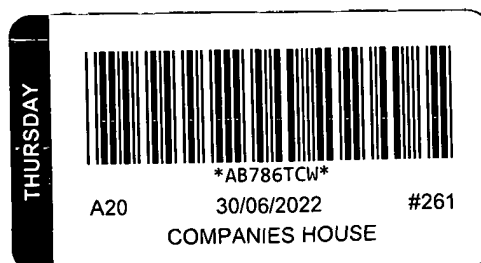


Company Registration No. 09013664 (England and Wales)

ANGELLIST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



ANGELLIST LIMITED

COMPANY INFORMATION

Directors	B Cazalet E Swanson
Company number	09013664
Registered office	Third Floor 65 Clerkenwell Road London EC1R 5BL
Bankers	Silicon Valley Bank 14-18 Finsbury Square London EC2A 1BR

ANGELLIST LIMITED

CONTENTS

Strategic report	1 - 2
Directors' report	3 - 4
Statement of total comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12 - 20

The following pages do not form part of the statutory financial statements

Pillar 3 disclosures	21 - 25
Detailed profit and loss statement	26

ANGELLIST LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present the strategic report for the year ended 31 December 2021.

Fair review of the business

The principal activity of the company is that of an online platform for investing in early-stage business. The company's activities are regulated by the Financial Conduct Authority ("FCA").

The company's key performance indicators are considered to be revenue and operating profit. Revenues earned under service agreements totalled £405,715 (2020: £939,472) and the company made an operating loss for the year of £112,649 (2020: £188,616).

An application has been made to the FCA for de-registration of the business as at 31 December 2021. No further business activity will be held in 2022 the company will be closed.

Principal risks and uncertainties

The directors are responsible for managing the risks to the company's business and they take reasonable steps to identify any risks whilst ensuring that adequate and effective internal controls are in place to mitigate those risks, which are continually reviewed and monitored.

The company's principal financial instruments comprise bank deposits held at its bankers, amounts due from its sole customer and creditors, which fund the company's operations. The company's approach to managing risks applicable to the company are set out below.

Interest rate risk

The company has no material exposure to interest rate risk.

Credit risk

The company's directors consider the primary credit risk to arise from the non-payment of fees due from its sole customer, as well as default of material debtors and cash balances held on deposit. The directors attempt to minimise this risk by monitoring its cash flow of fees due and the directors consider risk of default to be low. Cash deposits are held at an international banking group with substantial strength, therefore not exposing itself to material credit risk exposure.

Capital risk

The company is capitalised at a level in excess of the minimum regulatory capital required by the FCA and the directors monitor management accounts on a frequent basis to ensure that an appropriate level of capital and cash resources are maintained to meet regulatory requirements.

Liquidity risk

Cash flow risk arises from the inability of the company to meet liabilities as they fall due. The company operates on a cost-plus basis, and therefore the revenues, liquidity, profit-margins and capital are stable and predictable. At the year end, the company has sufficient liquidity to fund an orderly wind down of the business.

Foreign currency risk

The company does not have any material exposure to foreign exchange risk.

Pillar 3 and Remuneration Code disclosures

The directors have prepared the Pillar 3 and Remuneration Code disclosures required under the Capital Requirements Directive. These disclosures are available on page 21 - 25 within the management information at the end of these financial statements.

ANGELLIST LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Section 172 disclosures

The directors of the company always endeavour, individually and collectively, to act in the way to promote the success of the company for the benefit of its members as a whole. In doing so, they consider the likely consequence of any decisions in the long-term, having regard to an approach that is fair and equitable to all members of the company.

Underlying their decision making process, the directors consider the impact on the company's employees and are mindful of how the company's business operations impact the community and environment. The directors' overarching responsibility is to maintain a reputation for high standards of business conduct and seek to build strong business relationships with suppliers, customers and other key counterparties.

The shareholders of the company, and its wider group, are its key stakeholders. As is common with businesses of the size and scale of the company, these shareholders are integral to all strategic decisions that are made.

The group has taken the decision to wind down the UK operation and applied to deregister the company with the FCA. Once the application process is complete the company will be closed. Employees of the company have been moved to other operations within the group.

On behalf of the board

Eric Swanson

.....
E Swanson

Director
22/6/2022
.....

