

**ROVCO LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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

	Note	2021 £	Unaudited 2020 £
<b>Fixed assets</b>			
Intangible assets	5	5,179	5,807
Tangible assets	6	1,937,619	1,901,857
		<u>1,942,798</u>	<u>1,907,664</u>
<b>Current assets</b>			
Stocks		58,384	9,133
Debtors: amounts falling due within one year	7	999,767	3,016,988
Cash at bank and in hand	8	2,400,034	2,559,026
		<u>3,458,185</u>	<u>5,585,147</u>
Creditors: amounts falling due within one year	9	(2,874,592)	(3,675,022)
<b>Net current assets</b>		<u>583,593</u>	<u>1,910,125</u>
<b>Total assets less current liabilities</b>		<u>2,526,391</u>	<u>3,817,789</u>
Creditors: amounts falling due after more than one year	10	(4,136,703)	(2,361,366)
<b>Provisions for liabilities</b>			
Other provisions	13	-	(129,151)
<b>Net (liabilities)/assets</b>		<u>(1,610,312)</u>	<u>1,327,272</u>
<b>Capital and reserves</b>			
Called up share capital	14	282	282
Share premium account	15	7,292,089	7,292,089
Other components of equity	15	402,865	402,865
Profit and loss account	15	(9,305,548)	(6,367,964)
		<u>(1,610,312)</u>	<u>1,327,272</u>

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

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

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

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

**B J Allen**  
Director

Date: 4 November 2022

ROVCO LIMITED  
REGISTERED NUMBER:09742877

STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 31 DECEMBER 2021

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The notes on form part of these financial statements.

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

	Called up share capital	Share premium account	Other components of equity	Profit and loss account	Total equity
	£	£	£	£	£
<b>At 1 January 2020 (unaudited)</b>	<b>282</b>	<b>7,292,089</b>	<b>2,865</b>	<b>(2,854,539)</b>	<b>4,440,697</b>
<b>Comprehensive income for the year</b>		-			<b>(3,513,425)</b>
Loss for the 16 month period (unaudited)	-		-	<b>(3,513,425)</b>	<b>)</b>
<b>Contributions by and distributions to owners</b>		-			<b>400,000</b>
Issue of convertible debt (unaudited)	-		<b>400,000</b>	-	
		<u>7,292,089</u>			<u>1,327,272</u>
<b>At 1 January 2021 (unaudited)</b>	<b>282</b>		<b>402,865</b>	<b>(6,367,964)</b>	
<b>Comprehensive income for the year</b>		-			<b>(2,937,584)</b>
Loss for the year	-		-	<b>(2,937,584)</b>	<b>)</b>
		<u>7,292,089</u>			<u>(1,610,312)</u>
<b>At 31 December 2021</b>	<b>282</b>	<u><u>7,292,089</u></u>	<u><u>402,865</u></u>	<u><u>(9,305,548)</u></u>	<u><u>)</u></u>

The notes on form part of these financial statements.

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

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**1. GENERAL INFORMATION**

Rovco Limited is a company limited by shares and incorporated in England and Wales. The address of its registered office is The Quorum, Bond Street South, BS1 3AE.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 GOING CONCERN**

The Directors assess whether the use of the going concern basis of preparation of the financial statements is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Directors make this assessment in respect of a period of 12 months from the date of approval of the financial statements.

The Directors have prepared forecasts which demonstrate that the business will have access to adequate working capital for at least 12 months from the date of approval of the financial statements. As referred to in note 18, after the year end, in April 2022, the company underwent a refinancing exercise. As a result additional equity instruments were issued for consideration of £17,407,328.

In the Directors' view this provides adequate working capital for at least 12 months from the date of approval of the financial statements to enable the business to realise its assets and discharge liabilities in the normal course of business, as well as providing adequate contingency in the event of any significant adverse events that may arise in that period. Therefore the Directors consider that the company remains a going concern and that there are no factors reasonably foreseen that are expected to materially impact that assessment, as such the financial statements have been prepared on a going concern basis.

**2.3 FOREIGN CURRENCY TRANSLATION**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

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

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

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

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

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**2. ACCOUNTING POLICIES (continued)****2.4 REVENUE**

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

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

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

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

**Provision of licences**

Licence revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably). Licence revenue is recognised on a straight-line basis over the period of the agreement.

**2.5 OPERATING LEASES: THE COMPANY 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 RESEARCH AND DEVELOPMENT**

Research and development expenditure is expensed as incurred.

