

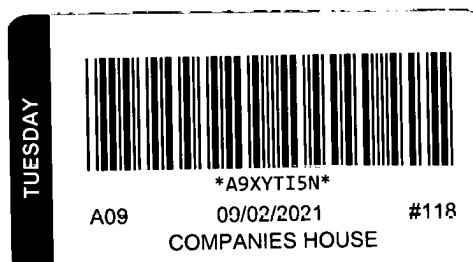
# Zoe Global Limited

## REPORT AND UNAUDITED FINANCIAL STATEMENTS

for the year ended 31 August 2020

Registered Number: 10902884

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**Zoe Global Limited**  
**STATEMENT OF FINANCIAL POSITION**  
**as at 31 August 2020**

Registered number: 10902884

	Notes	2020 £	2019 £
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	101,016	40,699
Intangible assets	5	331,862	384,181
Investments	6	59,927	-
Trade and other receivables	7	705,010	644,403
		<u>1,197,815</u>	<u>1,069,283</u>
<b>Current assets</b>			
Trade and other receivables	7	1,531,887	1,138,949
Current asset investments	8	-	11,052,229
Cash and cash equivalents	9	14,954,242	4,787,460
		<u>16,486,129</u>	<u>16,978,638</u>
<b>Total assets</b>		<u>17,683,944</u>	<u>18,047,921</u>
<b>Equity</b>			
Called up share capital	10	25	23
Share premium account	18	25,984,569	21,553,143
Retained earnings	18	(9,364,621)	(4,137,606)
<b>Total equity</b>		<u>16,619,973</u>	<u>17,415,560</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	1,053,329	632,361
<b>Non-current liabilities</b>			
Other payables	13	10,642	-
<b>Total liabilities</b>		<u>1,063,971</u>	<u>632,361</u>
<b>Total equity and liabilities</b>		<u>17,683,944</u>	<u>18,047,921</u>

For the financial year ended 31 August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

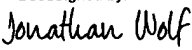
The directors of the company have elected not to include a copy of the income statement within the financial statements.

**Zoe Global Limited**  
**STATEMENT OF FINANCIAL POSITION**  
**as at 31 August 2020**

**Registered number: 10902884**

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors and authorised for issue on <sup>22/12/2020</sup> and signed on their behalf by:

DocuSigned by:  
  
576BD21460024D6...  
J T Wolf  
Director

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

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#### 1 ACCOUNTING POLICIES

##### **(a) Basis of preparation**

Zoe Global Limited ('the company') is a private limited company, incorporated and domiciled in England and Wales. The registered office of the company is 164 Westminster Bridge Road, London, United Kingdom, SE1 7RW. The principal activities of the company and the nature of its operations are described in the Directors' Report.

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and International Financial Reporting Committee ("IFRC") interpretations that are applicable to the financial statements for the year ended 31 August 2020, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared using the historical cost convention.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts on the basis that the group of which it is the parent qualifies as a small group. The financial statements present information about the company as an individual company and not about its group.

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

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions, which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which circumstances change.

##### **(b) New or amended Accounting Standards and Interpretations**

###### ***Initial application of IFRS 16***

During the year, the company applied IFRS 16 'Leases' ('IFRS 16') for the first time. IFRS 16 replaces IAS 17 'Leases' ('IAS 17'). Under IAS 17, the company previously split leases between 'finance leases' that transferred substantially all the risks and rewards incidental to ownership of the asset to the company, and 'operating leases'. All the company's leases were previously accounted for as 'operating leases' under IAS 17. The main change on application of IFRS 16 is the accounting for 'operating leases' where rentals payable (as adjusted for lease incentives) were previously expensed under IAS 17 on a straight-line basis over the lease term.

Under IFRS 16 a right-of-use asset and a lease liability are recognised for all leases, except 'low-value' and 'short-term' leases where lease payments are recognised on a straight-line basis over the lease term as an accounting policy choice.

The company has applied IFRS 16 retrospectively to all leases, but elected to recognise the cumulative effect against opening reserves at 1 September 2019 using the modified retrospective approach. Therefore, comparative figures are as previously reported under IAS 17. The company applied this approach subject to the transition provision set out below:

- Hindsight has been applied in determining the lease term for contracts that contain lease extension and termination options.

