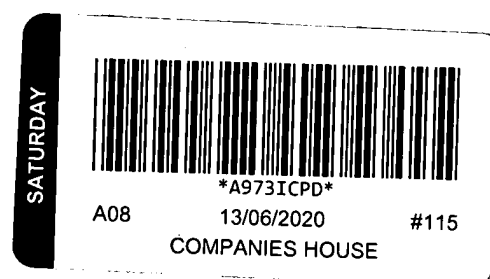


Bloc Ventures Limited

Registered Number 11119448

Financial Statements

For the year ended 31 December 2019



Company Information

Directors

B N Beckloff

S J O Catlin

D J Leftley

P D Roy

S A Wren (appointed on 1 August 2019)

Registered Office

51-52, St. Johns Square, London, EC1V 4JL

Independent auditor

Grant Thornton UK LLP

Chartered Accountants & Statutory Auditor

30 Finsbury Square

London

EC2A 1AG

Table of contents

Company Information	1
Table of contents	2
Balance sheet	3
Notes to the financial statements	4

Bloc Ventures Limited

Company number 11119448

Balance sheet

As at 31 December 2019

		<i>As at 31 December 2019</i>	<i>As at 31 December 2018</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
Non-current assets			
Property, plant & equipment	5	230,204	2,360
Other assets	7	20,025	-
Investments held at fair value through profit or loss	4	17,411,058	12,739,567
		<u>17,661,287</u>	<u>12,741,927</u>
Current assets			
Trade and other receivables	7	359,719	258,270
Cash and cash equivalents	8	4,703,699	2,150,352
		<u>5,063,418</u>	<u>2,408,622</u>
TOTAL ASSETS		<u>22,724,705</u>	<u>15,150,549</u>
EQUITY			
Issued share capital	10	991,920	690,930
Share premium	11	12,785,724	5,478,902
Merger relief reserve	11	5,076,899	5,076,899
Retained earnings		3,254,510	3,711,601
TOTAL EQUITY		<u>22,109,053</u>	<u>14,958,332</u>
LIABILITIES			
Current liabilities			
Trade and other payables	9	463,219	192,217
Non-current lease liability	6	152,433	-
TOTAL LIABILITIES		<u>615,652</u>	<u>192,217</u>
TOTAL EQUITY AND LIABILITIES		<u>22,724,705</u>	<u>15,150,549</u>

The notes on pages 4 to 15 form part of these financial statements.

The accounts have been delivered in accordance with the provisions applicable to the small companies regime.
The company has opted not to file the profit and loss account.

These financial statements have been approved by the Board of Directors and signed on its behalf by:

Bruce Beckloff

B N Beckloff, Director

9/6/2020..... 2020

Registered company number: 11119448

Notes to the financial statements

For the period ended 31 December 2019

1. Accounting policies

Bloc Ventures Limited is a private company limited by shares, incorporated and domiciled in England and Wales. Its registered address is 51-52 St John's Square, London EC1V 4JL.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union as they apply to financial statements of the company for the year ended 31 December 2019 and applied in accordance with the Companies Act 2006. These accounting policies were consistently applied for all the periods presented.

The financial statements are presented in Sterling.

The financial statements have been prepared under the historical cost convention.

These financial statements were approved and authorised for issue by the board on ... June 2020. Amendments to the financial statements are not permitted after approval.

In accordance with IFRS 10 paragraph 4, the company has taken the exemption not to present consolidated financial statements as it is an investing company that measures all of its investments at fair value through the Income statement.

Going concern

Based on current and forecasted performance, the directors expect there to continue to be sufficient cash headroom for at least 12 months from the date of approval of these financial statements.

The main impact of coronavirus (Covid-19) would be the potential delay in our ability to continue to fund the business, which in turn affects our rate of investment in new and existing portfolio companies. The business is able to mitigate this impact by adjusting its rate of outgoing investments, cutting discretionary operating costs and hiring plans, and in certain cases returning capital from the portfolio. Notwithstanding the Covid-19 situation, shareholders remain very supportive and it is the intention of the company to continue to raise equity in 2020 and beyond to invest in the existing portfolio and new opportunities.

The portfolio is relatively resilient to Covid-19, largely being at an early stage of development and so less dependent on short term revenue, and not exposed to the worst hit consumer/retail sectors. The largest investment by value is seeing a material increase in revenue driven by increased demand for mobile games from people in lock-down around the world. The main impact for the remainder of the portfolio is therefore the ability to fund, though this is mitigated by steps initiated to preserve cash and government driven funding and support initiatives, as well as support from Bloc Ventures.

