

Registered number: 07622707

STRIKE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

THURSDAY



ACZVC3MG

A15

28/03/2024

#260

COMPANIES HOUSE

STRIKE LIMITED

COMPANY INFORMATION

Directors Samuel Paul Stewart Mitchell
Andrew John Harrison
Robert Patrick Kelvin Clarkson
Alexander Gosling
Heneage John Stevenson

Registered number 07622707

Registered office 650 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

Independent auditors Grant Thornton UK LLP
Priory Place
New London Road
Chelmsford
Essex
CM2 0PP

STRIKE LIMITED

CONTENTS

	Page
Group Strategic Report	1 - 3
Directors' Report	4 - 6
Independent Auditors' Report	7 - 10
Consolidated Statement of Comprehensive Income	11
Consolidated Balance Sheet	12
Company Balance Sheet	13 - 14
Consolidated Statement of Changes in Equity	15 - 16
Company Statement of Changes in Equity	17 - 18
Consolidated Statement of Cash Flows	19
Consolidated Analysis of Net Debt	20
Notes to the Financial Statements	21 - 40

STRIKE LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Introduction

Strike Limited Group is an online estate agent and mortgage broker. Incorporated in 2011 as Housesimple, the business rebranded in July 2020 as Strike and launched its "free" proposition. Strike's mission is to disrupt the traditional yet archaic home selling process by offering a cost-efficient way of selling your home which enables the customer, through a technology platform, to take control over the selling process without incurring the equivalent fees charged by high street agents. The business model offers homeowners the ability to sell their home for free, instead generating income through in home product sales and referrals from conveyancing and moving services.

In 2019, Strike Financial Services Limited, 100% subsidiary of Strike Limited, was incorporated, specialising in mortgage broking services as an Appointed Representative of the Mortgage Advice Bureau. Strike Financial Services Limited generates procurement fees from mortgage lenders and life protection income through Mortgage Advice Bureau.

The group also has a dormant company, Housesimple Limited (previously Strike Labs Limited) which is a 100% subsidiary of Strike Limited.

Business review

During the year, the group was subject to market uncertainties resulting from the 9 interest rate rises and publication of the mini budget in September 2022. The housing market slowed and mortgage lenders amended product offerings without notice. The business, which had been geared to deal with the buoyant housing market following stamp duty concessions put in place post 2020 lockdown, reviewed its cost structure.

In Q4 2022 and Q1 2023, the business underwent a restructure realising substantial savings from its fixed and variable costs. Following the end of the lease of the Group's head office, the business downsized as part of being a remote first employer and relocated its head office.

The business made the strategic decision to refocus its offering in the North. Having established its brand presence in Yorkshire, Granada and Central regions, marketing spend and resources were redirected. In March 2023, the business saw its market ranking in the North increase to 1st place (2022: 2nd).

In October 2022, Strike won gold for the 3rd consecutive year at the Estas award ceremony. Deemed important to the business because they are judged on customer feedback and testimonials, the business demonstrated that implementing its "free" business model was not at the detriment to delivering excellent customer service.

On 2nd June 2023, Purplebricks Property Limited, a Company incorporated 9th May 2023 and 100% subsidiary of Strike Limited, acquired the trade, assets and substantially all of the liabilities of Purplebricks PLC for £1. Purplebricks has a brand awareness of 90%+ and combined with Strike's business model, the combination of these strengths lends itself to an exciting proposition for the business to disrupt the sector and provide an empowering option for customers. Strike rebranded to Purplebricks and relaunched in January 2024.

The directors see the potential for the group to be a leading Fintech business. Financial Services generates a strong revenue stream with the potential to expand its lead generation arm.

STRIKE LIMITED

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Principal risks and uncertainties

The Group operates in a highly competitive environment within the real estate sector, where traditional estate agents present a challenge to its market share and profitability. The directors believe that its distinctive proposition sets it apart from conventional estate agencies. Utilising a digital-based solution for the buying and selling of homes, Strike provides a level of convenience, speed, and accessibility that it believes traditional models cannot match. Furthermore, Strike's pricing strategy of "free" further distinguishes it from its competitors, with a paid pricing strategy that has a lower cost to sale for customers than competitors. Technology enables it to change its price dynamically should conditions arise to do so.

The inclusion of value-added services, such as virtual valuations, alongside the capability to offer additional services like mortgages through its group companies, exemplifies the Group's commitment to a technology-driven and customer-focused approach. This synergy of technological innovation and client-oriented services is crucial for sustaining and enhancing the Group's presence in the market. The directors envision the Group's potential to emerge as a frontrunner in the Fintech industry. The Financial Services segment already contributes a robust revenue stream, with the prospect of further expanding its lead generation division.