ANGELLIST LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A Chung	(Resigned 1 January 2021)
P Moehring	(Resigned 1 January 2021)
B Cazalet	
E Swanson	

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1.2 to the financial statements, the directors have taken the decision to wind down the business subsequent to the year end and therefore the financial statements have not been prepared on a going concern basis.

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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of risk management of financial instruments.

ANGELLIST LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Eric Swanson

E Swanson

Director

22/6/2022

Date:

ANGELLIST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANGELLIST LIMITED

Opinion

We have audited the financial statements of Angellist Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 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.

Emphasis of matter

We draw attention to note 1.2 to the financial statements which explains that the directors intend to wind down the company subsequent to the year end and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern. Our opinion is not modified in respect of this matter.

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 course of 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 this gives rise to 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 our audit:

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

ANGELLIST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ANGELLIST LIMITED

Matters on which we are required to report by exception

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 strategic report and the directors' report.

We have nothing to report in respect of the following matters where 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.

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 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102, the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom. In addition, company is required to comply with relevant Financial Conduct Authority's (FCA) rules and regulations relating to its operations.
- We understood how the company partnership is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance to understand how management maintains and communicates its policies and procedures in these areas. We corroborated our understanding by reviewing supporting documentation correspondence with regulatory bodies.

ANGELLIST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ANGELLIST LIMITED

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override of internal control and by designating revenue recognition as a fraud risk. We performed journal entry testing by specific risk criteria, with a focus on journals indicating large or unusual transactions based on our understanding of the business. We recalculated the revenue receivable for the year from the active agreements and agreed this to the financial statements.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of legal and professional expenses and review of breaches register.
- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

Citroen Wells

Kim Youle FCA (Senior Statutory Auditor)
For and on behalf of Citroen Wells

27/6/2022
Date:

Chartered Accountants
Statutory Auditor

Devonshire House
1 Devonshire Street
London
W1W 5DR

ANGELLIST LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
Revenue	3	405,715	939,472
Administrative expenses		(518,364)	(1,128,103)
Other operating income		-	15
Loss before taxation		(112,649)	(188,616)
Tax on loss	7	(2,102)	(1,000)
Loss for the financial year		(114,751)	(189,616)

ANGELLIST LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
Current assets					
Trade and other receivables	8	77,809		189,701	
Cash at bank and in hand		15,173		31,438	
		<u>92,982</u>		<u>221,139</u>	
Current liabilities	9	(18,527)		(42,328)	
Net current assets			<u>74,455</u>		<u>178,811</u>
Equity					
Called up share capital	12	80,100		80,100	
Share-based payment reserve		1,428,336		1,417,941	
Retained earnings		(1,433,981)		(1,319,230)	
Total equity			<u>74,455</u>		<u>178,811</u>

The financial statements were approved by the board of directors and authorised for issue on 22/6/2022
and are signed on its behalf by:

Eric Swanson
E Swanson
Director

Company Registration No. 09013664

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

	Share capital	Share- based payment reserve	Retained earnings	Total
	£	£	£	£
Balance at 1 January 2020	80,100	1,252,246	(1,129,614)	202,732
Year ended 31 December 2020:				
Loss and total comprehensive income for the year	-	-	(189,616)	(189,616)
Share-based payments	-	165,695	-	165,695
Balance at 31 December 2020	80,100	1,417,941	(1,319,230)	178,811
Year ended 31 December 2021:				
Loss and total comprehensive income for the year	-	-	(114,751)	(114,751)
Share-based payments	-	10,395	-	10,395
Balance at 31 December 2021	80,100	1,428,336	(1,433,981)	74,455

ANGELLIST LIMITED**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	15	(15,306)		(31,606)	
Income taxes paid		(959)		(8,306)	
Net cash outflow from operating activities		(16,265)		(39,912)	
Investing activities					
Proceeds on disposal of property, plant and equipment		-		244	
Net cash (used in)/generated from investing activities		-		244	
Net decrease in cash and cash equivalents		(16,265)		(39,668)	
Cash and cash equivalents at beginning of year		31,438		71,106	
Cash and cash equivalents at end of year		15,173		31,438	

ANGELLIST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Angellist Limited is a private company limited by shares incorporated in England and Wales. The registered office is Third Floor, 65 Clerkenwell Road, London, EC1R 5BL.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in pound sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound sterling.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The company has applied to deregister with the FCA on 31 December 2021. The directors have decided to cease operations in the UK. Therefore the financial statements have been prepared on a basis other than going concern, which includes, where appropriate, writing down the entity's assets to net realisable value. Provision has also been made for any contractual commitments that have become onerous at the end of the reporting period. The financial statements do not include any provision for the future costs of terminating the business. The parent company has confirmed that ongoing support will be provided for the duration of the wind-down process.