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

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#### 1 ACCOUNTING POLICIES (*continued*)

##### **(b) New or amended Accounting Standards and Interpretations (*continued*)**

The amounts recognised for leases at 1 September 2019, have been measured as follows:

##### *Operating leases under IAS 17, except 'low value' and 'short-term' leases*

The lease liability was measured at the present value of the remaining lease payments at 1 September 2019, discounted at the company's incremental borrowing rate at that date. The right-of-use asset was measured at the amount of the company's lease liability recognised in accordance with the measurement set out above, adjusted for accrued or prepaid operating lease payments at 1 September 2019.

##### *New or amended standards in issue but not yet effective*

The following standards, amendments and interpretations to existing standards have been published but are not effective and have not been early adopted by the company:

- Amendments to IFRS 3 Business Combinations (effective 1 January 2020).
- Amendments to IFRS 9, IAS 39 and IFRS 17: Interest Rate Benchmark Reform (effective 1 January 2020).
- Amendments to IAS 1 and IAS 8: Definition of Material (effective 1 January 2020).
- Amendments to References to the Conceptual Framework (effective 1 January 2020).

It is not anticipated that the adoption of the above standards, amendments and interpretations of existing standards will have a material impact on the company financial statements in the period of initial application.

##### **(c) Foreign currency translation**

Transactions in foreign currencies are translated into the functional currency of the company using the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date.

##### **(d) Taxes**

The tax expense represents the sum of the current tax expense and deferred tax expense.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the statement of comprehensive income 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 by using tax rates that apply at the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

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#### 1 ACCOUNTING POLICIES *(continued)*

##### **(e) Intangible assets other than goodwill**

Separately acquired trademarks, data licenses and intellectual property have a finite useful life and are stated at cost less accumulated amortisation and impairment losses.

Amortisation is provided to write off the cost, less residual value, on a straight line basis over the estimated useful life, as follows:

Trademarks	10 years
Intellectual property	5 years
Data licenses	10 years

Research expenditure is recognised as an expense as incurred.

Development expenditure incurred on internally generated intangible assets is recognised as an intangible asset if all the following criteria are met:

- It is probable that the asset created will generate future economic benefits;
- The development cost of the asset can be measured reliably;
- Technical feasibility of completing the intangible asset can be demonstrated;
- There is the ability to use or sell the asset;
- Adequate technical, financial and other resources to complete the development and to use or sell the asset are available; and
- There is intention to complete, use or sell the intangible asset.

The directors do not consider that all these criteria are met for any of the company's development activities and as such all development expenditure incurred since the company was incorporated has been expensed as incurred.

Costs related to the registration of patents and trademarks are considered part of the company's development activities and, as such, are expensed as incurred.

Residual values, remaining useful lives and amortisation methods are reviewed annually and adjusted if appropriate.

The company assesses at each reporting date whether an asset may be impaired. If any such indicator exists, the company tests for impairment by estimating the recoverable amount. If the recoverable amount is less than the carrying value of an asset, an impairment loss is required.

##### **(f) Property, plant and equipment**

All plant and equipment assets are stated at cost less accumulated depreciation and impairment losses.

Depreciation of plant and equipment is provided to write off the cost, less residual value, on a straight line basis over the estimated useful life, as follows:

Fixtures and fittings	5 years
Computer equipment	3 years

Residual values, remaining useful lives and depreciation methods are reviewed annually and adjusted if appropriate.

Gains or losses on disposal are included in the statement of comprehensive income.

The company assesses at each reporting date whether an asset may be impaired. If any such indicator exists, the company tests for impairment by estimating the recoverable amount. If the recoverable amount is less than the carrying value of an asset, an impairment loss is required.

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

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#### 1 ACCOUNTING POLICIES (*continued*)

##### **(g) Right-of-use assets**

A right-of-use asset is recognised at commencement of the lease and initially measured at the amount of the lease liability, plus any incremental costs of obtaining the lease and any lease payments made at or before the leased asset is available for use by the company.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses. The depreciation methods applied is as follows:

Leasehold property - Over the remaining lease term of 28 months

The right-of-use asset is adjusted for any re-measurement of the lease liability and lease modifications, as set out below in the lease accounting policy.

