

**DROPLESS LIMITED**  
**Unaudited Financial Statements**  
**For the financial year ended 31 December 2021**  
**Pages for filing with the registrar**

**DROPLESS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2021**

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**DROPLESS LIMITED**  
**BALANCE SHEET**  
**As at 31 December 2021**

	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Intangible assets	3	347,791	149,585
Tangible assets	4	507,808	106,959
		<b>855,599</b>	<b>256,544</b>
<b>Current assets</b>			
Debtors	5	230,845	121,746
Cash at bank and in hand		1,134,492	96,507
		<b>1,365,337</b>	<b>218,253</b>
<b>Creditors</b>			
Amounts falling due within one year	6	( 1,465,625)	( 274,905)
<b>Net current liabilities</b>		<b>(100,288)</b>	<b>(56,652)</b>
<b>Total assets less current liabilities</b>		<b>755,311</b>	<b>199,892</b>
<b>Creditors</b>			
Amounts falling due after more than one year	7	( 200,525)	( 62,223)
<b>Net assets</b>		<b>554,786</b>	<b>137,669</b>
<b>Capital and reserves</b>			
Called-up share capital	8	190	147
Share premium account		3,013,465	739,953
Profit and loss account		( 2,458,869 )	( 602,431 )
<b>Total shareholders' funds</b>		<b>554,786</b>	<b>137,669</b>

For the financial year ending 31 December 2021 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 financial statements for the financial year 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; and
- These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of Dropless Limited (registered number: 11018311) were approved and authorised for issue by the Board of Directors on 29 August 2022. They were signed on its behalf by:

M Grindy  
Director

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## **1. Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

### **General information and basis of accounting**

Dropless Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is Unit 1f Clapham North Business Centre, London, SW4 6DH, United Kingdom.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in pounds sterling which is the functional currency of the company and rounded to the nearest £.

### **Going concern**

The directors have assessed the Balance Sheet and likely future cash flows at the date of approving these financial statements. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### **Turnover**

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer.

Turnover from the sale of goods is recognised when the goods are physically delivered to the customer.

Revenue from services is recognised as they are delivered.

### **Taxation**

#### *Current tax*

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

#### *Deferred tax*

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on tax rates and laws substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

### **Intangible assets**

Intangible assets are stated at cost or valuation, net of amortisation and any provision for impairment. Amortisation is provided on all intangible assets at rates to write off the cost or valuation of each asset over its expected useful life as follows:

Computer software	5 years straight line
Development costs	not amortised
Other intangible assets	5 years straight line

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**Tangible fixed assets**

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment property and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a [straight-line, reducing balance] basis over its expected useful life, as follows:

Plant and machinery	2 years straight line
Vehicles	5 years straight line
Fixtures and fittings	25 % reducing balance
Office equipment	20 - 100 % reducing balance

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

**Leases**

*The Company as lessee*

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the Profit and Loss Account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Profit and Loss Account as described below.

**Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**Government grants**

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Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

**2. Employees**

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Monthly average number of persons employed by the Company during the year, including directors	72	9

**3. Intangible assets**

	<b>Computer software</b>	<b>Development costs</b>	<b>Other intangible assets</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 01 January 2021	163,526	0	0	163,526
Additions	37,620	191,536	11,460	240,616
<b>At 31 December 2021</b>	<b>201,146</b>	<b>191,536</b>	<b>11,460</b>	<b>404,142</b>
<b>Accumulated amortisation</b>				
At 01 January 2021	13,941	0	0	13,941
Charge for the financial year	40,118	0	2,292	42,410
<b>At 31 December 2021</b>	<b>54,059</b>	<b>0</b>	<b>2,292</b>	<b>56,351</b>
<b>Net book value</b>				
<b>At 31 December 2021</b>	<b>147,087</b>	<b>191,536</b>	<b>9,168</b>	<b>347,791</b>
At 31 December 2020	149,585	0	0	149,585

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**4. Tangible assets**

	<b>Plant and machinery</b>	<b>Vehicles</b>	<b>Fixtures and fittings</b>	<b>Office equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>					
At 01 January 2021	30,679	100,504	1,364	3,198	135,745
Additions	62,211	428,690	877	39,474	531,252
Disposals	0	( 13,619)	0	0	( 13,619)
<b>At 31 December 2021</b>	<b>92,890</b>	<b>515,575</b>	<b>2,241</b>	<b>42,672</b>	<b>653,378</b>
<b>Accumulated depreciation</b>					
At 01 January 2021	7,373	19,066	446	1,901	28,786
Charge for the financial year	37,752	70,456	386	9,059	117,653
Disposals	0	( 869)	0	0	( 869)
<b>At 31 December 2021</b>	<b>45,125</b>	<b>88,653</b>	<b>832</b>	<b>10,960</b>	<b>145,570</b>
<b>Net book value</b>					
<b>At 31 December 2021</b>	<b>47,765</b>	<b>426,922</b>	<b>1,409</b>	<b>31,712</b>	<b>507,808</b>
At 31 December 2020	23,306	81,438	918	1,297	106,959

**5. Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade debtors	164,121	104,282
Prepayments	11,571	11,382
Other debtors	55,153	6,082
	<b>230,845</b>	<b>121,746</b>

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**6. Creditors: amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loans	67,775	4,551
Trade creditors	46,162	11,792
Amounts owed to directors	1,436	1,056
Other creditors	1,073,226	51,961
Other loans	104,966	103,293
Accruals	3,285	1,200
Other taxation and social security	70,725	88,931
Obligations under finance leases and hire purchase contracts	98,050	12,121
	<b>1,465,625</b>	<b>274,905</b>

**7. Creditors: amounts falling due after more than one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loans	28,741	36,698
Obligations under finance leases and hire purchase contracts	171,784	25,525
	<b>200,525</b>	<b>62,223</b>

There are no amounts included above in respect of which any security has been given by the small entity.

**8. Called-up share capital**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called-up and fully-paid</b>		
15,996,776 Ordinary shares of £ 0.00001 each (2020: 14,659,771 shares of £ 0.00001 each)	159.97	146.60
3,000,000 Deferred ordinary shares of £ 0.00001 each (2020: nil shares)	30.00	0
	<b>189.97</b>	<b>146.60</b>

During the year 4,337,005 shares of nominal value £0.00001 were issued.

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**9. Financial commitments**

**Commitments**

Capital commitments are as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Contracted for but not provided for:		
	75,962	0

Total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
- within one year	32,555	0
- between one and five years	43,407	0
	<b>75,962</b>	<b>0</b>

**10. Related party transactions**

**Transactions with entities in which the entity itself has a participating interest**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Interest free loan owed to Passion Digital Ltd. This is a company under the control of Mr M Grindy, a director in common with Dropless Ltd	100,000	103,293
Website development capitalised in intangible assets, paid to Passion Digital. This is a company under the control of Mr M Grindy, a director in common with Dropless Ltd	0	138,323
Advertising expenditure paid to Passion Digital. This is a company under the control of Mr M Grindy, a director in common with Dropless Ltd	23,595	11,424

**Transactions with the entity's directors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Director 1	(1,611)	182

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relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.