1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT.

Fees are calculated under a service agreement with the company's US parent undertaking and are fully derived from the USA. Revenue is recognised when the firm obtains the right to the consideration under its contracts.

There also exists the potential for carried interest to be generated on investments that are arranged, which are contingent on the success of those businesses. The carried interest profits are earned when the investments meet certain performance conditions.

1.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ANGELLIST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables 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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

ANGELLIST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.7 Taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 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 by the directors using an appropriate pricing model. 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.

At each reporting 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 reporting date is recognised in the statement of comprehensive income, 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 forfeited or partially forfeited as a service condition is not met in the vesting period, the expense is revised to reflect the best estimate of the number of equity instruments expected to vest.

ANGELLIST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Fair value of share-based payments

Fair values used in calculating the amount to be expensed as a share-based payment is subject to a level of uncertainty. The company is required to calculate the fair value of the instruments granted to employees in terms of the share option scheme in place, and the share-based payment charges relating to these transactions. These fair values are calculated by applying an appropriate pricing model, which is in itself judgmental, and takes into account certain inherently uncertain assumptions. The basic assumptions that are used in the calculations are explained in note 11.

3 Revenue

An analysis of the company's revenue is as follows:

	2021 £	2020 £
Revenue analysed by class of business		
Service agreement fees	405,715	939,472
	<u>405,715</u>	<u>939,472</u>
Revenue analysed by geographical market		
USA	405,715	939,472
	<u>405,715</u>	<u>939,472</u>

4 Operating loss

	2021 £	2020 £
Operating loss for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	300	(1,359)
Fees payable to the company's auditor for the audit of the company's financial statements	8,500	8,500
Depreciation of owned property, plant and equipment	-	536
(Profit)/loss on disposal of property, plant and equipment	-	1,044
Share-based payments	10,395	165,695
	<u>10,395</u>	<u>165,695</u>

ANGELLIST LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2021**5 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Administrative and operations	3	8

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	290,862	855,878
Social security costs	29,450	83,585
Pension costs	4,614	5,346
	<u>324,926</u>	<u>944,809</u>

6 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	69,600	244,957
Amounts receivable under long term incentive schemes	-	126,749
Company pension contributions to defined contribution schemes	2,088	-
	<u>71,688</u>	<u>371,706</u>

The number of directors who are entitled to receive shares under long term incentive schemes during the year was 0 (2020 - 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2021 £	2020 £
Remuneration for qualifying services	n/a	111,180
Amounts receivable under long term incentive schemes	n/a	68,537

As total directors' remuneration was less than £200,000 in the current year, no disclosure is provided for that year.

ANGELLIST LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2021**7 Taxation**

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	2,143	1,000
Adjustments in respect of prior periods	(41)	-
	<u>2,102</u>	<u>1,000</u>
Total current tax	<u><u>2,102</u></u>	<u><u>1,000</u></u>

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	£	£
Loss before taxation	(112,649)	(188,616)
	<u>(112,649)</u>	<u>(188,616)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(21,403)	(35,837)
Tax effect of expenses that are not deductible in determining taxable profit	21,571	5,054
Share based payment charge	1,975	31,483
Under/(over) provided in prior years	(41)	-
Depreciation add back	-	102
Loss on disposal of assets	-	198
	<u>2,102</u>	<u>1,000</u>
Taxation charge for the year	<u><u>2,102</u></u>	<u><u>1,000</u></u>

8 Trade and other receivables

	2021	2020
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	73,876	187,906
Other receivables	3,933	1,224
Prepayments and accrued income	-	571
	<u>77,809</u>	<u>189,701</u>
	<u><u>77,809</u></u>	<u><u>189,701</u></u>

ANGELLIST LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****9 Current liabilities**

	2021 £	2020 £
Trade payables	4,920	228
Amounts owed to group undertakings	-	21,353
Corporation tax	2,143	1,000
Other payables	464	1,892
Accruals and deferred income	11,000	17,855
	<u>18,527</u>	<u>42,328</u>