##### **(h) Operating leases**

On commencement of a contract (or part of a contract) which gives the company the right to use an asset for a period of time in exchange for consideration, the company recognises a right-of-use asset and a lease liability unless the lease qualifies as a 'short-term' lease or a 'low-value' lease.

##### *Short-term leases*

Where the lease term is twelve months or less and the lease does not contain an option to purchase the leased asset, lease payments are recognised as an expense on a straight-line basis over the lease term.

##### *Leases of low-value assets*

Where the underlying asset in a lease is 'low-value', lease payments are recognised as an expense on a straight-line basis over the lease term.

##### *Initial measurement of the lease liability*

The lease liability is initially measured at the present value of the lease payments during the lease term discounted using the company's incremental borrowing rate because the interest rate implicit in the lease cannot be readily determined.

The lease term is the non-cancellable period of the lease plus extension periods that the company is reasonably certain to exercise and termination periods that the company is reasonably certain not to exercise.

Lease payments include fixed payments, less any lease incentives receivable, variable lease payments dependant on an index or a rate (such as those linked to LIBOR) and any residual value guarantees. Variable lease payments are initially measured using the index or rate when the leased asset is available for use.

##### *Subsequent measurement of the lease liability*

The lease liability is subsequently increased for a constant periodic rate of interest on the remaining balance of the lease liability and reduced for lease payments. Interest on the lease liability is recognised in profit or loss.

##### *Re-measurement of the lease liability*

The lease liability is adjusted for changes arising from the original terms and conditions of the lease that change the lease term, the company's assessment of its option to purchase the leased asset, the amount expected to be payable under a residual value guarantee and/or changes in lease payments due to a change in an index or rate. The adjustment to the lease liability is recognised when the change takes effect and is adjusted against the right-of-use asset, unless the carrying amount of the right-of-use asset is reduced to nil, when any further adjustment is recognised in profit or loss.

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

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#### 1 ACCOUNTING POLICIES (*continued*)

##### (h) Operating leases (*continued*)

Adjustments to the lease payments arising from a change in the lease term or the company's assessment of its option to purchase the leased asset are discounted using a revised discount rate. The revised discount rate is calculated as the company's incremental borrowing rate at the date of the reassessment because the interest rate implicit in the lease cannot be readily determined.

##### *Lease modifications*

A lease modification is a change that was not part of the original terms and conditions of the lease and is accounted for as a separate lease if it increases the scope of the lease by adding the right to use one or more additional assets with a commensurate adjustment to the payments under the lease.

For a lease modification not accounted for as a separate lease, the lease liability is adjusted for the revised lease payments, discounted using a revised discount rate. Where the lease modification decreases the scope of the lease, the carrying amount of the right-of-use asset is reduced to reflect the partial or full termination of the lease. Any difference between the adjustment to the lease liability and the adjustment to the right-of-use asset is recognised in profit or loss.

For all other lease modifications, the adjustment to the lease liability is recognised as an adjustment to the right-of-use asset.

The following accounting policies were applied to leases in the year ended 31 August 2019:

Leases in which a significant proportion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives are spread evenly over the life of the lease.

##### (i) Financial instruments

Financial assets and financial liabilities are recognised in the company's Statement of Financial Position when the company becomes a party to the contractual provisions of the instrument.

##### *Trade and other receivables*

Trade and other receivables are recognised initially at their fair value, net of direct transaction costs, and subsequently measured at amortised cost using the effective interest rate method.

##### *Current assets investments*

Current asset investments comprise deposits that have more than three months maturity from the date of acquisition. These are held to collect contractual cash flows which are solely payments of principal and interest. Therefore, these investments are subsequently measured at amortised cost using the effective interest rate method.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, short term deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

##### *Financial liabilities and equity*

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.



# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

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#### 1 ACCOUNTING POLICIES (*continued*)

##### (i) Financial instruments (*continued*)

###### *Trade and other payables*

Trade and other payables represent liabilities for goods and services provided to the company prior to the end of the financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value, net of direct transaction costs, and subsequently measured at amortised cost using the effective interest rate method.