Brexit is not anticipated to have a material impact on Bloc or the portfolio.

Furthermore, based on current and forecasted performance, the directors consider that the company will ultimately be profitable and cash generative. The directors have prepared forecasts and believe that these forecasts demonstrate that the company has adequate cash resources to continue to be able to pay its liabilities as they fall due for at least the next 12 months. Thus, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Statement of compliance

The company has complied with all current International Financial Reporting Standards; IFRS 16 Leases (issued in January 2016 and effective for periods on or after 1 January 2019) has been applied in the current year. IFRS 15 came into effect during the year and there was no impact on transition.

The company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

- Amendments to References to the Conceptual Framework in IFRS Standards (issued on 29 March 2018 and effective for periods on or after 1 January 2020)
- It is anticipated that there will be minimal impact on the financial statements from the adoption of these new and revised standards.

Notes to the financial statements

For the period ended 31 December 2019

Revenue recognition

Revenue is derived from consulting activities.

Consulting and similar income is measured at the fair value of the consideration received, excluding discounts, rebates and Value Added Taxes. Revenue from a contract to provide services is recognised over time as the services are rendered based on either fixed price or hourly/daily rates.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Such cost includes the cost of replacing part of the property, plant and equipment when the cost is incurred, if the recognition criteria are met, in which case the carrying value of the replaced part is written off. All major repairs and maintenance costs are recognised in the income statement as incurred.

Depreciation is calculated on a straight-line basis over the useful life of the asset as follows:

Plant and machinery	-	4 years
Right of Use Asset	-	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the period the asset is de-recognised.

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial period end. The assets are reviewed for impairment if events or circumstances indicate the carrying value may not be recoverable and are written down immediately to their recoverable amount.

Impairment of non-financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in the income statement as a highlighted item in the period in which they are incurred.

Investments and other financial assets

Investments and other financial assets are evaluated with reference to IFRS 9.

Investments in unlisted company shares are carried in the Balance Sheet at fair value with changes in fair value recognised in profit or loss if their fair value can be measured reliably. Investments are reported at a fair value as determined by the directors. Unquoted investments are valued in accordance with the International Private Equity and Venture Capital Valuations ('IPEV') guidelines. The basis of valuation in these guidelines include valuing investments at:

- a) The price of recent investments;
- b) Comparative industry price earnings ratios discounted for marketability and performance of investment, and;
- c) Net asset valuations for asset based investments.

Notwithstanding the bases of valuation stated above, the eventual realisation proceeds will inevitably differ from the valuation and those differences could be significant.

The company determines the classifications of its financial assets on initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial period end.

Notes to the financial statements

For the period ended 31 December 2019

Loans and receivables

Loans and receivables are non-derivative financial assets with a fixed or determinable payment that are not quoted in an active market. After initial recognition loans and receivables are carried at amortised cost using the effective interest rate method less any allowance for impairment. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Impairment of trade receivables

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the company will not be able to collect all the amounts due under the original terms of the invoice. The carrying amount of the receivables is reduced through use of an allowance account calculated as the change in lifetime expected credit losses and recognised in the income statement, in accordance with IFRS 9. Impaired debts are derecognised when they are assessed as uncollectable.

Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and short-term deposits with a maturity of three months or less. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

Foreign currency translation

The consolidated financial statements are presented in Sterling, which is the functional currency of the company. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions (spot exchange rates). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at period end exchange rates are recognised in profit or loss. Non-monetary items are not retranslated at period end and are measured at historical cost (translated using exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

Financial liabilities

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

De-recognition of liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

Leases

IFRS 16 'Leases' replaces IAS 17 'Leases' along with three Interpretations (IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC 15 'Operating Leases-Incentives' and SIC 27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease').

The adoption of this new Standard has resulted in the company recognising a right-of-use asset and related lease liability in connection with an office space that was leased during the year for a five year period. There were no former operating leases in existence at the date of initial application of IFRS 16, being 1 January 2019, except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application.

Notes to the financial statements

For the period ended 31 December 2019

For contracts in place at the date of initial application, the company has elected to apply the definition of a lease from IAS 17 and IFRIC 4 and has not applied IFRS 16 to arrangements that were previously not identified as lease under IAS 17 and IFRIC 4.

The company has elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition.

On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets the company has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight-line basis over the remaining lease term.

On transition to IFRS 16 the weighted average incremental borrowing rate applied to lease liabilities recognised under IFRS 16 is 5%.