In the acquisition of Purplebricks by the Strike Group, not only was the business itself acquired, but also its well-established brand and the considerable brand awareness that comes with it. With Purplebricks boasting a brand recognition rate exceeding 90%, this strategic move, when combined with Strike's innovative business model, creates a powerful synergy. The combined strengths presents a compelling opportunity for the business to significantly disrupt the real estate sector. Leveraging Purplebricks' widespread brand awareness alongside Strike's distinct approach to the real estate market, the company believes that it is uniquely positioned to offer a strong value proposition.

The Directors acknowledge the susceptibility of customer demand to fluctuations in market conditions and interest rates. They are aware that revenue streams, particularly those reliant on property completions, could be adversely impacted by downturns in the market. Nonetheless, the persistent need among a significant segment of homeowners and first-time buyers to relocate underscores the enduring demand for real estate services. The Directors are confident that the company's complimentary offering, combined with its innovative approach to sales, positions it as the preferred agent in the market. This strategy is anticipated to safeguard the business against market volatilities and reinforce its standing as the agent of choice for consumers seeking reliability and innovation in their real estate transactions.

To reduce potential exposure to liquidity risk, the Group has ensured a diversified range of revenue streams, as highlighted by in its real estate services, the integration of financial services, and in addition the recent acquisition of Purplebricks. This diversification strategy enhances the Group's financial resilience by providing multiple sources of income to enable a quick change in strategy across multiple revenue streams. The Company continues to receive robust backing from its investors, who have reaffirmed their commitment to provide financial support in alignment with the budget through March 2025. Additionally, the Strike Group has proactively identified and believe it has proven strategies to mitigate cashflow risks.

Research and Development

There are currently no active research and development activities.

Financial key performance indicators

Turnover was £13.2m (2022: £8.0m) – 65% higher than the prior year. Gross margin for the year increased by £4.3m (79%) to £9.7m gross profit compared to last year (2022: £5.4m profit). The Group saw a 4% reduction in EBITDA loss on the prior year. The Group's total loss for the year was £19.7m (2022: £19.8m loss).

STRIKE LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Going Concern

Post year end the Company has received £26.2m from existing investors by way of loans. As at the 31 March 2023 the company had loan notes of £19.6m on its balance sheet.

The directors have prepared trading and cashflow forecasts to identify the Group and Company's liquidity requirements for the period to 31 March 2025.

The Company has received a letter of support from its investors confirming support to commit funds in accordance with a conservative downside scenario in comparison with budget to March 2025 and, not withstanding their enforcement rights, not to recall loans during the same period.

The Company has prepared forecasts for the period to 31 March 2025 which indicates that the company can continue to trade within its cash resources for the twelve months following the signing of these financial statements. Furthermore, the Company has noted areas to mitigate budget risks during this period. Therefore the directors have a reasonable expectation that the company has adequate resources to continue to trade for the foreseeable future. For this reason they continue to adopt the going concern basis of accounting in preparing these financial statements.

This report was approved by the board on 27/3/2024 and signed on its behalf.

Samuel Mitchell

.....
Samuel Paul Stewart Mitchell
Director

STRIKE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report and the financial statements for the year ended 31 March 2023.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the year, after taxation, amounted to £19,718,256 (2022 - loss £19,798,738).

There were no dividends paid or proposed during the period.

Directors Indemnities

Throughout the year the Company purchased and maintained Directors' and Officers liability insurance in respect of its Directors and Officers. The indemnity is subject to major shareholder exemption.

Directors

The directors who served during the year were:

Samuel Paul Stewart Mitchell
Andrew John Harrison
Robert Patrick Kelvin Clarkson
Alexander Gosling
Heneage John Stevenson

Future developments

The directors aim to maintain the management policies which have resulted in the group's steady growth in recent years. They consider that the next year will show a further significant growth in sales from continuing operations as it successfully merges with the Purplebricks business.

STRIKE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Engagement with employees

The directors provide the following statement pursuant to the Companies Act 2006 (as amended by Companies (Miscellaneous Reporting) Regulations 2018) (the "Act") to describe how they have acted in accordance with their duty under s.172 of the Act to promote the success of the Company for the benefit of its member(s) as a whole, and in so doing, how they have had regard to those factors set out in 172 (1) (a) to (f) of the Act during the financial year. Furthermore, in compliance with the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended by the Companies (Miscellaneous Reporting) Regulations 2018), the directors provide the statement which follows to describe how they have engaged with employees, and how they have had regard to employee interests and the need to foster the company's business relationships with suppliers, customers and others, and in each case the effect of that regard, including on the principal decisions taken by the company during the financial year.

