by 38% and have now lent £122m since inception secured against £509m of Prime property assets in London and the Home Counties;
- 60% year on year increase in crowd fundraising;
- We distributed over £36m to investors in capital and returns during the year, despite the challenges of Covid, and have now returned more than £66m to investors in total at an average return of 8.7% with no losses or defaults;
- We agreed a £72m funding line with an institutional investor, increasing our capacity to fund a greater volume of loans;
- We have invested in the team, growing headcount by 25%.

We have significantly grown our revenue in the year while total costs have remained flat, resulting in impressive margin growth. This also proves the scalable nature of our business model.

Lending

We enjoyed a successful year of origination, increasing our lending by 38% year on year. This included both our largest ever loan and our largest single capital raises. We invested in the lending team, adding two new originators at the start of FY22 which will contribute towards driving growth even further.

This has been a year when Covid-19 has continued to have an effect on all areas of life. Property developers have been impacted by shortages in labour and materials, planning delays and general uncertainty. In response we increased our loan monitoring procedures and worked even more closely with developers in order to bring each loan to a successful conclusion. Our Board, Credit Committee and management team have many years of property development experience which enables us to understand the challenges faced by borrowers and work with them as they progress with their project. This experience has played a huge part in maintaining our spotless lending track record, contributing towards a record number of successful loan redemptions in the year (£36m).

Borrowing

We have continued to provide our customer base with fantastic opportunities to invest in a range of high-quality loans, secured against some outstanding properties. We enjoyed a record-breaking year of crowdfunding, raising 60% more than in the previous year. We have returned over £36m in capital and returns to our customers and we are delighted that the vast majority of those funds have been reinvested in new loans. We have spent time building deeper relationships with many of our customers and our 5* TrustPilot rating is testament to the service we provide.

We closed a £72m funding line with a financial institution which will further enhance our loan-funding capabilities. In addition, we agreed two new pre-funding facilities, increasing our flexibility and allowing us to commit to larger single raises.

We are growing our already considerable network of High Net Worth Individuals, Family Offices and Financial Institutions who are investing substantial sums in our loans. This forms a key part of our business strategy, enabling us to increase lending volumes and provide even more attractive investment opportunities to our customers.

CAPITALRISE FINANCE LIMITED

CEO REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Recognition

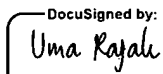
We pride ourselves on our customer service and our commitment in this area is reflected in the fact that we have retained our Excellent 5* TrustPilot rating throughout the year, something for which we are both proud and grateful.

As well as excellent customer feedback, we are delighted to have received wider recognition. We were named Best Business Finance Provider at the 2021 British Bank Awards, a hugely prestigious award and a significant achievement. We also won Specialist Investment Provider of the Year at the MoneyAge Awards. Our CEO, Uma Rajah was named in the Peer2Peer Finance News Power 50 and was profiled in the Financial Times' Top 30 Female Entrepreneurs to Watch. In addition we were named in JP Morgan's Top 200 Female-Powered Businesses.

Outlook

CapitalRise is in a very strong position to continue its growth over the coming year. After our fundraise, we are very well-capitalised, providing us with the opportunity to invest in the business, primarily in staff and in tech. This will allow us to improve and refine our offering and accelerate our growth. We are confident in our strategy for the business and will continue to take a consistent approach, only lending to experienced borrowers on high quality real estate in the right locations with realistic valuations, while increasing the volume and size of our loans to feed the ever-growing investor appetite.

We are hugely grateful to our loyal customers on both the borrowing and lending sides of the business, and to those who invested in the business during our fundraise. We look forward to repaying your loyalty and trust over the coming year and beyond.