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

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**2. ACCOUNTING POLICIES (continued)****2.7 GOVERNMENT GRANTS**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

**2.8 INTEREST INCOME**

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

**2.9 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.

**2.10 BORROWING COSTS**

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

**2.11 PENSIONS****DEFINED CONTRIBUTION PENSION PLAN**

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

**2.12 SHARE BASED PAYMENTS**

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

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

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

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

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

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**2. ACCOUNTING POLICIES (continued)****2.13 INTANGIBLE ASSETS**

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

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

**2.14 TANGIBLE FIXED ASSETS**

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

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

Depreciation is provided on the following basis:

Long-term leasehold property	-	5 years
Plant and machinery	-	10 years
Motor vehicles	-	5 years
Office equipment	-	2-4 years
Computer equipment	-	3-6 years

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.

**2.15 STOCKS**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.16 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.

**2.17 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.



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

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**2. ACCOUNTING POLICIES (continued)****2.18 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.

**2.19 PROVISIONS FOR LIABILITIES**

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

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

**2.20 FINANCIAL INSTRUMENTS**

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

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

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

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

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

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

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**2. ACCOUNTING POLICIES (continued)**

**2.21 CONVERTIBLE DEBT**

The proceeds received on issue of the Company's convertible debt are allocated into their liability and equity components and presented separately in the Statement of financial position.

The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that did not include an option to convert.

The difference between the net proceeds of the convertible debt and the amount allocated to the debt component is credited direct to equity and is not subsequently remeasured. On conversion, the debt and equity elements are credited to share capital and share premium as appropriate.

Transaction costs that relate to the issue of the instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

**3.**

**JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, which are described in note 2, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The critical judgments and sources of estimation uncertainty made by management that have a significant effect on the amounts recognised in the financial statements are described below.

**Critical judgements**

**Convertible debt**

In valuing the liability component of the Company's convertible debt, management must make judgements regarding the discount rate, expected maturity date of the debt, and equity value at the date of conversion. Management have considered available market data to make this assessment, including the typical range of convertible loan note coupon rates, price volatility for comparable companies listed on public markets, and probabilities of share price movements up and down.

**Likelihood of event triggering a share option expense**

The company has issued share options to certain employees as part of their remuneration package. The share options include vesting conditions which are required to be fulfilled before the options can be exercised to acquire share capital. At the reporting date management make an assessment as to whether the vesting conditions have been met, and therefore whether a share based payment charge in relation to those options should be recognised.

**Key sources of estimation uncertainty**

**Stage of completion of contracts**

Contract revenue is recognised by reference to the stage of completion of the contract. Management make an assessment of the stage of completion of customer contracts determined by the value of the services provided at the balance sheet date as a proportion of the total value of the contract.

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

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**4. EMPLOYEES**

The average monthly number of employees, including directors, during the year was 57 (2020: 50).

**5. INTANGIBLE ASSETS**

	<b>Computer software £</b>
<b>COST</b>	
At 1 January 2021	6,278
	<hr/>
At 31 December 2021	6,278
	<hr/>
<b>AMORTISATION</b>	
At 1 January 2021	471
Charge for the year on owned assets	628
	<hr/>
At 31 December 2021	1,099
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 December 2021	5,179
	<hr/> <hr/>
At 31 December 2020	5,807
	<hr/> <hr/>

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

6. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Computer equipment £
<b>COST OR VALUATION</b>					
At 1 January 2021	-	2,066,863	23,250	40,222	225,786
Additions	8,897	316,380	-	2,137	48,340
At 31 December 2021	8,897	2,383,243	23,250	42,359	274,126
<b>DEPRECIATION</b>					
At 1 January 2021	-	272,237	12,400	9,910	159,717
Charge for the year on owned assets	1,746	133,616	4,650	16,073	58,929
Charge for the year on financed assets	-	124,978	-	-	-
At 31 December 2021	1,746	530,831	17,050	25,983	218,646
<b>NET BOOK VALUE</b>					
At 31 December 2021	7,151	1,852,412	6,200	16,376	55,480
<b>At 31 December 2020</b>	-	1,794,626	10,850	30,312	66,069

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

6. TANGIBLE FIXED ASSETS (CONTINUED)

	Total £
<b>COST OR VALUATION</b>	
At 1 January 2021	2,356,121
Additions	375,754
	<hr/>
At 31 December 2021	2,731,875
	<hr/>
<b>DEPRECIATION</b>	
At 1 January 2021	454,264
Charge for the year on owned assets	215,014
Charge for the year on financed assets	124,978
	<hr/>
At 31 December 2021	794,256
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>1,937,619</u>
<b>At 31 December 2020</b>	<u>1,901,857</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Plant and machinery	1,062,315	1,187,294
	<hr/>	<hr/>
	<u>1,062,315</u>	<u>1,187,294</u>