The Executive is collectively responsible for managing the affairs of the Company to achieve its long-term goals and financial performance, by making decisions, monitoring the underlying performance of the Company, as well as being a means for establishing ethical standards. Understanding the interest's key stakeholders is an important part of the Company's strategy and helps the Executives decision-making throughout the year.

The Executives seek to engage directly with stakeholders, through face to face and virtual meetings, Townhall events and individual one to one meetings, to facilitate a greater positive impact on environmental, social and other issues, as well as ensuring consistency of approach across the Company. Where engagement has taken place at operational level, the outcome of that engagement has been brought to the Board for its consideration where relevant throughout the year.

The Company use of a combination of face to face, virtual and one to one meeting, along with directed communication to keep it colleagues up to date on matters that concern them. Group Face-to-Face meetings are conducted with the largest teams, to share information and give them the opportunity to ask questions and gain more information and insights into the decisions being made that directly impact them. These meetings are conducted at various grades within the Company ensuring that each group can discuss those matters that specifically affect them. In addition, a weekly meeting (in person or virtually) is conducted to share financial information with individuals and discuss how this impacts them directly, through the variable pay element of their role. Additionally, support is provided, and the colleague is encouraged to be involved in setting financial goals and incentives for the following period.

More complex changes are directly communicated to each colleague, via the People system. These are generally in personalised letter format, outlining a more detailed explanation of the changes that directly affect them. We also use 'SharePoint', an Internal Comms platform, for more generic business updates.

Employee Engagement

We conduct 'Colleague Forum', monthly, with representatives from all the departments and divisions within the Company. chaired by a nominated colleague as 'Chairperson'. Each of the representatives spend time in their respective areas canvassing feedback and suggestions that are then tabled at the meeting for discussion. These meeting are hosted by our Head of Culture & Engagement and is designed to facilitate an open and transparent forum for colleagues to give feedback and any views and suggestions to the Company.

Directors Involvement

The CEO conducts regular Town Hall meetings, where the Company performance and direction is discussed, with the colleagues having the ability to ask question and further clarification. They also meet on a regular basis with new colleagues who join the business, to share his Company vision and mission. Each Director conducts regular team meetings, along with regular team building events and development course being conducted throughout the year.

The directors have conscientiously considered and prioritised employee interests throughout the financial year, recognising the pivotal role employees play in the success of the company. This consideration has significantly influenced key decisions undertaken by the company, reflecting a commitment to fostering a positive and

STRIKE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

inclusive workplace environment, ultimately contributing to the overall growth and sustainability of the business. We conduct regular townhall meetings and have an open and transparent feedback processes in place, fostering a inclusive workplace culture. We have reviewed our salary structures, benefits, and incentives to attract and retain our top talent.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Disabled Persons

The Company gives full and fair consideration to suitable applications for employments from disabled persons where a disabled person can adequately fulfil the requirement for the role. Where an employee of the Company becomes disabled during the course of their employment the Company would seek to arrange appropriate further training for the employee, and make reasonable adjustments to the employee's working environment, where it is possible for the employee to continue fulfilling the requirements of their role. Employees with a disability are eligible to participate in career development opportunities across the Company including training and promotion opportunities.

Post balance sheet events

On 2nd June 2023, Purplebricks Property Limited, a Company incorporated 9th May 2023 and 100% subsidiary of Strike Limited, acquired the assets and liabilities of Purplebricks plc.

Auditors

Grant Thornton UK LLP are not seeking re-election and consequently the board will reappoint new auditors for the year ending 31 March 2024.

This report was approved by the board on 27/3/2024 and signed on its behalf.

Samuel Mitchell

Samuel Paul Stewart Mitchell
Director

STRIKE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STRIKE LIMITED

Opinion

We have audited the financial statements of Strike Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31st March 2023, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Balance Sheets, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cashflows, the Consolidated Analysis of Net Debt and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31st March 2023 and of the group's and the parent company's loss for the year then ended;

the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties such as the rise in interest rates and the economic downturn, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's

STRIKE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STRIKE LIMITED

ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such

STRIKE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STRIKE LIMITED

internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

We obtained an understanding of the legal and regulatory framework that is applicable to the company and determined the most significant of those that relate to the financial reporting framework (FRS 102, Companies Act 2006) and the relevant tax compliance regulations in the UK, being the jurisdiction in which the company operates.

We made inquiries of management and the audit committee concerning the company's policies and procedures relating to:

- Identification, evaluation and compliance with laws and regulations;
- The detection and response to the risks of fraud; and
- The establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We corroborated our inquiries through review of board minutes.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of risk of management override of controls. We determined the principal risks were in relation to:

- Journal entries posted in the year that reclassified costs from the income statement to the balance sheet; and
- Potential management bias in determining accounting estimates, especially in relation to trade debtors provisioning.

