

We Build Bots Limited

Unaudited Financial Statements
for the Year Ended 31 August 2020

We Build Bots Limited
(Registration number: 10899737)
Balance Sheet as at 31 August 2020

| | Note | 2020 £ | 2019 £ |
|--|----------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | <u>4</u> | 9,950 | 16,935 |
| Current assets | | | |
| Debtors | <u>5</u> | 306,600 | 285,544 |
| Cash at bank and in hand | | 194,302 | 4 |
| | | <u>500,902</u> | <u>285,548</u> |
| Creditors: Amounts falling due within one year | <u>6</u> | <u>(200,860)</u> | <u>(220,025)</u> |
| Net current assets | | <u>300,042</u> | <u>65,523</u> |
| Total assets less current liabilities | | 309,992 | 82,458 |
| Creditors: Amounts falling due after more than one year | <u>6</u> | <u>(67,001)</u> | <u>(11,617)</u> |
| Net assets | | <u>242,991</u> | <u>70,841</u> |
| Capital and reserves | | | |
| Called up share capital | <u>7</u> | 152 | 136 |
| Share premium reserve | | 1,031,398 | 719,174 |
| Profit and loss account | | <u>(788,559)</u> | <u>(648,469)</u> |
| Shareholders' funds | | <u>242,991</u> | <u>70,841</u> |

For the financial year ending 31 August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

We Build Bots Limited
(Registration number: 10899737)
Balance Sheet as at 31 August 2020

Approved and authorised by the Board on 28 September 2020 and signed on its behalf by:

Mr P M Shepherd
Director

We Build Bots Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Tramshed Tech
Pendyris Street
Cardiff
CF11 6BH

These financial statements were authorised for issue by the Board on 28 September 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

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

During the year the company continued to undergo substantial research and development activities to bring its Artificial Intelligence platform to market. This has resulted in the company recording a loss of 140,090 (2019: £398,527) for the year ended 31 August 2020. As at that date the shareholders funds totalled £242,991 (2019: £70,841).

The company is currently engaged in securing additional funding to enable it to carry out further research and development to enhance its product and to build on early promising market penetration.

On the basis of the above the directors are comfortable that the company will continue as a going concern.

We Build Bots Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class | Depreciation method and rate |
|--------------------|-------------------------------------|
| Office Equipment | 33% Straight Line |
| Motor vehicles | 25% Straight Line |

Research and development costs

Research and development expenditure is written off in the year in which it is incurred.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

We Build Bots Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

Trade creditors

Trade creditors 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

We Build Bots Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

Financial Instruments

Classification

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Debt instruments are subsequently measured at amortised cost.

Impairment

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 9 (2019 - 12).

We Build Bots Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

4 Tangible assets

| | Furniture, fittings and equipment £ | Motor vehicles £ | Total £ |
|--------------------------|--|---------------------|------------|
| Cost or valuation | | | |
| At 1 September 2019 | 5,290 | 18,200 | 23,490 |
| Disposals | (2,318) | - | (2,318) |
| At 31 August 2020 | 2,972 | 18,200 | 21,172 |
| Depreciation | | | |
| At 1 September 2019 | 1,626 | 4,929 | 6,555 |
| Charge for the year | 1,618 | 4,550 | 6,168 |
| Eliminated on disposal | (1,501) | - | (1,501) |
| At 31 August 2020 | 1,743 | 9,479 | 11,222 |
| Carrying amount | | | |
| At 31 August 2020 | 1,229 | 8,721 | 9,950 |
| At 31 August 2019 | 3,664 | 13,271 | 16,935 |

5 Debtors

| | 2020 £ | 2019 £ |
|---------------|-----------|-----------|
| Trade debtors | 189,425 | 159,838 |
| Prepayments | 3,517 | 1,833 |
| Other debtors | 113,658 | 123,873 |
| | 306,600 | 285,544 |

We Build Bots Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

6 Creditors

Creditors: amounts falling due within one year

| | Note | 2020 £ | 2019 £ |
|------------------------------|----------|----------------|----------------|
| Due within one year | | | |
| Bank loans and overdrafts | <u>8</u> | 2,500 | 17,349 |
| Trade creditors | | 35,390 | 7,461 |
| Taxation and social security | | 89,500 | 75,478 |
| Accruals and deferred income | | 68,207 | 74,539 |
| Other creditors | | 2,133 | 42,518 |
| Hire purchase liabilities | | 3,130 | 2,680 |
| | | <u>200,860</u> | <u>220,025</u> |

The hire purchase liabilities are secured against the assets to which they relate.

Creditors: amounts falling due after more than one year

| | Note | 2020 £ | 2019 £ |
|------------------------------|----------|---------------|---------------|
| Due after one year | | | |
| Hire purchase liabilities | <u>8</u> | 55,984 | 11,617 |
| Accruals and deferred income | | <u>11,017</u> | - |
| | | <u>67,001</u> | <u>11,617</u> |

The hire purchase liabilities are secured against the assets to which they relate.

7 Share capital

Allotted, called up and fully paid shares

| | 2020 No. | £ | 2019 No. | £ |
|--------------------------|----------------|---------------|----------------|---------------|
| Ordinary of £0.0005 each | 303,145 | 151.57 | 271,921 | 135.96 |
| | <u>303,145</u> | <u>151.57</u> | <u>271,921</u> | <u>135.96</u> |

We Build Bots Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

8 Loans and borrowings

| | 2020 £ | 2019 £ |
|---|---------------|---------------|
| Non-current loans and borrowings | | |
| Bank borrowings | 47,500 | - |
| Hire purchase liabilities | 8,484 | 11,617 |
| | <u>55,984</u> | <u>11,617</u> |

| | 2020 £ | 2019 £ |
|-------------------------------------|--------------|---------------|
| Current loans and borrowings | | |
| Bank borrowings | 2,500 | - |
| Bank overdrafts | - | 17,349 |
| Hire purchase liabilities | 3,130 | 2,680 |
| | <u>5,630</u> | <u>20,029</u> |

9 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

| | 2020 £ | 2019 £ |
|---|--------------|---------------|
| Not later than one year | 3,504 | 20,269 |
| Later than one year and not later than five years | 4,675 | 4,619 |
| | <u>8,179</u> | <u>24,888</u> |

The amount of non-cancellable operating lease payments recognised as an expense during the year was £5,591 (2019 - £5,823)

10 Non adjusting events after the financial period

Subsequent to the year end, the worldwide economy has been affected by the Covid-19 virus outbreak, severely impacting the trading ability of the company. The company has been provided with financial assistance from the UK Government. The directors therefore believe that at the date of signing the financial statements the company had adequate cash reserves, to meet its liabilities as and when they fall due.

Therefore the directors confirm that financial statements have been prepared on a going concern basis.

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.