Provisions

Provisions are recognised when the company has a probable, present legal or constructive obligation to make a transfer of economic benefits as a result of past events where a reliable estimate is available. The amounts recognised represent the company's best estimate of the transfer of benefits that will be required to settle the obligation as of the balance sheet date. Provisions are discounted if the effect of the time value of money is material using a pre-tax market rate adjusted for risks specific to the liability.

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary difference associated with investments in subsidiaries, associates and interest in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each statement of financial position date and are recognised to the extent that it has become probable that the future taxable profit will allow the deferred tax asset to be recovered.

Notes to the financial statements

For the period ended 31 December 2019

2. Significant accounting judgements and assumptions

The preparation of the company's financial statements requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the statement of financial position date, amounts reported for revenues and expenses during the period, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the assets or liability affected in the future.

In the process of applying the company's accounting policies, management has made the following judgments and estimates which have the most significant effect on the amounts recognised in the financial statements:

Judgements

Investments at fair value through profit or loss

The most critical estimates and judgements relate to the determination of the carrying value of investments at fair value through profit or loss. In determining this amount the company follows the International Private Equity and Venture Capital Guidelines, applying the overriding concept that fair value is the amount for which an asset can be exchanged between two knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstance of the investment drives the valuation methodology.

Deferred tax

The Directors consider that the Substantial Shareholdings Exemption ('SSE') will apply to the unrealised gains included in the financial statements hence no provision has been made for deferred tax on those gains.

3. Employee Information

The average number of people employed during the period was 5 (2018: 3).

4. Investments

Change in portfolio valuations from 1 January 2019 to 31 December 2019:

Company	Cost £	Valuation 31.12.2018	Additions Cost £	Revaluation	Valuation 31.12.2019
Marmalade Technologies Limited	3,296,000	7,223,000			7,223,000
EVERYTHING Limited \$	798,981	966,568		(38,591)	927,977
Tether Technologies Limited	300,001	300,001	400,001	29,651	729,653
YellowDog Limited	1,500,001	1,500,001	1,000,003	471,212	2,971,216
Zeetta Networks Limited	750,005	750,005	500,000		1,250,005
Yordex Limited	500,000	500,000	500,000		1,000,000
AccelerCom Limited	1,499,992	1,499,992			1,499,992
Pharrowtech €			1,115,584	(56,387)	1,059,197
Crypta Labs limited			750,017		750,017
	8,644,980	12,739,567	4,265,605	405,885	17,411,058

Notes to the financial statements

For the period ended 31 December 2019

5. Property, plant and equipment

	<i>Plant and machinery</i>	<i>Right of Use Asset</i>	<i>Total</i>
	£	£	£
<i>Cost:</i>			
<i>Cost as at 1 January 2019</i>	2,905	-	2,905
Additions	18,050	231,429	249,479
At 31 December 2019	20,955	231,429	252,384
<i>Depreciation:</i>			
<i>As at 1 January 2019</i>	545	-	545
Charge for the year	2,349	19,286	21,635
At 31 December 2019	2,894	19,286	22,180
Net Book Value:			
At 31 December 2019	£18,061	£212,143	£230,204
At 31 December 2018	£2,360	-	£2,360

The Right of Use Asset relates to an office space leased during the year, the lease analysis is detailed in note 6.

6. Leases

Lease liabilities are presented in the statement of financial position as follows:

	<i>Year Ended 31 December 2019</i>	<i>Period ended 31 December 2018</i>
	£	£
Current	34,763	-
Non Current	152,433	-
	187,196	-

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 December 2019 were as follows:

	<i>Within 1 year</i>	<i>1-2 Years</i>	<i>2-3 Years</i>	<i>3-4 Years</i>	<i>4-5 Years</i>	<i>Total</i>
	£	£	£	£	£	£
31 December 2019						
Lease Payments	52,574	52,574	43,788	52,574	32,696	234,206
Finance Charged	(17,811)	(13,867)	(8,959)	(5,442)	(931)	(47,010)
Net Present Values	34,763	38,707	34,829	47,132	31,765	187,196

Notes to the financial statements

For the period ended 31 December 2019

7. Trade and other receivables

	<i>As at 31 December 2019</i>	<i>As at 31 December 2018</i>
	<i>£</i>	<i>£</i>
Trade receivables	82,450	31,200
Other receivables	10,991	29,563
Prepayments and accrued income	286,303	197,507
	£379,744	£258,270
Amounts due within one year	£359,719	£258,270
Amounts due after more than one year	£20,025	-

Trade receivables are non-interest bearing. All outstanding trade receivables that have not been provided for are considered to be recoverable.