DocuSigned by:

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Ms U Somasundarajah
Chief Executive Officer

CAPITALRISE FINANCE LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 JULY 2021**

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Intangible assets	5		93,593		112,469
Tangible assets	6		22,672		24,398
Investments	7		1,064,727		597,005
			<u>1,180,992</u>		<u>733,872</u>
Current assets					
Debtors	8	1,381,495		895,675	
Cash at bank and in hand		2,220,284		1,060,501	
		<u>3,601,779</u>		<u>1,956,176</u>	
Creditors: amounts falling due within one year	9	(227,287)		(321,675)	
Net current assets			<u>3,374,492</u>		<u>1,634,501</u>
Total assets less current liabilities			<u>4,555,484</u>		<u>2,368,373</u>
Creditors: amounts falling due after more than one year	10	(2,492,807)			-
Net assets			<u>2,062,677</u>		<u>2,368,373</u>
Capital and reserves					
Called up share capital	12		8		7
Share premium account			6,754,859		6,754,859
Revaluation reserve			1,014,696		546,980
Profit and loss reserves			(5,706,886)		(4,933,473)
Total equity			<u>2,062,677</u>		<u>2,368,373</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 July 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

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.

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

Company Registration No. 09571824

CAPITALRISE FINANCE LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 JULY 2021

The financial statements were approved by the board of directors and authorised for issue on 19 November 2021 and are signed on its behalf by:

Uma Rajah

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Ms U Somasundararajah
Director

CAPITALRISE FINANCE LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2021**

	Notes	Share capital £	Share premium account £	Revaluation reserve £	Profit and loss reserves £	Total £
Balance at 1 August 2019		7	5,643,681	252,590	(3,505,909)	2,390,369
Year ended 31 July 2020:						
Loss for the year		-	-	-	(1,488,545)	(1,488,545)
Other comprehensive income:						
Adjustments to the fair value of investments		-	-	294,390	-	294,390
Total comprehensive income for the year		-	-	294,390	(1,488,545)	(1,194,155)
Issue of share capital	12	-	1,111,178	-	-	1,111,178
Credit to equity for equity settled share-based payments	3	-	-	-	60,981	60,981
Balance at 31 July 2020		7	6,754,859	546,980	(4,933,473)	2,368,373
Year ended 31 July 2021:						
Loss for the year		-	-	-	(1,138,052)	(1,138,052)
Other comprehensive income:						
Adjustments to the fair value of investments		-	-	467,716	-	467,716
Total comprehensive income for the year		-	-	467,716	(1,138,052)	(670,336)
Issue of share capital	12	1	-	-	-	1
Credit to equity for equity settled share-based payments	3	-	-	-	364,639	364,639
Balance at 31 July 2021		8	6,754,859	1,014,696	(5,706,886)	2,062,677

CAPITALRISE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Company information

CapitalRise Finance Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Jubilee House, 2 Jubilee Place, London, SW3 3TQ.

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 sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain assets at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

Going concern

These financial statements are prepared on the going concern basis. A cash flow forecast for the twelve months from the date when the financial statements are authorised for issue, prepared by management, has indicated that the entity will have sufficient cash assets to be able to meet its debts as and when they are due. The directors expect that the company will continue in operational existence for the foreseeable future.

The company completed a fundraise during the year which has put the company in a strong cash position and in a solid position for the future.

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 where applicable.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Arrangement fees are recognised in full once the arrangement services have been completed and funds become available for drawdown by the customer.

Annual management and monitoring fees are recognised on a straight line basis over the period that these services are provided.

CAPITALRISE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies (Continued)

Intangible fixed assets other than goodwill

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

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

Website	10 years straight line
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Tangible fixed assets

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

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

Fixtures and fittings	25% straight line
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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.

Fixed asset investments

Interests in subsidiaries are initially measured at the transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Transaction costs are expensed to profit or loss as incurred. Changes in fair value are recognised in other comprehensive income except to the extent that a gain reverses a loss previously recognised in profit or loss, or a loss exceeds the accumulated gains recognised in equity; such gains and loss are recognised in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

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.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held on call with banks.