10 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>4,614</u>	<u>5,346</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

11 Share-based payment transactions

	Number of share options	
	2021 Number	2020 Number
Outstanding at 1 January 2021	2,391,291	1,560,648
Granted	-	1,476,075
Forfeited	(2,391,291)	(645,432)
Outstanding at 31 December 2021	<u>-</u>	<u>2,391,291</u>
Exercisable at 31 December 2021	<u>-</u>	<u>1,446,821</u>

Certain employees were entitled to a grant of a holding in other companies within the group.

The weighted average share price at the date of exercise for share options exercised during the year was \$nil (2020: \$nil).

Due to the impending wind-down of the business operations, some of the company's employees were transferred to other group undertakings. Their options were therefore recorded as forfeited within the company but will continue to vest elsewhere in the group. No options were outstanding at 31 December 2021.

Total expenditure of £10,395 in respect of equity settled share based payment transactions was recognised in the year (2020: £165,695).

ANGELLIST LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2021**12 Share capital**

	2021	2020
	£	£
Ordinary share capital		
Issued and fully paid		
80,100 Ordinary shares of £1 each	80,100	80,100

13 Related party transactions**Transactions with related parties**

During the year the company entered into the following transactions with related parties:

	Income 2021	2020
	£	£
Entities with control, joint control or significant influence over the company	405,715	991,280

Balances with related parties

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties 2021	2020
	£	£
Entities with control, joint control or significant influence over the company	73,876	166,553

All balances are interest free and repayable on demand.

Other information

During the year, a total of £114,070 of debtors owed by group companies were written off and recognised as expenses in Statement of Comprehensive Income as part of a wider group restructuring event.

14 Ultimate controlling party

The company is a wholly owned subsidiary of AL Advisors Management, Inc. and the ultimate parent company is AL Venture LLC, both companies are registered at 3rd Floor, 90 Gold Street, San Francisco, California 94133, USA.

ANGELLIST LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2021**15 Cash absorbed by operations**

	2021	2020
	£	£
Loss for the year after tax	(114,751)	(189,616)
Adjustments for:		
Taxation charged	2,102	1,000
Loss on disposal of property, plant and equipment	-	1,044
Depreciation and impairment of property, plant and equipment	-	536
Equity settled share based payment expense	10,395	165,695
Movements in working capital:		
Decrease/(increase) in trade and other receivables	111,892	(9,760)
Decrease in trade and other payables	(24,944)	(505)
Cash absorbed by operations	<u>(15,306)</u>	<u>(31,606)</u>

16 Analysis of changes in net funds

	1 January	Cash flows	31 December
	2021		2021
	£	£	£
Cash at bank and in hand	<u>31,438</u>	<u>(16,265)</u>	<u>15,173</u>

ANGELLIST LIMITED

UNAUDITED PILLAR 3 DISCLOSURES UNDER THE EUROPEAN COMMISSION'S CAPITAL REQUIREMENTS DIRECTIVE

FOR THE YEAR ENDED 31 DECEMBER 2021

1. Introduction

This report is made in accordance with Directive 2010/76/EU on capital requirements for the trading book and for re-securitisations and the supervisory review of remuneration policies (the "CRD"); the directive introduced consistent capital adequacy requirements for authorised credit institutions and investment firms across the European Union. For UK firms, these rules are laid out in the Financial Conduct Authority (the "FCA") Handbook of Rules and Guidance (the "FCA Rules"). The relevant section of the FCA Rules is the Prudential Sourcebook for Banks, Building Societies and Investment Firms (the "BIPRU").

The capital adequacy framework as set out by the directive consists of three "pillars" as follows:

Pillar 1 - these are the minimum capital adequacy standards to which firms must adhere.

Pillar 2 - firms are required to undertake an internal capital adequacy assessment process (an "ICAAP") in order to determine whether additional capital is required in relation to the risks the firm faces.

Pillar 3 - these are the disclosure requirements required by all firms subject to the CRD.

Angellist Limited (the "Firm") makes these disclosures on an annual basis; however, the directors will consider whether it may be necessary to make more frequent publication where appropriate.

