

Registration number: 11797870

Usnoop Limited

Report and Financial Statements

31 December 2020



Usnoop Limited

Directors

Dame Jayne-Anne Gadhia
Mr David Dyer
Lord David Brownlow
Mr Jake William Hogarth Irwin

Registered office

10 Norwich Street
London
United Kingdom
EC4A 1BD

Auditor

Humphrey & Co Audit Services Limited
7 - 9 The Avenue
Eastbourne
East Sussex
BN21 3YA

Usnoop Limited

Balance Sheet

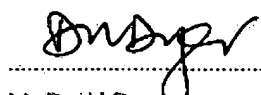
as at 31 December 2020

	Note	31 December 2020 £	31 December 2019 £
Fixed assets			
Tangible assets	5	23,928	3,957
Current assets			
Debtors	6	497,123	691,689
Cash at bank and in hand		<u>8,969,622</u>	<u>2,143,647</u>
		9,466,745	2,835,336
Creditors: Amounts falling due within one year	7	<u>(493,125)</u>	<u>(446,772)</u>
Net current assets		<u>8,973,620</u>	<u>2,388,564</u>
Total assets less current liabilities		<u>8,997,548</u>	<u>2,392,521</u>
Loans and borrowings		<u>(10,041,887)</u>	-
Creditors: Amounts falling due after more than one year	7	<u>(10,041,887)</u>	-
Net (liabilities)/assets		<u><u>(1,044,339)</u></u>	<u><u>2,392,521</u></u>
Capital and reserves			
Share capital	8	26,322	19,270
Share premium		8,840,530	5,631,621
Profit and loss account		<u>(9,911,191)</u>	<u>(3,258,370)</u>
Total equity		<u><u>(1,044,339)</u></u>	<u><u>2,392,521</u></u>

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.

Approved and authorised by the Board on 12 July 2021 and signed on its behalf by:



Mr David Dyer
Director

The notes on pages 3 to 11 form an integral part of these financial statements.

Notes to the Financial Statements

for the Year Ended 31 December 2020

1 General information

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

The address of its registered office is:

10 Norwich Street
London
United Kingdom
EC4A 1BD

The principal place of business is:

96 St Faith's Lane
Norwich
United Kingdom
NR1 1NE

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, 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 presented in GBP and all values are rounded to the nearest pound (£), except when other wise indicated.

Going concern

The Company's financial statements have been prepared on a going concern basis on the grounds that current sources of funding will be more than adequate for the Company's ongoing cash requirements. The directors have a reasonable expectation that the Company will be able to meet its minimum capital requirements and all its obligations as they fall due for a minimum of 12 months from the date of approval of these financial statements.

The Company's Cashflow Projections for 2021 include additional share issues in December 2021 to provide ongoing funding.

The directors have considered the consequences of COVID-19 and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.

Notes to the Financial Statements for the Year Ended 31 December 2020

Audit report

The Independent Auditor's Report was unqualified. We draw attention to the Company's ongoing funding statements both within the Directors' Report and Note 2 Accounting Policies. Our opinion is not modified in this respect. The name of the Senior Statutory Auditor who signed the audit report on 25 June 2021 was Mr Charles Paul Potter, who signed for and on behalf of Humphrey & Co Audit Services Limited.

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 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.

Government grants

Government grants are recognised when it is reasonable to expect that the grant will be received and that all related conditions will be met.

Grants of a revenue nature are credited to the profit and loss, and included in other income, so as to match them with the expenditure to which they relate.

Foreign currency transactions and balances

Transactions in foreign currencies are translated to the company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income. There are no material foreign exchange transactions in the financial statements.

Tax

Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

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.

Notes to the Financial Statements for the Year Ended 31 December 2020

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

<i>Asset class</i>	<i>Depreciation method and rate</i>
Furniture, fittings and equipment	3 years Straight Line

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 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.

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

The Company is a lessee in operating lease arrangements. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease. Contingent rents are recognised as an expense when incurred.

Notes to the Financial Statements for the Year Ended 31 December 2020

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

Contributions are charged to the profit and loss account in accordance with the rules of the defined benefit contribution scheme.

Share based payments

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments granted at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined using an appropriate pricing model, taking into account the terms and conditions upon which the awards were granted. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the company (market conditions) and non-vesting conditions. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance conditions are satisfied. At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions and of the number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity.

Where the terms of an equity-settled award are modified, or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any cost not yet recognised in the profit and loss account for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value expensed in the profit and loss account.

Research and development

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is capitalised as an intangible asset when the Company can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during development. No development expenditure has been capitalised during the years 2019 and 2020, on the basis that the specified criteria for capitalisation has not been met, as costs spent on the development phase of projects cannot be reliably estimated. All research and development costs are therefore expensed as incurred.

Notes to the Financial Statements

for the Year Ended 31 December 2020

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 27 (2019 - 12).

The Company has been able to continue operating throughout the Covid 2019 pandemic. Arrangements have been made for Directors and staff to work from home. No claims have been made under the Coronavirus Job Retention Scheme.