###### *Equity instruments*

Equity instruments issued by the company are recorded at fair value on initial recognition net of transaction costs.

##### (j) Retirement benefits

Contributions to defined contribution plans are recognised as an expense as the contributions accrue.

##### (k) Share based payments

Share-based payments of the company are equity-settled share options granted to employees, for which an option pricing model is used to estimate the fair value at grant date. That fair value is charged on a graded vesting basis, with the expense for each tranche of options recognised as an expense in the statement of comprehensive income over the period that the employee becomes unconditionally entitled to the options (vesting period), with a corresponding increase in equity.

The number of such options is adjusted annually to reflect best estimates of those expected to vest (ignoring purely market-based conditions) with consequent changes to the expense. Equity is also increased by the proceeds received, as and when employees choose to exercise their options.

##### (l) Government grants

Income from government grants is presented within other operating income.

The government grants are recognised as income over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis.

#### 2 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The directors consider the critical accounting judgements and key sources of estimation uncertainty used in the financial statements to be:

###### *Share based payments*

The fair value of share-based awards is measured using the Black-Scholes model which inherently makes use of significant estimates and assumptions concerning the future. Such estimates and assumptions include the expected life of the options and the number of employees that will achieve the vesting conditions. Further details of the share option scheme are given in note 11.

###### *Useful life of intellectual property*

The company purchased an intellectual property intangible asset in the prior year. At the reporting date the carrying amount of this intellectual property was £32,178 (2019: £47,178). The company estimates the remaining useful life of the intellectual property to be 2 years based on the expected economic benefits of the asset. However, the actual useful life may be shorter or longer depending on economic conditions and market factors.

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

#### 2 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT *(continued)*

##### *Development expenditure*

The company incurs a significant amount of expenditure on development activities related to its core intellectual property. Under IAS 38-‘Intangible assets’, development costs incurred on internally generated intangible assets are required to be capitalised if certain criteria are met. The directors have exercised a critical judgement in determining that the criteria are not met. As a result, development expenditure is expensed as incurred and not capitalised.

##### *Measurement of IFRS 16 lease liabilities and right-of-use assets*

The directors have exercised a number of judgements in order to measure the lease liability and right-of-use asset under IFRS 16, including the determination of the lease term and discount rate- notes 14 and 21 provide further detail on these judgements. The carrying value of the right-of-use asset and lease liability at the reporting date are shown in notes 4 and 12/13 respectively and the amounts recognised at the date of initial application of IFRS 16 (1 September 2019) are disclosed in note 21.

#### 3 STAFF

The average number of employees (including directors) employed by the company during the year was 34 (2019: 21).

The aggregate payroll costs for employees, including directors, for the period were as follows:

	2020 £	2019 £
Wages and salaries	2,443,822	1,729,958
Social security costs	235,166	127,016
Other pension costs	32,829	15,909
Share based payments	419,991	382,244
	<u>3,131,808</u>	<u>2,255,127</u>

	2020 £	2019 £
<b>DIRECTORS' REMUNERATION</b>		
Emoluments	240,000	206,667
Pension contributions	2,629	2,037
	<u>242,629</u>	<u>208,704</u>

The number of directors to whom retirement benefits are accruing under money purchase scheme was 2 (2019: 2).

	2020 £	2019 £
<b>HIGHEST PAID DIRECTOR</b>		
Attributable to the highest paid director:		
Emoluments	120,000	103,333
Pension contributions	1,315	1,019
	<u>121,315</u>	<u>104,352</u>

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

#### 4 PROPERTY, PLANT AND EQUIPMENT

	Right-of-use assets £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 31 August 2018	-	-	23,767	23,767
Additions	-	12,759	19,514	32,273
Disposals	-	-	(1,341)	(1,341)
At 31 August 2019	-	12,759	41,940	54,699
Additions	-	1,121	27,261	28,382
Recognised on transition to IFRS 16	95,148	-	-	95,148
At 31 August 2020	95,148	13,880	69,201	178,229
<b>Accumulated depreciation</b>				
At 31 August 2018	-	-	2,428	2,428
Charge for the year	-	479	11,093	11,572
At 31 August 2019	-	479	13,521	14,000
Charge for the year	40,778	2,669	19,766	63,213
At 31 August 2020	40,778	3,148	33,287	77,213
<b>Net book value</b>				
At 31 August 2020	54,370	10,732	35,914	101,016
At 31 August 2019	-	12,280	28,419	40,699
At 31 August 2018	-	-	21,339	21,339

The depreciation charge is included within administrative expenses in the statement of comprehensive income.

