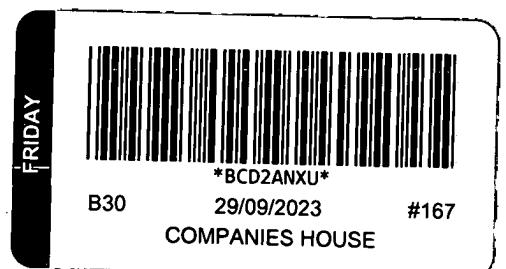


Registered number: 11725899

NET PURPOSE LTD

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022



NET PURPOSE LTD
REGISTERED NUMBER: 11725899

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	Unaudited 2021 £
Fixed assets			
Tangible assets	4	19,885	20,906
		<u>19,885</u>	<u>20,906</u>
Current assets			
Debtors: amounts falling due within one year	5	835,848	157,024
Cash at bank and in hand	6	8,651,853	1,633,879
		<u>9,487,701</u>	<u>1,790,903</u>
Creditors: amounts falling due within one year	7	(387,056)	(359,587)
Net current assets		<u>9,100,645</u>	<u>1,431,316</u>
Total assets less current liabilities		<u>9,120,530</u>	<u>1,452,222</u>
Creditors: amounts falling due after more than one year		-	(1,178,696)
Net assets		<u><u>9,120,530</u></u>	<u><u>273,526</u></u>
Capital and reserves			
Called up share capital		289	172
Share premium account		13,944,323	2,707,130
Share option reserve		188,908	-
Profit and loss account		(5,012,990)	(2,433,776)
		<u><u>9,120,530</u></u>	<u><u>273,526</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

DocuSigned by:

Samantha Duncan

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Samantha Dee Duncan
 Director

Date: 31 July 2023

The notes on pages 4 to 9 form part of these financial statements.

NET PURPOSE LTD

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital	Share premium account	Share option reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2022	172	2,707,130	-	(2,433,776)	273,526
Comprehensive income for the year					
Loss for the year	-	-	-	(2,579,214)	(2,579,214)
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(2,579,214)	(2,579,214)
Contributions by and distributions to owners					
Shares issued during the year	129	11,237,193	-	-	11,237,322
Shares cancelled during the year	(12)	-	-	-	(12)
Share Based Payment Charge	-	-	188,908	-	188,908
Total transactions with owners	117	11,237,193	188,908	-	11,426,218
At 31 December 2022	289	13,944,323	188,908	(5,012,990)	9,120,530

The notes on pages 4 to 9 form part of these financial statements.

NET PURPOSE LTD

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	172	2,707,130	(583,252)	2,124,050
Comprehensive income for the year				
Loss for the year	-	-	(1,850,524)	(1,850,524)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(1,850,524)	(1,850,524)
Total transactions with owners	-	-	-	-
At 31 December 2021	172	2,707,130	(2,433,776)	273,526

The notes on pages 4 to 9 form part of these financial statements.

NET PURPOSE LTD

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

1. General information

Net Purpose Limited ("the company") is a private company, limited by shares and is registered in England and Wales. The address of its registered office is disclosed on the company information page.

The financial statements are prepared in Sterling (£), which is the functional currency of the company. The financial statements are for the year ended 31 December 2022 (2021: year ended 31 December 2021)

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 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 profit or loss 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 profit or loss within 'other operating income'.

2.3 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 profit or loss 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.

NET PURPOSE LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**2. Accounting policies (continued)****2.4 Share-based payments**

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

2.5 Taxation

Tax is recognised in profit or loss 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.

2.6 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Office equipment	-	25%
Computer equipment	-	25%

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 profit or loss.

2.7 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of

NET PURPOSE LTD

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

2. Accounting policies (continued)

2.7 Financial instruments (continued)

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.

2.8 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.

2.9 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.

2.10 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.

3. Employees

The average monthly number of employees, including directors, during the year was 23 (2021: 14).

NET PURPOSE LTD

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

4. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2022	-	26,847	26,847
Additions	1,065	12,199	13,264
Disposals	-	(5,960)	(5,960)
At 31 December 2022	1,065	33,086	34,151
Depreciation			
At 1 January 2022	-	5,941	5,941
Charge for the year on owned assets	67	8,258	8,325
At 31 December 2022	67	14,199	14,266
Net book value			
At 31 December 2022	998	18,887	19,885
At 31 December 2021		20,906	20,906

5. Debtors

	2022 £	2021 £
Trade debtors	154,426	55,059
Other debtors	39,528	50,312
Prepayments and accrued income	14,581	51,653
Tax recoverable	627,313	-
	835,848	157,024

6. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	8,651,853	1,633,879
	8,651,853	1,633,879

NET PURPOSE LTD

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

7. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	48,963	141,209
Other taxation and social security	65,173	79,686
Other creditors	15,683	9,693
Accruals and deferred income	257,237	128,999
	<u>387,056</u>	<u>359,587</u>

8. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Other creditors	-	1,178,696
	<u>-</u>	<u>1,178,696</u>

NET PURPOSE LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**9. Share-based payments**

The company has a number of share options for certain employees and advisors of the company. The options are granted with fixed exercise price and are exercisable upon exit events.

The fair value of options granted is calculated at the date of grant, using a Black-Scholes option pricing model.

During the year, the charge for the equity-settled share-based payment was £188,908 (2021: nil). No shares were exercised in the current or prior periods.

In December 2022, 5,747 share options were exercised, with the shares issued in January 2023.

	Weighted average exercise price (pence) 2022	Number 2022	Weighted average exercise price (pence) 2021	Number 2021
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	0.0001	220,693	-	-
Forfeited during the year	0.0001	(41,505)	-	-
Exercised during the year	0.0001	(5,747)	-	-
Outstanding at the end of the year		173,441		

10. Finance lease commitments

Total future minimum lease payments under non-cancellable operating leases due within one year of £44,501 (2021 - nil)

11. Auditor's information

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

The audit report was signed on 31 July 2023 by Steve Leith (Senior Statutory Auditor) on behalf of Cooper Parry Group Limited.