Our audit procedures involved:

- Gaining an understanding of the entity's operations, including its objectives and strategies, to understand the classes of transactions, account balances and expected financial statement disclosures and business risks that may result in material misstatement;
- Assessing the design and effectiveness of controls management has put in place to prevent and detect fraud, and the adequacy of procedures for authorisation of transactions, and internal review procedures;
- Challenging assumptions and judgements made by management for significant accounting estimates; and

STRIKE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STRIKE LIMITED

- Journal entry testing with a focus on material manual journals including those with unusual account combinations

We communicated relevant laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indicators of fraud or non-compliance with laws and regulations throughout the audit.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;

Assessment of the appropriateness of the collective capabilities of the engagement team by the engagement partner include the consideration of the engagement team's understanding and experience of, and practical experience with, engagements of a similar nature and complexity including appropriate training.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Timothy Taylor

Timothy Taylor
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Priory Place
New London Road
Chelmsford
Essex
CM2 0PP

Date: 27/3/2024

STRIKE LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Turnover	4	13,226,522	8,036,247
Cost of sales		(3,501,375)	(2,613,375)
Gross profit		9,725,147	5,422,872
Administrative expenses		(27,882,912)	(25,241,653)
Exceptional administrative expenses	12	(774,974)	-
Other operating charges		(4,129)	(3,468)
Operating loss	5	(18,936,868)	(19,822,249)
Interest receivable and similar income	9	726	295
Interest payable and similar expenses	10	(1,021,727)	(69,831)
Loss before taxation		(19,957,869)	(19,891,785)
Tax on loss	11	239,613	93,047
Loss for the financial year		(19,718,256)	(19,798,738)
Loss for the year attributable to:			
Owners of the parent Company		(19,718,256)	(19,798,738)
		(19,718,256)	(19,798,738)

There were no recognised gains and losses for 2023 or 2022 other than those included in the consolidated statement of comprehensive income.

The notes on pages 21 to 40 form part of these financial statements.

STRIKE LIMITED
REGISTERED NUMBER: 07622707

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	13	481	19,422
Tangible assets	14	454,410	514,978
		<u>454,891</u>	<u>534,400</u>
Current assets			
Debtors: amounts falling due within one year	16	2,118,078	4,377,751
Cash At Bank And In Hand	17	821,391	1,249,524
		<u>2,939,469</u>	<u>5,627,275</u>
Creditors: amounts falling due within one year	18	(22,253,459)	(4,384,943)
Net current (liabilities)/assets		<u>(19,313,990)</u>	<u>1,242,332</u>
Total assets less current liabilities		<u>(18,859,099)</u>	<u>1,776,732</u>
Creditors: amounts falling due after more than one year	19	(37,789)	(701,563)
Net (liabilities)/assets		<u><u>(18,896,888)</u></u>	<u><u>1,075,169</u></u>
Capital and reserves			
Called up share capital	21	8,574	8,574
Share premium account	22	75,138,896	75,138,896
Other reserves	22	135,655	389,456
Profit and loss account	22	(94,180,013)	(74,461,757)
		<u><u>(18,896,888)</u></u>	<u><u>1,075,169</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
27/3/2024

Samuel Mitchell

.....
Samuel Paul Stewart Mitchell
Director

The notes on pages 21 to 40 form part of these financial statements.

STRIKE LIMITED
REGISTERED NUMBER: 07622707

COMPANY BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 (restated) £
Fixed assets			
Intangible assets	13	481	19,422
Tangible assets	14	454,410	514,978
Investments	15	2	2
		<u>454,893</u>	<u>534,402</u>
Current assets			
Debtors: amounts falling due after more than one year	16	5,805,558	1,513,367
Debtors: amounts falling due within one year	16	1,886,673	4,270,233
Cash at bank and in hand	17	522,748	1,134,613
		<u>8,214,979</u>	<u>6,918,213</u>
Creditors: amounts falling due within one year	18	(21,801,072)	(3,709,286)
Net current (liabilities)/assets		<u>(13,586,093)</u>	<u>3,208,927</u>
Total assets less current liabilities		<u>(13,131,200)</u>	<u>3,743,329</u>
Creditors: amounts falling due after more than one year	19	-	(701,563)
Net (liabilities)/assets		<u><u>(13,131,200)</u></u>	<u><u>3,041,766</u></u>
Capital and reserves			
Called up share capital	21	8,574	8,574
Share premium account	22	75,138,896	75,138,896
Other reserves	22	135,655	389,456
Profit and loss account		(88,414,325)	(72,495,160)
		<u><u>(13,131,200)</u></u>	<u><u>3,041,766</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Samuel Mitchell
.....
Samuel Paul Stewart Mitchell
Director

Date: 27/3/2024

STRIKE LIMITED
REGISTERED NUMBER: 07622707

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The notes on pages 21 to 40 form part of these financial statements.