8. Cash and cash equivalents

	<i>As at 31 December 2019</i>	<i>As at 31 December 2018</i>
	<i>£</i>	<i>£</i>
Cash and cash equivalents	£4,703,699	£2,150,352

9. Trade and other payables

	<i>As at 31 December 2019</i>	<i>As at 31 December 2018</i>
	<i>£</i>	<i>£</i>
Trade payables	6,539	341
Other trade payables	840	1,005
Accruals and deferred revenue	395,649	170,054
Pension contributions payable	-	2,908
Rental lease	34,763	-
Other taxes and social security costs	25,428	17,909
	£463,219	£192,217

	<i>As at 31 December 2019</i>	<i>As at 31 December 2018</i>
	<i>£</i>	<i>£</i>
Rental lease 1-5 years	£152,433	-

Notes to the financial statements

For the period ended 31 December 2019

10. Issued capital

Ordinary shares called up and fully paid

<i>Ordinary shares issued and fully paid</i>	<i>Number</i>	<i>Nominal value</i>
Ordinary shares of £1 each	656,768	£656,768
A Ordinary preference shares of £1 each	334,400	£334,400
A Growth shares of £0.01 each	75,150	£752
Total		£991,920

<i>Ordinary shares issued during the year</i>	<i>Number</i>	<i>Consideration Received Net of costs</i>
Ordinary shares of £1 each	300,812	£7,606,925
A Growth shares of £0.01 each	17,750	£888
Total		£7,607,813

Description of terms of the shares:

Ordinary shares of £1

The shares have full rights in the company with respect to voting, dividends and distributions.

A Ordinary preference shares of £1

The shares are participating preference shares with a 1 x liquidation preference and full rights in the company with respect to voting, dividends and distributions.

A Growth shares of £0.01

The shares do not confer voting (save in respect of a vote pertaining to a variation of class rights) nor dividend/income rights, nor do they confer rights of redemption. On a return of assets on a sale, liquidation, reduction of capital or otherwise (including an asset sale), the capital proceeds shall be distributed as follows:

1. Firstly the holders of A Ordinary shares shall receive an amount equal to the subscription price paid for each A Ordinary share.
2. Thereafter the holders of Ordinary shares and A Ordinary shares shall participate in the balance of the surplus assets pro rata to their respective shareholdings, provided that the A Growth shares shall also participate if the net capitalisation value of the company is equal to or greater than £50,000,000. Net capitalisation value is defined in the Articles of Association and means the Capitalisation Value less any equity investment (including any investment through the subscription for shares or Convertible Securities) or any capital contribution to the Company or any subsidiary of the Company made by any current or future shareholder of the Company or any subsidiary of the Company after 31 March 2018.

Notes to the financial statements

For the period ended 31 December 2019

11. Share issues

Share for share exchange

The business of Bloc Ventures was previously conducted through a Guernsey based group, Bloc Ventures Holdings Limited registered number 59001 ('BVH'). Following changes to tax legislation it was decided to relocate the business to the UK. The net assets of BVH (£5,543,299) were transferred to Bloc Ventures Limited ('BVL') in February 2018 by way of a share for share exchange which is represented in the accounts as Share Capital at its pre transfer nominal value of £466,400 (£200,000 Ordinary shares and £266,400 A Ordinary shares) and a Merger Relief Reserve of £5,076,899.

Other share issues

Further shares were issued during the period as follows:

	Number	Nominal value	Premium	Total proceeds
Ordinary £1 shares	300,812	£300,812	£7,658,674	£7,959,486
A Growth	17,750	£178	£710	£888
Less costs			(£352,561)	(£352,561)
Total		£300,990	£7,306,823	£7,607,813

12. Related party transactions

The company considers its key management personnel to be its executive directors. No shares were issued to directors in the period.

Catlin Consultancy Limited was paid £10,000 in respect of the services of S J O Catlin as non-executive director during the period.

Consultancy revenue of £197,595 was earned in the year of which £156,595 related to portfolio company non-executive director and consulting fees. Bloc Ventures does not exercise control or management through any of these positions.

P D Roy invested a total of £130,002 in a private capacity in two portfolio companies in 2019.

P D Roy is owed £24,000 of loan-note interest for 2019 from a portfolio company. BNBI Limited, a company owned by B N Beckloff and his immediate family is owed £57,000 of loan note interest for 2019.

