

COUNTING LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

COUNTING LIMITED

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COUNTING LIMITED
Company Information

Directors	T J W Fouracre L Smith F Hofmann P Misek J Ribau
Registered office	20-22 Wenlock Road London N1 7GU
Independent Auditors	Harmer Slater Limited Statutory Auditor Salatin House 19 Cedar Road Sutton Surrey SM2 5DA

COUNTING 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.

Principal activity

The principal activity of the company is the provision of business current accounts and accounting software.

Director of the company

The directors who held office during the year and up to date of authorisation of this report were as follows:

T J W Fouracre

L Smith

F Hofmann

P Misek

J Ribau (appointed 17 January 2023)

Going concern

The directors have considered the company's financial position, liquidity and future performance together with financial projections for the company and over the foreseeable future and have also reviewed the availability of banking facilities. After making enquiries, the directors are satisfied that the company has sufficient resources to continue in operation for the foreseeable future, being at least 12 months from the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the company's financial statements.

Directors' liabilities

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Statement of disclosure to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information (as defined by section 418 of the Companies Act 2006) and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

During the year, Harmer Slater Limited were appointed to act as the company's auditors. The auditors Harmer Slater Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small companies provision statement

The directors have taken advantage of the small companies exemptions provided by sections 414B and 415A of the Companies Act 2006 from the requirement to prepare a strategic report and in preparing the directors' report on the grounds that the company is entitled to prepare its accounts for the year in accordance with the small companies regime.

Approved and authorised by the Board on 12 July 2023 and signed on its behalf by:

COUNTING LIMITED

Directors' Report for the Year Ended 31 March 2023 (continued)

.....
J Ribau
Director

COUNTING LIMITED

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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), including FRS 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 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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.

COUNTING LIMITED

(Registration number: 10729748)

Statement of Financial Position as at 31 March 2023

	Note	2023 £	2022 £
Non-current assets			
Property, plant and equipment	<u>4</u>	42,619	60,666
Current assets			
Receivables	<u>5</u>	1,752,354	1,198,437
Cash at bank and in hand		<u>1,349,510</u>	<u>5,196,836</u>
		3,101,864	6,395,273
Payables: Amounts falling due within one year	<u>7</u>	<u>(810,828)</u>	<u>(493,515)</u>
Net current assets		<u>2,291,036</u>	<u>5,901,758</u>
Net assets		<u><u>2,333,655</u></u>	<u><u>5,962,424</u></u>
Equity			
Called up share capital	<u>8</u>	513	513
Share premium reserve		16,044,988	16,044,988
Retained earnings		<u>(13,711,846)</u>	<u>(10,083,077)</u>
Shareholders' funds		<u><u>2,333,655</u></u>	<u><u>5,962,424</u></u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A - small entities.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Income statement.

The financial statements of Counting Limited were approved and authorised for issue by the Board on 12 July 2023 and signed on its behalf by:

.....

J Ribau
Director

COUNTING LIMITED

Statement of Changes in Equity for the Year Ended 31 March 2023

	Share capital £	Share premium £	Retained earnings £	Total £
At 1 April 2022	513	16,044,988	(10,083,077)	5,962,424
Loss for the year	-	-	(3,628,769)	(3,628,769)
Total comprehensive income	-	-	(3,628,769)	(3,628,769)
At 31 March 2023	513	16,044,988	(13,711,846)	2,333,655

	Share capital £	Share premium £	Retained earnings £	Total £
At 1 April 2021	513	16,044,988	(6,155,092)	9,890,409
Loss for the year	-	-	(3,927,985)	(3,927,985)
Total comprehensive income	-	-	(3,927,985)	(3,927,985)
At 31 March 2022	513	16,044,988	(10,083,077)	5,962,424

COUNTING LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2023

1 General information

Counting Limited (the 'company') is a private company limited by share capital, registered in England and Wales under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the directors' report on page 2.

2 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Going concern

The directors have considered the company's financial position, liquidity and future performance together with financial projections for the company and over the foreseeable future and have also reviewed the availability of banking facilities. After making enquiries, the directors are satisfied that the company has sufficient resources to continue in operation for the foreseeable future, being at least 12 months from the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the company's financial statements.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of the company is considered to be pound sterling (£) because that is the currency of the primary economic environment in which the company operates. The financial statements are presented in pound sterling (£).

Exemption from preparing a cash flow statement

The company qualifies as a small entity and in consequence has taken advantage of paragraph 7.1B of FRS 102 not to present a statement of cash flows.

COUNTING LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

2 Accounting policies (continued)

Judgements and key sources of estimation uncertainty

There were no key sources of estimation uncertainties or critical judgements made by the directors in the process of applying the company's accounting policies with significant effect on the amounts recognised in the financial statements.

Revenue recognition

Revenue comprises the fair value of the consideration received for the provision of business current accounts and accounting software. The company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the company.

Taxation

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Property, plant and equipment

Property, plant and equipment are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	over 7 years
Office equipment	over 3 years

COUNTING LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

2 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and is subject to an insignificant risk of change in value.

Receivables

Receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

The company contributes into defined contribution pension schemes for the benefit of its employees. The assets of the schemes are held separately from those of the company. Contributions are recognised in the income statement in the period in which they become payable.

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 53 (2022 - 47).