STRIKE LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2022	8,574	75,138,896	389,456	(74,461,757)	1,075,169
Comprehensive income for the year					
Loss for the year	-	-	-	(19,718,256)	(19,718,256)
Distribution on loan interest to investors	-	-	(253,801)	-	(253,801)
At 31 March 2023	8,574	75,138,896	135,655	(94,180,013)	(18,896,888)

The notes on pages 21 to 40 form part of these financial statements.

STRIKE LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2021	6,330	53,291,390	389,456	(54,663,019)	(975,843)
Comprehensive income for the year					
Loss for the year	-	-	-	(19,798,738)	(19,798,738)
Shares issued during the year	2,244	21,847,506	-	-	21,849,750
At 31 March 2022	8,574	75,138,896	389,456	(74,461,757)	1,075,169

The notes on pages 21 to 40 form part of these financial statements.

STRIKE LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2022	8,574	75,138,896	389,456	(72,495,160)	3,041,766
Comprehensive income for the year					
Loss for the year	-	-	-	(15,919,165)	(15,919,165)
Distribution on loan interest to investors	-	-	(253,801)	-	(253,801)
At 31 March 2023	8,574	75,138,896	135,655	(88,414,325)	(13,131,200)

The notes on pages 21 to 40 form part of these financial statements.

STRIKE LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2021	6,330	53,291,390	389,456	(54,229,520)	(542,344)
Comprehensive income for the year					
Loss for the year	-	-	-	(18,265,640)	(18,265,640)
Shares issued during the year	2,244	21,847,506	-	-	21,849,750
At 31 March 2022	8,574	75,138,896	389,456	(72,495,160)	3,041,766

The notes on pages 21 to 40 form part of these financial statements.

STRIKE LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
Cash flows from operating activities		
Loss for the financial year	(19,718,256)	(19,798,738)
Adjustments for:		
Amortisation of intangible assets	18,940	19,657
Depreciation of tangible assets	255,451	177,103
Loss on disposal of tangible assets	45,274	-
Interest paid	1,021,727	69,831
Interest received	(726)	(295)
Taxation charge	(239,613)	(93,047)
Decrease/(increase) in debtors	2,498,668	(3,607,589)
(Decrease)/increase in creditors	(1,714,950)	2,335,567
Net cash generated from operating activities	(17,833,485)	(20,897,511)
Cash flows from investing activities		
Purchase of tangible fixed assets	(240,150)	(457,320)
Interest received	726	295
Net cash from investing activities	(239,424)	(457,025)
Cash flows from financing activities		
Issue of ordinary shares	-	21,849,750
Repayment of loans	(5,388)	(1,420)
Loans received	17,650,164	-
Interest paid	-	(14,870)
Net cash used in financing activities	17,644,776	21,833,460
Net (decrease)/increase in cash and cash equivalents	(428,133)	478,924
Cash and cash equivalents at beginning of year	1,249,524	770,600
Cash and cash equivalents at the end of year	821,391	1,249,524
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	821,391	1,249,524
	821,391	1,249,524

The notes on pages 21 to 40 form part of these financial statements.

STRIKE LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2023**

	At 1 April 2022 £	Cash flows £	Other non- cash changes £	At 31 March 2023 £
Cash at bank and in hand	1,249,525	(428,134)	-	821,391
Debt due after 1 year	(701,563)	-	663,774	(37,789)
Debt due within 1 year	(48,838)	(17,644,776)	(1,935,345)	(19,628,959)
	<u>499,124</u>	<u>(18,072,910)</u>	<u>(1,271,571)</u>	<u>(18,845,357)</u>

The notes on pages 21 to 40 form part of these financial statements.

STRIKE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Strike Limited is a private limited company registered in England and Wales, registration number 07622707. The registered office is 650 The Crescent, Colchester Business Park, Colchester, Essex, CO4 9YQ.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.3 Going concern

The company's loss for the year is £19.7m.

Post year end the Company has received £26.2m from existing investors by way of loans. As at the 31 March 2023 the company had loan notes of £19.6m on its balance sheet.

The directors have prepared trading and cashflow forecasts to identify the Group and Company's liquidity requirements for the period to 31 March 2025.

The Company has received a letter of support from its investors confirming support to commit funds in accordance with a conservative downside scenario in comparison with budget to March 2025 and, notwithstanding their enforcement rights, not to recall loans during the same period.