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

#### 5 INTANGIBLE ASSETS

	Data License £	Trademarks £	Intellectual property £	Total £
<b>Cost</b>				
At 31 August 2018	-	8,031	75,000	83,031
Additions	365,158	-	-	365,158
At 31 August 2019	365,158	8,031	75,000	448,189
Additions	-	-	-	-
At 31 August 2020	365,158	8,031	75,000	448,189
<b>Accumulated amortisation</b>				
At 31 August 2018	-	365	12,822	13,187
Charge for the period	34,215	1,606	15,000	50,821
At 31 August 2019	34,215	1,971	27,822	64,008
Charge for the year	36,516	803	15,000	52,319
At 31 August 2020	70,731	2,774	42,822	116,327
<b>Net book value</b>				
At 31 August 2020	294,427	5,257	32,178	331,862
At 31 August 2019	330,943	6,060	47,178	384,181
At 31 August 2018	-	7,666	62,178	69,844

The intellectual property relates to the acquisition of the assets of MapMyGut, an application which provides a personalised analysis and interpretation of a patient's gut bacteria, for a cost of £75,000, which is being amortised over a period of 5 years.

Trademarks relate to the acquisition of a recognisable sign, design or expression which identifies products or services of a particular source from those of others. Trademarks are capitalised and amortised over a period of 10 years.

The data licence relates to a licence acquired to access data in relation to the development of the product and is amortised over a period of 10 years which is equal to the license period in the agreement.

The amortisation charge is included within administrative expenses in the statement of comprehensive income.

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

#### 6 INVESTMENTS

	Investment in subsidiary £
<b>Cost</b>	
At 1 September 2018 and at 1 September 2019	-
Additions	59,927
	<hr/>
At 31 August 2020	59,927
	<hr/>
<b>Carrying amount</b>	
At 31 August 2020	59,927
	<hr/>
At 31 August 2018 and at 31 August 2019	-
	<hr/>

The company has one subsidiary undertaking; Zoe US Inc which was incorporated in September 2018. The registered office is 1209 Orange Street, Wilmington, New Castle, DE 19801. The company owns 100% of the subsidiary's share capital which comprises ordinary shares.

The aggregate amount of capital and reserves at 31 August 2020 and the result for the same period for Zoe US Inc was net liabilities of £488,734 (2019: net liabilities of £86,984) and a loss of £239,328 (2019: loss of £86,984) respectively.

#### 7 TRADE AND OTHER RECEIVABLES

	2020 £	2019 £
<b>Current</b>		
Prepayments and accrued income	493,280	97,324
Corporation tax recoverable	985,239	889,910
Other receivables	53,368	151,715
	<hr/>	<hr/>
	1,531,887	1,138,949
	<hr/>	<hr/>
<b>Non-current</b>		
Amounts owed by group undertakings	705,010	644,403
	<hr/>	<hr/>
	2,236,897	1,783,352
	<hr/>	<hr/>

There is no material difference between the fair value of receivables and their carrying amount. No impairment charge was recognised in the current or prior period.

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

#### 8 CURRENT ASSET INVESTMENTS

	2020 £	2019 £
Treasury deposits	-	11,052,229
	<u>-</u>	<u>11,052,229</u>
	-	11,052,229
	<u>-</u>	<u>11,052,229</u>

The treasury deposits at the reporting date in the prior year related to four deposits made as follows:

	Interest rate
£1,000,000 made on 3 June 2019 which matured on 3 September 2019	0.63%
£1,000,000 made on 5 August 2019 which matured on 5 November 2019	0.61%
£1,652,800 made on 15 August 2019 which matured on 17 February 2020	0.69%
\$9,000,000 made on 13 August 2019 which matured on 13 November 2019	2.13%

The carrying amount of these assets approximates to their fair value.