CAPITALRISE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies (Continued)

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 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 trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 trade and other 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.

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

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Convertible instruments

Convertible loans are initially measured at cost and subsequently remeasured to fair value at the reporting date. The movement in fair value is recognised in profit or loss in finance costs or finance income as appropriate.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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.

CAPITALRISE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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

Retirement benefits

The company operates a defined contribution scheme. The amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

CAPITALRISE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies (Continued)

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Foreign exchange

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	<u>10</u>	<u>9</u>

CAPITALRISE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

3 Share-based payment transactions

On 10 April 2018 the company granted share options to certain members of staff with a vesting period between 10 April 2018 and 30 June 2021 and subject to certain performance criteria. The share options lapse 10 years from the date of grant. Management have concluded that the fair value of each share option on the date of grant was £11.37, based on the imputed value of the company from the share transactions undertaken in April 2018.

On 20 May 2020 the company granted share options to certain members of staff with a vesting period between 20 May 2020 and 19 May 2030 and subject to certain performance criteria. The share options lapse 10 years from the date of grant. Management have concluded that the fair value of each share option on the date of grant was £28.68, based on the imputed value of the company from the share transactions undertaken in May 2020.

On 26 March 2021 the company granted share options to certain members of staff with a vesting period between 26 March 2021 and 25 March 2031 and subject to certain performance criteria. The share options lapse 10 years from the date of grant. Management have concluded that the fair value of each share option on the date of grant was £28.68, based on the imputed value of the company from the share transactions undertaken in March 2021.

During the year ended 31 July 2021, the company recognised total share-based payment expenses of £364,639 (2020: £60,981) related to equity settled share-based payment transactions. On 17 September 2020, 7,412 options were exercised and a new issue of 7,412 Ordinary shares of 0.001p each was made by the company.

4 Interest payable and similar expenses

	2021 £	2020 £
Interest on financial liabilities measured at fair value:		
Interest on convertible loan notes	107,921	-
Other finance costs:		
Finance costs for financial instruments measured at fair value through profit or loss	73,206	-
	<u>181,127</u>	<u>-</u>

Other finance costs of £73,206 (2020: £nil) relate to the change in fair value of the convertible loan note liability during the period. See note 10 for details.

CAPITALRISE FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021****5 Intangible fixed assets**

	Website £
Cost	
At 1 August 2020 and 31 July 2021	149,572
Amortisation and impairment	
At 1 August 2020	37,103
Amortisation charged for the year	18,876
At 31 July 2021	55,979
Carrying amount	
At 31 July 2021	93,593
At 31 July 2020	112,469

The company is contracted with an external team of developers, who work closely with and under the guidance of the company's product manager. No employment costs are capitalised.

6 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 August 2020	43,182
Additions	8,637
At 31 July 2021	51,819
Depreciation and impairment	
At 1 August 2020	18,784
Depreciation charged in the year	10,363
At 31 July 2021	29,147
Carrying amount	
At 31 July 2021	22,672
At 31 July 2020	24,398

CAPITALRISE FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021****7 Fixed asset investments**

	2021	2020
	£	£
Shares in group undertakings and participating interests	1,064,727	597,005

Fixed asset investments revalued

Subsidiaries were valued by the directors at each reporting date using net asset valuation. Due to the nature of the assets and liabilities within each of these companies, the directors believe this is equivalent to the open market valuation at that date.

If investments were stated on an historical cost basis rather than a fair value basis, the amounts disclosed would have been £31 (2020: £25).