The Company has prepared forecasts for the period to 31 March 2025 which indicates that the company can continue to trade within its cash resources for the twelve months following the signing of these financial statements. Furthermore, the Company has noted areas to mitigate budget risks during this period. Therefore the directors have a reasonable expectation that the company has adequate resources to continue to trade for the foreseeable future. For this reason they continue to adopt the going concern basis of accounting in preparing these financial statements.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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:

Turnover comprises revenue recognised by the company in respect of services supplied during the year, exclusive of Value Added Tax. All turnover is attributable to UK markets.

Revenue comprises the fair value of consideration received or receivable in respect of services provided relating to the sale of property.

Revenue is recognised on the basis of the performance of contractual obligations and to the extent that the right to consideration has been earned and the flow of economic resources is probable.

Referral fees are accounted for on completion of the service being provided.

2.5 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.7 Finance costs

Finance costs are charged to profit or loss 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.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.9 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group 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 Group in independently administered funds.

2.10 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 and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)**2.11 Exceptional administrative expenses**

Exceptional administrative expenses are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

2.12 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.

Amortisation is provided on the following basis:

Branding	-	3 years
----------	---	---------

2.13 Tangible fixed asset

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, using the following method.

Depreciation is provided on the following basis:

Short-term leasehold property	-	20% Straight line
Office equipment	-	25% Reducing balance
Computer equipment	-	33% Straight line

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.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated 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.

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)**2.15 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.

2.16 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.

2.17 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.

2.18 Financial instruments

Financial assets including cash at bank and trade and other debtors are measured initially at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instruments legal form.

Financial liabilities including trade and other creditors are measured initially at transaction price (including transactions costs) and subsequently held at amortised cost.

Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of cash or other consideration expected to be paid or received.

The convertible loan notes are compound non-basic financial instruments measured at fair value. The present value of the debt element of the loan notes is calculated at inception. The unwinding of the discounting is recognised in Interest Payable And Similar Expenses in the Statement of Comprehensive Income. The residual is recognised as equity in Other Reserves.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, the directors have not made any significant judgements. There are no areas of estimation uncertainty.

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4. Turnover

	2023 £	2022 £
Rendering of services	13,226,522	8,036,247
	<u>13,226,522</u>	<u>8,036,247</u>

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

	2023 £	2022 £
Exchange differences	4,129	3,468
Other operating lease rentals	137,989	198,223
Depreciation of tangible fixed assets	255,451	177,102
Amortisation of intangibles	18,940	19,657
	<u>18,940</u>	<u>19,657</u>

6. Auditors' remuneration

During the year, the Group obtained the following services from the Company's auditors:

	2023 £	2022 £
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	68,495	22,952
	<u>68,495</u>	<u>22,952</u>

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Wages and salaries	16,505,601	12,302,204	11,509,048	9,415,564
Social security costs	1,741,982	1,192,112	1,205,223	909,943
Cost of defined contribution scheme	344,423	193,540	255,640	150,599
	<u>18,592,006</u>	<u>13,687,856</u>	<u>12,969,911</u>	<u>10,476,106</u>

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

	Group 2023 No.	<i>Group 2022 No.</i>	Company 2023 No.	<i>Company 2022 No.</i>
Average number of employees	462	450	319	367

8. Directors' remuneration

	2023 £	<i>2022 £</i>
Directors' emoluments	420,501	394,000
Group contributions to defined contribution pension schemes	46,640	3,524
	<u>467,141</u>	<u>397,524</u>

During the year retirement benefits were accruing to 2 directors (2022 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £260,500 (2022 - £234,000).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £45,331 (2022 - £2,211).

During the year no directors received shares under long-term incentive schemes (2022 - none)

The total accrued pension provision of the highest paid director at 31 March 2023 amounted to £1,000 (2022 - £109).

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Interest receivable

	2023 £	2022 £
Other interest receivable	726	295
	<u>726</u>	<u>295</u>

10. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	1,159	1,044
Other loan interest payable	1,018,533	68,787
Other interest payable	2,035	-
	<u>1,021,727</u>	<u>69,831</u>

11. Taxation

	2023 £	2022 £
Corporation tax		
Adjustments in respect of previous periods	(239,613)	(73,633)
	<u>(239,613)</u>	<u>(73,633)</u>
Total current tax	<u>(239,613)</u>	<u>(73,633)</u>
Deferred tax		
Origination and reversal of timing differences	-	(19,414)
Total deferred tax	<u>-</u>	<u>(19,414)</u>
Tax on loss	<u>(239,613)</u>	<u>(93,047)</u>

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - *higher than*) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Loss on ordinary activities before tax	<u>(19,957,869)</u>	<u>(19,891,785)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	(3,791,995)	(3,779,439)
Effects of:		
Adjustments to tax charge in respect of prior periods	(239,635)	(93,047)
Unrelieved tax losses carried forward	3,792,017	3,779,439
Total tax charge for the year	<u><u>(239,613)</u></u>	<u><u>(93,047)</u></u>

During the year deferred tax assets not recognised amounted to £21,415,200 (2022 - £17,651,424).