2. Background to the Firm and Scope of the Directive

The firm is a wholly-owned subsidiary of AL Advisors Management Inc., which is, ultimately, owned by AL Venture LLC. AL Venture LLC is heavily funded by a number of large venture capital firms.

The firm also employs staff supporting other business lines, which are all ultimately owned by AL Venture LLC. At 31 December 2021, the firm submitted an application to the FCA to deregister and will begin an orderly wind-down once the application is complete.

For the purposes of the prudential requirements, the Firm is categorised as a BIPRU firm.

3. Corporate Structure

The Firm is making this disclosure on an individual basis.

4. Capital Resources

During the period 1 January 2021 to 31 December 2021, the Firm complied with all relevant FCA capital requirements. The Firm is capitalised with Tier 1 capital consisting of £76,000 of share capital, other reserves and retained earnings. The firm had no deductions against capital.

Pillar 1 Capital

As the Firm is a BIPRU firm, its capital requirement is the higher of:

- a) the Base Capital Resources Requirement of €50k;
- b) the sum of its Credit Risk Capital Requirement and Market Risk Capital Requirement; and
- c) the Fixed Overheads Requirement.

ANGELLIST LIMITED

UNAUDITED PILLAR 3 DISCLOSURES UNDER THE EUROPEAN COMMISSION'S CAPITAL REQUIREMENTS DIRECTIVE

FOR THE YEAR ENDED 31 DECEMBER 2021

Credit Risk Capital Requirement

The Credit Risk Capital Requirement is the sum of:

- a) credit risk capital component;
- b) counterparty risk capital component; and
- c) concentration risk capital component.

The Firm does not hold any trading book position so does not have a counterparty or concentration risk capital component.

The Firm calculated its credit risk capital component as approximately £6,000 based on its audited accounts as at 31 December 2021.

Market Risk Capital Requirement

The Firm does not hold any principal positions or any assets for clients and does not hold any foreign exchange positions in either trading or non-trading book. Therefore, it does not have a Market Risk Capital Requirement.

Fixed Overheads Requirement

The Firm's Fixed Overheads Requirement is calculated in accordance with GENPRU 2.1.53 to GENPRU 2.1.59. This requirement is currently £34,000 based on its audited accounts for 31 December 2021.

The FCA Pillar 1 requirement is £42,000 based on the Base Capital Requirement which is higher than the Fixed Overhead Requirement and the Credit Risk Capital Requirement.

The table below shows the breakdown of the Firm's total available capital as at 31 December 2021.

	As at 31 December 2021 (£'000s)
Tier One capital	76
Deductions from Tier One Capital	-
Tier Two capital	-
Deductions from Tier Two Capital	-
Total Tier One and Tier Two Capital	76
Deductions from Tier One and Tier Two Capital	-
Tier Three Capital	-
Deductions from Tier Three Capital	-
Deductions from total capital	-
Total Capital Resources	76
Capital Resource Requirement	42
Percentage of capital resources against requirement	180.95
Total Capital excess	34

ANGELLIST LIMITED

UNAUDITED PILLAR 3 DISCLOSURES UNDER THE EUROPEAN COMMISSION'S CAPITAL REQUIREMENTS DIRECTIVE

FOR THE YEAR ENDED 31 DECEMBER 2021

5. Capital Adequacy - Compliance with BIPRU rules

For the purposes of the prudential requirements the Firm is a BIPRU firm.

The Firm's approach to assessing the adequacy of its capital adequacy has been to base it on its current and future objectives, ensuring that the business can continue through a period of prolonged market downturn and ties in closely with the Firm's strategic aims of:

- controlling risks associated with expanding the business;
- minimising the offering of new activities and services;
- having capital resources which consist of tier one capital only; and
- regularly monitoring both the Firm's capital resources and capital resources requirement.

BIPRU 3 – Standardised Credit risk

The Firm has adopted the simplified approach to credit risk calculations and calculates 8% of the risk weighted exposure amounts. The Firm's credit risk component of £6,000 is with corporates.

BIPRU 6 - Operational risk

The Operational Risk Capital Requirement is not applicable to the Firm under Pillar 1 as it is a Limited Licence firm. However, the Firm does have operational risks which have been considered as part of its Pillar 2 assessment.

BIPRU 7 – Market risk

The Firm does not hold any positions (either trading book positions or foreign exchange/commodity positions) and, therefore, does not have a market risk capital requirement.