#### 9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and short term deposits held with banks. Cash and short term deposits and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

	2020 £	2019 £
Cash on hand and balances with banks	14,954,242	4,787,460
	<u>14,954,242</u>	<u>4,787,460</u>
	14,954,242	4,787,460
	<u>14,954,242</u>	<u>4,787,460</u>

The carrying amount of these assets approximates to their fair value.

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

10	SHARE CAPITAL	2020 £	2019 £
	<b>Issued and fully paid</b>		
	4,429,893 (2019: 3,948,717) Ordinary shares of £0.0000001 each	-	-
	56,793,911 (2019: 56,793,911) Seed shares of £0.0000001 each	6	6
	100,000,000 (2019: 100,000,000) Founder shares of £0.0000001 each	10	10
	89,095,417 (2019: 71,780,053) Series A shares of £0.0000001 each	9	7
		<hr/>	<hr/>
		25	23
		<hr/>	<hr/>

17,746,540 (2019: 75,635,894) shares were issued during the year. All shares issued in the current year were issued for cash, all shares issued in the prior year were issued for cash except for 3,391,459 ordinary shares, which were issued in return for a data license intangible asset.

The company's Ordinary, Seed, Series A and Founder shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company. In the event of liquidation, the holders of Seed and Series A shares shall rank first in order of preference of the distribution of the surplus assets of the company after paying off all liabilities.

The Founder shares have rights specific to them. The company will not, without the prior written approval of the Founder shareholders holding not less than 75% in nominal value of the Founder shares, undertake a change in the company structure, nature of business, appoint and remove directors or dismiss any of the Founder shareholders as employees.

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

#### 11 SHARE BASED PAYMENTS

The following options have been granted over £0.0000001 Ordinary shares in the company:

Grant date	As at 1 September 2019	Granted	Forfeited	Exercised	As at 31 August 2020	Exercise price
Employee scheme:						
From 1 September 2017 – 31 March 2018	9,983,530	-	-	-	9,983,530	0.0000001p
From 1 April 2018 – 31 August 2018	140,000	-	-	-	140,000	3.4p
From 11 September 2018 – 5 November 2018	3,249,610	-	(1,868,434)	(431,176)	950,000	3.4p
From 1 April 2019 – 12 July 2019	740,000	-	-	-	740,000	6.0p
On 1 April 2019	2,707,307	-	(2,682,307)	-	25,000	7.0p
From 3 October 2019 – 9 March 2020	-	6,200,820	(225,000)	-	5,975,820	6.0p
On 3 October 2019	-	45,000	-	-	45,000	7.0p
From 23 July 2020 – 25 August 2020	-	675,000	-	-	675,000	6.8p
From 3 July 2020 – 10 August 2020	-	3,698,616	-	-	3,698,616	8.0p
Advisor Scheme:						
From 1 September 2017 – 31 March 2018	1,015,000	-	-	-	1,015,000	0.0000001p
From 1 September 2017 – 31 March 2018	220,000	-	-	-	220,000	4.0p
From 1 April 2018 – 31 August 2018	210,000	-	-	-	210,000	7.0p
From 10 October 2018 – 5 November 2018	213,807	-	-	-	213,807	4.0p
From 9 May 2019 – 9 June 2019	138,000	-	-	-	138,000	7.0p
From 3 October 2019 – 28 January 2020	-	374,802	-	-	374,802	7.0p
MMS Scheme:						
From 1 September 2017 – 31 August 2018	767,135	-	-	-	767,135	£1
	<u>19,384,389</u>	<u>10,994,238</u>	<u>(4,775,741)</u>	<u>(431,176)</u>	<u>25,171,710</u>	

The total expense recognised by the company in profit and loss in the period in respect of share options was £419,991 (2019: £382,244). £59,927 (2019: £nil) was recognised in investments in respect of the charge attributable to employees of the company's subsidiary undertaking.



# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

#### 11 SHARE BASED PAYMENTS (continued)

##### *Equity-settled share option plan*

The company has a share option scheme with 3 distinct types of options.