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Taxation (continued)**Factors that may affect future tax charges**

The Finance Act 2021 was substantively enacted in May 2021 and has increased the corporation tax rate from 19% to 25% with effect from 1 April 2023 on profits over £250,000. The rate for small profits under £50,000 will remain at 19%. When the company's profits fall between £50,000 and £250,000, the lower and upper limits, it will be able to claim an amount of marginal relief providing a gradual increase in corporation tax rate. The deferred taxation balances have been measured using the rates expected to apply in the reporting periods when the timing differences reverse.

12. Exceptional administrative expense

	2023 £	2022 £
Redundancy costs	774,974	-
	<u>774,974</u>	<u>-</u>

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Intangible assets**Group**

	Branding £
Cost	
At 1 April 2022	60,351
Disposals	(3,365)
At 31 March 2023	56,986
Amortisation	
At 1 April 2022	40,929
Charge for the year on owned assets	18,940
On disposals	(3,364)
At 31 March 2023	56,505
Net book value	
At 31 March 2023	481
At 31 March 2022	19,422

Material intangible assets are domain names held by the Company. Amortisation and depreciation are charged to administrative expenses in the P&L.

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Intangible assets (continued)**Company****Branding
£****Cost**

At 1 April 2022

60,351

Disposals

(3,365)

At 31 March 2023

56,986

Amortisation

At 1 April 2022

40,929

Charge for the year

18,940

On disposals

(3,364)

At 31 March 2023

56,505

Net book value

At 31 March 2023

481

At 31 March 2022

19,422

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Tangible fixed assets**Group**

	Leasehold improvements £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2022	252,173	123,457	773,110	1,148,740
Additions	54,120	42,421	143,609	240,150
Disposals	(252,173)	(73,632)	-	(325,805)
At 31 March 2023	54,120	92,246	916,719	1,063,085
Depreciation				
At 1 April 2022	200,626	47,872	385,264	633,762
Charge for the year on owned assets	33,623	18,836	202,992	255,451
Disposals	(234,249)	(46,289)	-	(280,538)
At 31 March 2023	-	20,419	588,256	608,675
Net book value				
At 31 March 2023	54,120	71,827	328,463	454,410
At 31 March 2022	51,547	75,585	387,846	514,978

STRIKE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Tangible fixed assets (continued)

Company

	Leasehold improvements £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2022	252,173	123,457	773,110	1,148,740
Additions	54,120	42,421	143,609	240,150
Disposals	(252,173)	(73,632)	-	(325,805)
At 31 March 2023	54,120	92,246	916,719	1,063,085
Depreciation				
At 1 April 2022	200,626	47,872	385,264	633,762
Charge for the year on owned assets	33,623	18,836	202,992	255,451
Disposals	(234,249)	(46,289)	-	(280,538)
At 31 March 2023	-	20,419	588,256	608,675
Net book value				
At 31 March 2023	54,120	71,827	328,463	454,410
At 31 March 2022	51,547	75,585	387,846	514,978

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Fixed asset investments**Company**

	Investments in subsidiary companies (restated) £
Cost or valuation	
At 1 April 2022	2
At 31 March 2023	<u>2</u>

The comparatives have been restated to recognise the £2 historic cost of investment in Strike Financial Services Limited and Housesimple Ltd.

16. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Amounts owed by group undertakings	-	-	5,805,558	1,513,367
	<u>-</u>	<u>-</u>	<u>5,805,558</u>	<u>1,513,367</u>
	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade debtors	219,473	102,164	156,283	58,089
Other Debtors	27,019	249,473	22,453	249,468
Corporation Tax	239,635	73,633	239,613	73,633
Prepayments and accrued income	1,631,951	3,952,481	1,468,324	3,889,043
	<u>2,118,078</u>	<u>4,377,751</u>	<u>1,886,673</u>	<u>4,270,233</u>

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Cash and cash equivalents

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Cash at bank and in hand	821,391	1,249,524	522,748	1,134,613
	821,391	1,249,524	522,748	1,134,613

18. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank loans	5,590	48,838	-	-
Other loans	19,623,369	-	19,623,369	-
Trade creditors	780,723	1,731,149	771,321	1,728,600
Other taxation and social security	449,650	1,171,925	352,835	855,221
Other creditors	53,238	192,828	36,363	139,946
Accruals and deferred income	1,340,889	1,240,203	1,017,184	985,519
	22,253,459	4,384,943	21,801,072	3,709,286

Bank loans due within one year relate to the principal repayable within one year on an HSBC interest bearing bounce back loan, repayable in instalments by 13th May 2030. The rate of interest applied is 2.5%. The loan is unsecured.