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

**7. DEBTORS**

	2021 £	Unaudited 2020 £
Trade debtors	616,953	800,722
Other debtors	240,808	660,085
Prepayments and accrued income	142,006	1,556,181
	<u>999,767</u>	<u>3,016,988</u>

**8. CASH AND CASH EQUIVALENTS**

	2021 £	Unaudited 2020 £
Cash at bank and in hand	2,400,034	2,559,026
	<u>2,400,034</u>	<u>2,559,026</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	Unaudited 2020 £
Other loans	136,607	-
Trade creditors	1,423,836	2,685,397
Other taxation and social security	352,320	298,150
Obligations under finance lease and hire purchase contracts	210,424	191,426
Other creditors	38,213	29,578
Accruals and deferred income	713,192	470,471
	<u>2,874,592</u>	<u>3,675,022</u>

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

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021 £	Unaudited 2020 £
Other loans	3,514,684	1,528,923
Net obligations under finance leases and hire purchase contracts	622,019	832,443
	<u>4,136,703</u>	<u>2,361,366</u>

The following liabilities were secured:

	2021 £	Unaudited 2020 £
Hire purchase contracts secured against the assets against which they relate	832,443	1,023,869
	<u>832,443</u>	<u>1,023,869</u>

Details of security provided:

Hire purchase liabilities are secured against the assets to which relate

Other loans include a convertible loan from UK FF Nominees Limited (the "Future Fund") and other individual lenders. The loan accrues interest at 8% per annum and the loan is repayable at the earlier of either 3 years or a conversion event occurring.

**11. LOANS**

Analysis of the maturity of loans is given below:

	2021 £	Unaudited 2020 £
<b>AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Other loans	136,607	-
	<u>136,607</u>	<u>-</u>
<b>AMOUNTS FALLING DUE AFTER 1 YEAR</b>		
Other loans	3,514,684	1,528,923
	<u>3,514,684</u>	<u>1,528,923</u>
	<u>3,651,291</u>	<u>1,528,923</u>

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

**12. HIRE PURCHASE AND FINANCE LEASES**

Minimum lease payments under hire purchase fall due as follows:

	2021 £	Unaudited 2020 £
Within one year	210,424	191,426
Between 1-5 years	622,019	832,443
	<u>832,443</u>	<u>1,023,869</u>

**13. PROVISIONS**

	Provisions £
At 1 January 2021	129,151
Charged to profit or loss	(129,151)
<b>AT 31 DECEMBER 2021</b>	<u><u>-</u></u>

This is a provision for future losses on contracts. This represents management's best estimate of losses expected to be incurred as at 31 December 2020, and these crystallised in early 2021.



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

**14. SHARE CAPITAL**

	2021 £	Unaudited 2020 £
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
66 (2020: 66) A Class shares of £1.00 each	66	66
173 (2020: 173) B Class shares of £1.00 each	173	173
23 (2020: 23) C Class shares of £1.00 each	23	23
20 (2020: 20) Deferred Shares shares of £1.00 each	20	20
	<u>282</u>	<u>282</u>

**15. RESERVES**

**Share premium account**

The share premium account includes the consideration received for the issue of share capital, less the nominal value of the shares issued and attributable issue costs.

**Other component of equity**

Other components of equity includes the equity recognised on the issuance of convertible debt and the cumulative fair value of unexercised share options granted before the year end.

**Profit and loss account**

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

**16. PENSION COMMITMENTS**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £115,042 (2020: £95,422). Contributions totalling £29,226 (2020: £24,141) were payable to the fund at the reporting date and are included in creditors.

**17. RELATED PARTY TRANSACTIONS**

During the year the company paid £12,000 (2020: £12,000) to Foresight Group LLP, a company under common control, for management services rendered. No amount was outstanding at the year end (2019: £Nil).

During the year the company paid its key management personnel total remuneration of £136,493 (2020: £163,778), including employers national insurance contributions and employers pension contributions.

**18. POST BALANCE SHEET EVENTS**

After the year end, in April 2022, the company underwent a refinancing exercise. As a result additional equity instruments were issued for consideration of £17,407,328. Loans totalling £1,684,792 at the balance sheet date were settled as part of the transaction.

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

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**19. AUDITORS' INFORMATION**

The auditors' report on the financial statements for the year ended 31 December 2021 was unqualified.

The audit report was signed on 8 November 2022 by John Talbot FCA (Senior statutory auditor) on behalf of Bishop Fleming LLP.

The comparative figures within these financial statements have not been audited, as the company took advantage of the exemption available under s477 of the Companies Act 2006.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.