BIPRU 10 – Concentration risk

The Firm does not have a trading book and, therefore, is not required to calculate a concentration risk capital component.

Pillar 2 – ICAAP

The Firm is required to carry out an ICAAP in order to ensure that the Firm continually has enough minimum and, if and where necessary, additional capital in order to meet its regulatory capital requirements. The ICAAP is reviewed at least annually.

6. Risk Measurement and Management

The directors of the Firm determine its business strategy and risk appetite. They are also responsible for establishing and maintaining the Firm's governance arrangements along with the design and implementation of a risk management framework that recognises and mitigates the risks that the business faces. Risks are identified and monitored in our risk matrix which is updated quarterly. As a small firm, we do not have a risk manager but one of our directors is responsible for risk management in the firm. As we do not have a trading book, we do not need to hedge positions but monitor risks and controls closely.

The directors manage the Firm's business risks through a framework of policy and procedures having regard to relevant laws, standards, principles and rules (including FCA principles and rules) with the aim of operating a defined and transparent risk management framework. These policies and procedures are updated as required.

ANGELLIST LIMITED

UNAUDITED PILLAR 3 DISCLOSURES UNDER THE EUROPEAN COMMISSION'S CAPITAL REQUIREMENTS DIRECTIVE

FOR THE YEAR ENDED 31 DECEMBER 2021

6. Risk Measurement and Management (continued)

The directors have identified that the following are the main areas of risk to which the Firm is exposed:

6.1 Operational Risk

6.1.1 Legal and Regulatory Risk:

Regulatory and Legal risk is defined as risk arising from a failure to comply with relevant laws, rules, regulatory guidance and principles. Regulatory risk, Regulatory change and Legal Risk are the responsibility of the Firm's UK directors, Mr Swanson, who is also the Firm's Compliance Officer, and Ms Cazalet, who is also the Money Laundering Reporting Officer. The Firm also obtains external regulatory and legal advice where necessary.

The Firm does appreciate that, given the FCA's focus on the crowdfunding sector (into which the Firm would fall), the Firm understands the importance of its compliance with the FCA's regime.

The Firm also understands the importance of consumer protection and specifically aims its platform only at individuals who would qualify as accredited investors under the U.S Securities Act of 1933 – which is a higher threshold than under the definition of a high-net worth individual under the UK's Financial Services and Markets Act 2000.

6.1.2 Key person risk:

Due to the changes in Directorships during the year, the Firm consider the risk to be low as they have proven that the Company can continue to function during such changes to key personnel.

6.1.3 Breach of Data Protection ("DP") Legislation

This refers to the failure to adhere to DP legislation which results in unauthorised disclosure of sensitive client and employee data leading to reputational damage, sanctions and potential fines from the Information Commissioner and Regulator, damages and loss of clients/associates, and revocation of DPA licences. However, the Firm does not, as a matter of course, hold sensitive client, investor or employee data.

6.2 Default of the Parent Company

The Firm is entirely dependent upon the Parent Company financing its business activities. Therefore, if the Parent Company were to default, the Firm would put into effect an orderly wind-down. The Firm ensures it maintains sufficient cash at bank for this. The Firm has considered a wind-down plan as part of the ICAAP process to ensure that liquid assets are available to manage an orderly wind-down if required.

ANGELLIST LIMITED**UNAUDITED PILLAR 3 DISCLOSURES UNDER THE EUROPEAN COMMISSION'S
CAPITAL REQUIREMENTS DIRECTIVE****FOR THE YEAR ENDED 31 DECEMBER 2021****7 Remuneration Disclosures**

The aim of the Remuneration Code is to ensure that firms have risk-focused remuneration policies, which are consistent with and promote effective risk management and do not expose them to excessive risk.

The remuneration policy takes into the account the long-term interests of the Firm's stakeholders, namely its: directors; shareholder and clients.

The below table discloses a breakdown of remuneration for remuneration code staff as defined in SYSC 19C.3.4R of the FCA handbook.

Aggregate quantitative information on remuneration, broken down by senior management and other members of staff whose actions have a material impact on the risk profile of the Firm:

	Senior Management £	Other staff members £	Total £
Fixed Remuneration	69,600	-	69,600
Variable Remuneration	-	-	-
Number of Staff	1	-	1