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 August 2020	597,005
Additions	10
Valuation changes	467,716
Disposals	(4)
At 31 July 2021	1,064,727
Carrying amount	
At 31 July 2021	1,064,727
At 31 July 2020	597,005

8 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Corporation tax recoverable	56,895	86,937
Amounts owed by group undertakings	1,270,204	739,871
Other debtors	54,396	68,867
	1,381,495	895,675

CAPITALRISE FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021****9 Creditors: amounts falling due within one year**

	2021	2020
	£	£
Trade creditors	58,333	55,132
Amounts owed to group undertakings	40,835	97,168
Taxation and social security	28,340	28,204
Other creditors	99,779	141,171
	<u>227,287</u>	<u>321,675</u>

Other creditors include an amount of £81,614 (2020: £46,500) for commitment fees collected from potential borrowers.

10 Creditors: amounts falling due after more than one year

	2021	2020
Notes	£	£
Convertible loans	2,492,807	-
	<u>2,492,807</u>	<u>-</u>

The convertible loan of £2,311,680 was issued on 4 January 2021. The loan can be redeemed with a redemption premium of 100% of the principal amount or converted into ordinary shares on the conversion date. The conversion date is the earliest of qualified financing, non-qualified financing, exit or maturity.

Interest will accrue at 8% until the convertible loan note is redeemed or converted. During the year, an interest expense of £107,921 was recognised in the statement of comprehensive income (2020: £nil).

The liability was remeasured to fair value at the reporting date using a valuation prepared by management which includes an assessment of the expected timing and means of redemption of the loan. A finance cost of £73,206 (2020: £nil) was recognised as a result of this within interest payable and similar expenses in the statement of comprehensive income.

CAPITALRISE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

11 Financial instruments

The group headed by CapitalRise Finance Limited undertakes activities which are principally to generate wealth through financial instruments. The directors have considered the risks relating to financial instruments in CapitalRise Finance Limited as a single entity at the reporting date and consider these to be immaterial.

Credit risk

The maximum exposure at the reporting date to credit risk attributable to the company's financial assets is the carrying amount as disclosed in the statement of financial position. The directors carefully monitor credit risk arising from the company's financial assets and have assessed that no impairment provisions are required (2020: £nil). The company does not hold any collateral.

Capital management

The directors' objective when managing capital is to protect returns to shareholders by ensuring the company will continue to operate for the foreseeable future and remain a going concern while meeting its externally imposed capital requirements set out by its regulator. There have been no changes to the company's capital management policies or requirements from the previous period.

The company complied with its externally-imposed capital requirements during the current and prior periods. These requirements are met using capital resources comprising share capital and share premium and are monitored regulatory by the directors and management.

CAPITALRISE FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 JULY 2021**12 Called up share capital**

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of 0.001p each	461,314	463,517	5	5
A Ordinary shares of 0.001p each	34,868	201,953	-	2
B Ordinary shares of 0.001p each	38,500	-	1	-
Deferred D2 Ordinary shares of 0.001p each	1	-	2	-
	<u>534,683</u>	<u>665,470</u>	<u>8</u>	<u>7</u>

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company. The Ordinary and A Ordinary shares rank pari passu in all respects.

The company's B ordinary shares carry the right to one vote at general meetings only.

The company's deferred D2 ordinary shares have no rights attached to them in respect of voting and receiving dividends, and do not confer any rights of redemption.

On 17 September 2020 the company issued 7,412 Ordinary shares of 0.001p each for cash consideration of 7.4p.

On 18 September 2020 the company issued 38,500 B Ordinary shares of 0.001p each for cash consideration of 38.5p.

On 19 November 2020 the company changed the class of 9,615 Ordinary shares of 0.001p and 167,085 A Ordinary of 0.001p to Deferred shares for cash consideration of £1.77. On the same day, these shares were consolidated into 1 Deferred share with a par value of £1.77 and were reclassified as Deferred D2 shares.

13 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	64,000	44,000
Between one and five years	-	184,000
	<u>64,000</u>	<u>228,000</u>

14 Related party transactions

During the reporting period key management personnel aggregate compensation was £527,524 (2020: £220,168). This includes share-based payment expenses of £358,305 (2020: £60,981).

15 Parent company

The directors have concluded that there are no ultimate controlling parties.