4 Auditor's remuneration

	<i>12 months ended 31 December 2020 £</i>	<i>11 months ended 31 December 2019 £</i>
Audit of the financial statements	<u>10,000</u>	<u>8,000</u>

5 Tangible assets

	<i>Furniture, fittings and equipment £</i>	<i>Total £</i>
Cost or valuation		
At 1 January 2020	4,488	4,488
Additions	27,062	27,062
Disposals	<u>(1,726)</u>	<u>(1,726)</u>
At 31 December 2020	<u>29,824</u>	<u>29,824</u>
Depreciation		
At 1 January 2020	531	531
Charge for the year	6,096	6,096
Eliminated on disposal	<u>(731)</u>	<u>(731)</u>
At 31 December 2020	<u>5,896</u>	<u>5,896</u>
Carrying amount		
At 31 December 2020	<u>23,928</u>	<u>23,928</u>
At 31 December 2019	<u>3,957</u>	<u>3,957</u>

Notes to the Financial Statements

for the Year Ended 31 December 2020

6 Debtors

	31 December 2020 £	31 December 2019 £
Trade debtors	6,713	-
Prepayments	137,792	75,562
Other debtors	352,618	616,127
	<u>497,123</u>	<u>691,689</u>

7 Creditors

Creditors: amounts falling due within one year

	31 December 2020 £	31 December 2019 £
Trade creditors	227,716	292,045
Taxation and social security	121,264	74,676
Accruals	133,964	66,592
Other creditors	10,181	13,459
	<u>493,125</u>	<u>446,772</u>

Creditors: amounts falling due after more than one year

	31 December 2020 £	31 December 2019 £
Convertible loan	<u>10,041,887</u>	<u>-</u>

Convertible loan

During the year the Company issued £10,004,600 of convertible debt. This is a syndicated loan being provided to Usnoop Limited by various lenders. The convertible loan has a maturity date of 36 months from the disbursement and is unsecured. Interest is payable annually in arrears and at an annual interest rate of 8 per cent.

At 31 December 2020 accrued interest amounted to £37,287 this is recorded in other interest payable note 6.

Notes to the Financial Statements

for the Year Ended 31 December 2020

8 Share capital

Allotted, called up and fully paid shares

	31 December 2020		31 December 2019	
	No.	£	No.	£
Ordinary Shares of £0.005 each	3,160,519	15,802.60	3,160,519	15,802.60
Growth Shares of £0.005 each	66,250	331.25	66,250	331.25
Series Seed 1 Preferred Shares of £0.005 each	627,192	3,135.96	627,192	3,135.96
Series Seed 2 Preferred Shares of £0.005 (2019 - £0) each	1,410,520	7,051.89	-	-
	<u>5,264,481</u>	<u>26,322</u>	<u>3,853,961</u>	<u>19,270</u>

On 27 April 2020, 1,410,520 Series Seed 2 Preferred Shares with aggregate nominal value of £7,052 were allotted for cash at £2.28 per share for total consideration of £3,215,986.

Notes to the Financial Statements

for the Year Ended 31 December 2020

9 Share-based payments

EMI share scheme 2019

Scheme details and movements

During the year ended 31 December 2019 the Company issued 354,607 shares as part of an approved share scheme to qualifying employees. The exercise price of the shares is £1.90. The shares vesting period begins from the commencement of employment/engagement with the Company with 25% of the option shares vesting on 30 April 2020 and the remaining 75% of the Option Shares shall vest pro rata on a quarterly basis over the following 3 years.

At 31 December 2020, all 354,607 options were outstanding and 0 were exercisable.

The total expense recognised in profit or loss for the year was £126,741 (2019 - £14,194).

EMI share scheme 2020

Scheme details and movements

During the year ended 31 December 2020 the Company issued 226,900 shares as part of an approved share scheme to qualifying employees. The exercise price of the shares is £2.28. The shares vesting period begins from the commencement of employment/engagement with the Company with 25% of the option shares vesting on 1 July 2021 and the remaining 75% of the Option Shares shall vest pro rata on a quarterly basis over the following 3 years.

At 31 December 2020, all 226,900 options were outstanding and 0 were exercisable.

The total expense recognised in profit or loss for the year was £39,097 (2019 - £Nil).

Growth share scheme

Scheme details and movements

During the year ended 31 December 2019 the Company issued 66,250 growth shares as part of a share scheme to qualifying employees. The market value of the ordinary shares can be used as a reasonable proxy for the incentive shares. The growth shares carry one vote and the right to participate in income distributions, other than upon exit. There is a limited right to distribution in respect of capital, being a hurdle of £9,444,485, increasing 8% per annum. The growth shares are non-redeemable.

The total expense recognised in profit or loss for the year was £Nil (2019 - £10,549).

Notes to the Financial Statements
for the Year Ended 31 December 2020

10 Obligations under leases

Operating leases

The total of future minimum lease payments is as follows:

	<i>31 December 2020</i>	<i>31 December 2019</i>
	<i>£</i>	<i>£</i>
Not later than one year	<u>12,000</u>	<u>126,500</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £105,018 (2019 - £110,750).

11 Controlling Party

The directors consider there to be no controlling or ultimate controlling party.