Notes to the financial statements

For the period ended 31 December 2019

13. Financial risk management

The company's activities expose it to market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk arising from the financial instruments it holds. The risk management policies employed by the company to manage these risks are discussed below:

<i>Financial assets</i>	<i>As at 31 December 2019 £</i>	<i>As at 31 December 2018 £</i>
<i>Current assets</i>		
Trade and other receivables	359,719	258,270
Cash and cash equivalents	4,703,699	2,150,352
	£5,063,418	£2,408,622

<i>Financial Instruments by Category</i>			<i>As at 31 December 2019</i>	
	Loans and receivables	Fair value through profit or loss	Liabilities at amortised cost	Total
Non current assets				
Investments at fair value through profit or loss	-	£17,411,058	-	£17,411,058
Other assets	£20,025	-	-	£20,025
Current assets				
Trade and other receivables	£359,719	-	-	£359,719
Current liabilities				
Trade and other payables	-	-	(£463,219)	(£463,219)
Long term liabilities				
Lease assets over 1 year	-	-	(£152,433)	(£152,433)
Total	£379,744	£17,411,058	(£615,652)	£17,175,150

Fair value of financial instruments

All investments measured at fair value in the statement of financial position are classed as Level 3 in the fair value hierarchy. The company holds investments that have been designated as held for trading on initial recognition. Where practicable the company determines the fair value of these financial instruments that are not quoted (level 3) using the most recent bid price at which a transaction has been carried out. These techniques are significantly affected by key assumptions, such as market liquidity. Given the nature of the investments being early stage business, other valuation methods such as discounted cash flow analysis to assess estimates of future cash flows and derive fair value estimates cannot always be substantiated by comparison with independent markets and, in many cases, do not provide a reliable source of data.

Notes to the financial statements

For the period ended 31 December 2019

Trade and other receivables are non-derivative financial assets. The carrying value may be affected by changes in the credit risk of the counterparties.

Management assessed that the carrying value of cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their fair values largely due to the short-term maturities of these instruments.

Investments

Investments held at fair value

£17,411,058

Market risk

The company is susceptible to market price risk arising from uncertainties about the future values of its investments. To manage the market risk, the Board reviews the performance of its investment portfolio and is in regular contact with the investee companies.

A 10% change in the value of its investments would increase/decrease the net assets attributable to shareholders by £1,741,106.

Currency risk

88.58% of the investment portfolio is denominated in the same currency as its functional currency. One investment is denominated in US dollars, and one in Euros. A 10% change in the exchange rate would increase/decrease the value of the investment by £198,717.

Liquidity risk

Liquidity risk that the company may not be able to generate sufficient cash resources to settle its obligations as they fall due or can only do so on terms materially disadvantageous. The board manages this risk by ensuring sufficient funds are available to meet outstanding commitments.

	On demand	Less than 1 year	Between 1- 5 years	More than 5 years	Total
	£	£	£	£	£
Financial assets at fair value through profit and loss	-	-	-	17,411,058	17,411,058
Trade and other receivables	-	359,719	20,025	-	379,744
Cash and cash equivalents	4,703,699	-	-	-	4,703,699
Total assets	4,703,699	359,719	20,025	17,411,058	22,494,501
Trade and other payables	-	(463,219)	(152,433)	-	(615,652)
Total liabilities	-	(463,219)	(152,433)	-	(615,652)
Total liquidity gap	4,703,699	(103,500)	(132,408)	17,411,058	21,878,849

Credit Risk

The company takes on exposure to credit risk, which is the risk that one party will cause financial loss for the other party by failing to discharge an obligation.

Capital management

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt, cash and equity balances.

The capital structure of the company consists of cash and equity, comprising issued capital, reserves and retained earnings. The company's board reviews the capital structure on a regular basis.

The company is not subject to any externally imposed capital requirements.

Notes to the financial statements

For the period ended 31 December 2019

14. Events after the reporting period

Bloc made the following investments subsequent to the reporting date:

Crypta Labs Limited Tranche 3	£250,006
YellowDog Limited convertible loan note	£350,000
Zeetta Networks Limited convertible loan note	£500,000
Pharrowtech Preferred Seed Tranche 2	€1,251,462 (£1,092,636)
Accelercomm Limited convertible loan note	£250,000

2,835 Series B Ordinary shares have been issued at £26.46 since 31 December 2019.

4,220 A Growth shares were subscribed to at £0.05 per share for an aggregate value of £211.

£240,000 of interest receivable was paid to Bloc in March 2020 by a portfolio company.

The outbreak of the global Covid-19 pandemic is considered to be a non-adjusting post balance sheet event. The Board have considered, and continue to do so, the impact of the virus on the business and have included details in the Directors' report. It is too early for the board to quantify the potential financial impact on the Company

15. Audit Report

The full statutory accounts for shareholders were audited by Grant Thornton UK LLP. The audit report was unqualified with no emphasis of matter and was signed by Nicholas Watson BSc ACA as Senior Statutory Auditor.