

CIRCA5000 LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

CIRCA5000 LTD
REGISTERED NUMBER: 11200977

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	4	1,731,208	1,144,578
Tangible assets	5	17,472	19,382
Investments	6	2	2
		<u>1,748,682</u>	<u>1,163,962</u>
Current assets			
Debtors: amounts falling due within one year	7	437,149	349,624
Cash at bank and in hand	8	784,716	2,364,218
		<u>1,221,865</u>	<u>2,713,842</u>
Creditors: amounts falling due within one year	9	(1,179,254)	(696,645)
		<u>42,611</u>	<u>2,017,197</u>
Net current assets		<u>42,611</u>	<u>2,017,197</u>
Total assets less current liabilities		<u>1,791,293</u>	<u>3,181,159</u>
Provisions for liabilities			
Other provisions	11	(15,333)	(23,479)
		<u>(15,333)</u>	<u>(23,479)</u>
Net assets		<u><u>1,775,960</u></u>	<u><u>3,157,680</u></u>
Capital and reserves			
Called up share capital	12	2,270	2,003
Share premium account	13	11,069,152	7,245,848
Advance subscriptions	13	535,852	1,783,111
Profit and loss account	13	(9,831,314)	(5,873,282)
		<u><u>1,775,960</u></u>	<u><u>3,157,680</u></u>

CIRCA5000 LTD
REGISTERED NUMBER: 11200977

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 March 2023.

M. R. Latham
Director

The notes on pages 3 to 14 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. General information

The company is a private company limited by shares, which is incorporated under the Companies Act 2006 and registered in England (number 11200977). The address of the registered office is 3rd Floor 86-90 Paul Street, London, EC2A 4NE.

These financial statements present information about the company as an individual undertaking.

The principal activity of the company is that of an app-based thematic investment platform.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The company's functional and presentational currency is GBP.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the next twelve months and they will continue to develop the company's activities. The company is in the process of raising equity funding in excess of £1m (of which £250k has been received) which will contribute to working capital requirements. If fundraising efforts are not fully materialised, the company's forecasts indicate that, with operational changes, it will be able to meet day to day working capital requirements and continue as a going concern for at least the next 12 months. As such, the Directors have concluded that it is appropriate to prepare the accounts on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.6 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	33%
Computer equipment	-	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.16 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.16 Financial instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 No.
Directors	3	3
Other staff members	27	29
	<u>30</u>	<u>32</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Intangible assets

	Computer software £
Cost	
At 1 January 2022	1,636,977
Additions - internal	1,142,532
At 31 December 2022	<u>2,779,509</u>
Amortisation	
At 1 January 2022	492,399
Charge for the year on owned assets	555,902
At 31 December 2022	<u>1,048,301</u>
Net book value	
At 31 December 2022	<u>1,731,208</u>
<i>At 31 December 2021</i>	<u>1,144,578</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2022	7,589	50,852	58,441
Additions	-	14,217	14,217
At 31 December 2022	<u>7,589</u>	<u>65,069</u>	<u>72,658</u>
Depreciation			
At 1 January 2022	6,394	32,665	39,059
Charge for the year on owned assets	797	15,330	16,127
At 31 December 2022	<u>7,191</u>	<u>47,995</u>	<u>55,186</u>
Net book value			
At 31 December 2022	<u>398</u>	<u>17,074</u>	<u>17,472</u>
<i>At 31 December 2021</i>	<u>1,195</u>	<u>18,187</u>	<u>19,382</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2022	2
At 31 December 2022	<u>2</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
CIRCA5000 UK Limited	86-90 Paul Street, London, United Kingdom, EC2A 4NE	Ordinary	100 %
TICKR IMPACT (IRELAND) Limited	Coliemore House, Coliemore Road, Dalkey, Dublin, A96 A8D5	Ordinary	100 %

On 7 April 2021, TICKR IMPACT (IRELAND), a company registered in Ireland, was incorporated. It was dormant in the period to 31 December 2022.

CIRCA5000 UK Limited was also dormant in the period to 31 December 2022.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Debtors

	2022 £	2021 £
Trade debtors	649	1,292
Amounts owed by group undertakings	-	37,118
Other debtors	16,860	22,377
Prepayments and accrued income	69,004	52,713
Tax recoverable	350,636	236,124
	<u>437,149</u>	<u>349,624</u>

8. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	784,716	2,364,218
	<u>784,716</u>	<u>2,364,218</u>

9. Creditors: Amounts falling due within one year

	2022 £	2021 £
Convertible loan stock	375,000	-
Trade creditors	251,602	214,709
Other taxation and social security	411,622	340,821
Other creditors	7,838	38,361
Accruals and deferred income	133,192	102,754
	<u>1,179,254</u>	<u>696,645</u>

During the year, £375,000 of convertible unsecured loan stock was issued. The loan stock will convert to equity on a qualifying funding round or sale: interest accrues at 8% per annum and the liability plus the accrued interest is repayable if the conversion conditions are not met before 22 October 2023.

Accrued interest of £30,000 is included in accruals.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>784,716</u>	<u>2,364,218</u>

Financial assets measured at fair value through profit or loss comprise cash at bank.

11. Provisions

	Other provision 1 £
At 1 January 2022	23,479
Charged to profit or loss	(8,146)
At 31 December 2022	<u>15,333</u>

12. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
15,877,258 (2021 - 14,317,030) Ordinary shares of £0.0001 each	1,587.73	1,431.70
6,826,325 (2021 - 5,712,820) Seed shares of £0.0001 each	682.63	571.28
	<u>2,270.36</u>	<u>2,002.98</u>

During the period, 1,113,507 seed shares of £0.0001 were issued at a price of £1.43.

1,560,228 ordinary shares of £0.0001 were also issued during the period at a price of £1.43.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Reserves

Share premium account

Represents the additional premium paid on issue of shares at above par value.

Other reserves

Represents amounts paid by subscribers for shares in the period ended 31 December 2022 which had not been issued at that balance sheet date.

Profit and loss account

Retained earnings includes all current and prior period retained profits and losses.

14. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £65,922 (2021 - £29,985) Contributions totalling £7,325 (2021 - £8,364) were payable to the fund at the balance sheet date.

15. Controlling party

The company is under the control of M. Latham and T. McGillycuddy, directors, by virtue of their majority shareholdings.

16. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2022 was unqualified.

The audit report was signed on 29 March 2023 by Stephen Talbot (Senior statutory auditor) on behalf of Langtons Professional Services Limited.

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.