Other loans constitute shareholder loans and are repayable as follows:

Unsecured convertible 2016 loan notes totalling £812,500 and recognised at year end at their discounted present value of £701,563 were due for redemption on 21 January 2024 and are technically repayable.

Unsecured shareholder loans totalling £17,650,164 were borrowed during the year. All the loans carry an interest rate of 12% that accrues from the date of draw down. Subsequent to the year end, these loan were modified to carry an option to convert the principal sum, along with any unpaid accrued interest, into ordinary £0.01 shares at a subscription price of £30 per share. Since 1 January 2024, the loan notes have been repayable on 30 days' notice from the lenders.

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Bank loans	37,789	-	-	-
Other loans	-	701,563	-	701,563
	<u>37,789</u>	<u>701,563</u>	<u>-</u>	<u>701,563</u>

Bank loans due after more than one year relate to the principal repayable in more than one year on an HSBC interest bearing bounce back loan, repayable in instalments by 13th May 2030. The rate of interest applied is 2.5%. The loan is unsecured.

Other loans due after more than one year constitute unsecured convertible 2016 loan notes.

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Loans

Analysis of the maturity of loans is given below:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Amounts falling due within one year				
Bank loans	5,590	48,838	-	-
Other loans	19,623,369	-	19,623,369	-
	<u>19,628,959</u>	<u>48,838</u>	<u>19,623,369</u>	<u>-</u>
Amounts falling due 1-2 years				
Bank loans	5,739	-	-	-
Other loans	-	701,563	-	701,563
	<u>5,739</u>	<u>701,563</u>	<u>-</u>	<u>701,563</u>
Amounts falling due 2-5 years				
Bank loans	24,446	-	-	-
	<u>24,446</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts falling due after more than 5 years				
Bank loans	7,604	-	-	-
	<u>7,604</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>19,666,748</u></u>	<u><u>750,401</u></u>	<u><u>19,623,369</u></u>	<u><u>701,563</u></u>

The company has issued loan notes.

The loan notes can be converted to shares at any time (on one occasion only) during the exercise period into conversion shares. Unless previously redeemed or converted, the company shall redeem the loan notes at par on the eighth anniversary (21 January 2024) of the date of the instrument. The convertible loan notes are unsecured and non-interest bearing.

The company also issued 12% loans during the year amounting to

£17,650,164. Details of the terms of Bank and Other Loans can be found at

Notes 18 and 19.

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

21. Share capital

	2023	2022
	£	£
Allotted, called up and fully paid		
857,388 (2022 - 857,388) Ordinary shares of £0.01 each	8,574	8,574

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital. All shares have equal voting rights.

22. Reserves**Share premium account**

The share premium account includes any premiums received on issue of share capital.

Other reserves

Other reserves include the discounted equity element attributable to the convertible 2016 loan notes (see note 18) and the capital distribution arising from modifications to the interest terms of loans with connected parties.

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

23. Pension commitments

The Company operates a defined contribution scheme. Amounts owing as at 31 March 2023 amounted to £30,879 (2022: £134,244).

24. Commitments under operating leases

At 31 March 2023 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group	<i>Group</i>	Company	<i>Company</i>
	2023	<i>2022</i>	2023	<i>2022</i>
	£	<i>£</i>	£	<i>£</i>
Not later than 1 year	37,083	72,398	37,083	72,398
Later than 1 year and not later than 5 years	61,806	-	61,806	-
	98,889	72,398	98,889	72,398

STRIKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

25. Related party transactions

Unsecured convertible loan notes amounting to £116,071 were outstanding to Lord D Stevenson, father of Heneage Stevenson who was a director and shareholder during the year. No interest is payable.

Unsecured loan notes amounting to £18,862,173 were outstanding to Freston Ventures LLP at the year end. Robert Clarkson and Andrew Harrison are directors of Strike Limited and designated members of Freston Ventures LLP.

Due to the structure of the shareholding, there is no controlling party.

26. Post balance sheet events

Post year end the Company received investment by way of convertible 12% loan notes totalling £26.2m from existing investors.

On 2nd June 2023, Purplebricks Property Limited, a Company incorporated 9th May 2023 and 100% owned by Strike Limited, acquired the assets and liabilities of Purplebricks plc.

27. Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Strike Financial Services Limited	650 The Crescent, Colchester Business Park, Colchester, Essex CO4 9YQ	Ordinary	100%
Housesimple Limited	650 The Crescent, Colchester Business park, Colchester, Essex. CO4 9YQ	Ordinary	100%

The aggregate of the share capital and reserves as at 31 March 2023 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Strike Financial Services Limited	1	(3,799,092)
Housesimple Limited	1	-