COUNTING LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

4 Property, plant and equipment

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At 1 April 2022	1,819	124,270	126,089
Additions	-	31,369	31,369
Disposals	-	(27,016)	(27,016)
At 31 March 2023	1,819	128,623	130,442
Depreciation			
At 1 April 2022	54	65,369	65,423
Charge for the year	1,049	34,261	35,310
Eliminated on disposal	-	(12,910)	(12,910)
At 31 March 2023	1,103	86,720	87,823
Carrying amount			
At 31 March 2023	716	41,903	42,619
At 31 March 2022	1,765	58,901	60,666

5 Receivables

	2023 £	2022 £
Other receivables	906,751	719,824
Prepayments and accrued income	845,603	478,613
	1,752,354	1,198,437

6 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	1,349,510	5,196,836

COUNTING LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

7 Payables

	2023 £	2022 £
Due within one year		
Trade payable	356,712	365,925
Social security and other taxes	117,480	-
Other payables	222,808	30,240
Accrued expenses	113,828	97,350
	<u>810,828</u>	<u>493,515</u>

8 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
Ordinary shares of £0.001 each	150,158	150.16	150,000	150.00
A Ordinary shares of £0.001 each	51,657	51.66	51,657	51.66
Seed A Preferred shares of £0.001 each	103,978	103.98	103,978	103.98
A1 Preferred shares of £0.001 each	155,818	155.82	155,818	155.82
A2 Preferred shares of £0.001 each	25,582	25.58	25,582	25.58
A2 Ordinary shares of £0.001 each	25,582	25.58	25,582	25.58
	<u>512,775</u>	<u>513</u>	<u>512,617</u>	<u>513</u>

On 29 March 2023, the company issued 158 Ordinary shares of £0.001 each having an aggregate nominal value of £0.16 for an aggregate consideration of £0.16.

Rights, preferences and restrictions:

Ordinary shares:

- A) Each Ordinary Share shall confer upon the holder of that share the right to vote at all general meetings and on proposed written resolutions.
- B) Each Ordinary Share shall confer upon the holder of that share the right to participate in dividend distribution, pro rata to their respective holdings.
- C) Each Ordinary Share shall confer upon the holder of that share the right to receive capital distributions (including on winding up), pro-rata to their respective holdings.
- D) These Shares are not expressed to be redeemable.

COUNTING LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

8 Share capital (continued)

Rights, preferences and restrictions: (continued)

A Ordinary shares:

- A) Each A Ordinary Share shall confer upon the holder of that share the right to vote at all general meetings and on proposed written resolutions.
- B) Each A Ordinary Share shall confer upon the holder of that share the right to participate in dividend distribution, pro rata to their respective holdings.
- C) Each A Ordinary Share shall confer upon the holder of that share the right to receive capital distributions (including on winding up), pro-rata to their respective holdings.
- D) These Shares are not expressed to be redeemable.

Seed A Preferred shares:

- A) each Seed A Preferred Share shall confer upon the holder of that share the right to vote at all general meetings and on proposed written resolutions.
- B) Each Seed A Preferred Share shall confer upon the holder of that share the right to participate in dividend distribution, pro rata to their respective holdings.
- C) Each Seed A Preferred Share shall confer upon the holder of that share the right to receive capital distributions (including on winding up), pro-rata to their respective holdings.
- D) These Shares are not expressed to be redeemable.

A1 Preferred shares:

- A) Each A1 Preferred Share shall confer upon the holder of that share the right to vote at all general meetings and on proposed written resolutions.
- B) Each A1 Preferred Share shall entitle the holder of that share to a preferential dividend, pro rata to their respective holdings.
Each A1 Preferred Share shall confer upon the holder of that share the right to receive capital distributions
- C) (including on winding up), in an equal aggregate amount to A2 Preferred Shares, pro rata to their respective holdings, and as a priority over remaining share classes.
- D) These Shares are not expressed to be redeemable.

A2 Ordinary shares:

- A) Each A2 Ordinary Share shall confer upon the holder of that share the right to vote at all general meetings and on proposed written resolutions.
- B) Each A2 Ordinary Share shall confer upon the holder of that share the right to participate in dividend distribution, pro rata to their respective holdings.
- C) Each A2 Ordinary Share shall have the right to receive capital distributions (including on winding up), pro-rata to their respective holdings.
- D) These Shares are not expressed to be redeemable.

COUNTING LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

8 Share capital (continued)

Rights, preferences and restrictions: (continued)

A2 Preferred shares:

- A) Each A2 Preferred Share shall not confer upon the holder of that share the right to vote at any general meeting or on proposed written resolutions.
- B) Each A2 Preferred Share shall entitle the holder of that share to a preferential dividend, pro rata to their respective holdings.
Each A2 Preferred Share shall confer upon the holder of that share the right to receive capital distributions
- C) (including on winding up), in an equal aggregate amount to A1 Preferred Shares, pro rata to their respective holdings, and as a priority over remaining share classes.
- D) These Shares are not expressed to be redeemable.

Rights, preferences and restrictions in prior year:

The Ordinary, A Ordinary, A Preferred, A1 Preferred and A2 Ordinary shares rank pari passu in respect of voting and rights to receive dividends and have differing rights in respect of the rights to receive assets on liquidation. A2 Preferred shares do not have voting rights.

Reserves

The retained earnings reserve represents cumulative profit or losses net of dividends paid and other adjustments.

The share premium reserve represents premium paid for new shares above their nominal value net of issue costs and bonus share issues. This reserve forms part of the company's non-distributable reserves.

Other reserve represents the residual amount (the equity component of the allocation) of the investment proceeds of the compound financial instruments. This reserve forms part of the company's non-distributable reserves.

Share options

The company issued 1,205 (2022: 4,151) options over Ordinary shares of £0.001 each under the Enterprise Management Incentive scheme during the year. During the year the company cancelled 1,135 (2022: 522) options over Ordinary shares of £0.001. The number of outstanding options at 31 March 2023 was 8831 (2022: 8,919) of which 6,209 (2022: 3,859) were exercisable at the year end.

9 Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 12 July 2023 was Timothy Slater, who signed for and on behalf of Harmer Slater Limited.

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.