Under the Enterprise Management Incentive plan, the participants are granted options which only vest if the employee remains in employment with the company at the vesting date. 25% of the options vest after the first anniversary of the grant date and a subsequent 6.25% vest quarterly thereafter until the option is fully vested. (The options lapse 10 years at the end of the day before the tenth anniversary of the grant date).

Under the Advisory Option Plan, participants are granted options which only vest if certain service conditions are met. The options vest in equal instalments after each subsequent month during which the participant serves as an advisor to the company after the vesting start date until the options are fully vested. The total vesting period varies and is between 12 months and 48 months. The options may only be exercised by the option holder following notification of an impending exit event, including business sale or reorganisation. The options lapse 10 years at the end of the day before the tenth anniversary of the grant date.

Under the MMS plan, participants are granted options which vest over a period of 4 years. The option may only be exercised by the option holder following notification of an impending exit event, including business sale or reorganisation. The options lapse 15 years at the end of the day before the fifteenth anniversary of the grant date.

	2020 Options	Weighted average exercise price	2019 Options	Weighted average exercise price
Outstanding at 1 September	19,384,389	6.14p	12,385,665	6.35p
Granted during the period	10,994,238	6.76p	7,048,724	5.14p
Exercised	(431,176)	3.40p	(50,000)	0.0000001p
Forfeited during the period	(4,775,741)	5.54p	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Outstanding at 31 August	25,171,710	7.69p	19,384,389	6.14p
	<hr/>	<hr/>	<hr/>	<hr/>
Exercisable at 31 August	6,833,831	0.44p	6,108,978	6.5p
	<hr/>	<hr/>	<hr/>	<hr/>

The options outstanding at 31 August 2020 had an exercise price between £0.0000001 and £1 and a weighted average remaining contractual life of 1.81 years. The weighted average fair value of each option granted during the year was 11.7p.

The estimate of the grant date fair value of each option is based on the Black Scholes model. The inputs into the Black Scholes model are as follows:

	2020	2020
	EMI	Advisor
Weighted average share price	16.8p	16.8p
Weighted average exercise price	£0.07	£0.07
Expected volatility	61.3% - 68.6%	68.2% - 69.8%
Expected life	3 years	5 years
Risk free rate	-0.1% - 0.5%	0.3% - 0.5%
Expected dividends	Nil	Nil

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

#### 11 SHARE BASED PAYMENTS (continued)

	2019	2019
	EMI	Advisor
Weighted average share price	13.7p	13.7p
Weighted average exercise price	£0.05	£0.06
Expected volatility	67.9% - 71.2%	57.2% - 57.9%
Expected life	3 years	5 years
Risk free rate	0.51% - 0.83%	0.58% - 1.29%
Expected dividends	Nil	Nil

Expected volatility was determined by calculating the historical volatility of similar companies' share prices over the previous years based on the expected life of each type of option. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

12	CURRENT LIABILITIES - TRADE AND OTHER PAYABLES	2020 £	2019 £
	Trade payables	198,069	140,650
	Other payables	97,872	68,902
	Lease liabilities (note 14)	43,764	
	Accrued liabilities	713,624	86,184
	Amounts owed to group undertakings	-	336,625
		<u>1,053,329</u>	<u>632,361</u>
	Other payables comprise:		
	Other tax and social security	85,729	52,671
	Pension payable	12,143	8,141
	Miscellaneous minor items	-	8,090
		<u>97,872</u>	<u>68,902</u>

The company had trade payables denominated in Euros of £71,289 (2019: £nil) and £102,209 (2019: £78,019) denominated in US Dollars at the year end.

Trade payables are unsecured and are usually paid within 30 days of recognition.

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short term nature.

#### 13 NON-CURRENT LIABILITIES – OTHER PAYABLES

	2020 £	2019 £
Lease liabilities (note 14)	10,642	-
	<u>10,642</u>	<u>-</u>

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

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#### 14 LEASES

##### *Maturity analysis of lease liabilities*

The maturity of the gross contractual undiscounted cash flows due on the company's lease liability is set out below based on the period between 31 August 2020 and the end of the lease term as determined for IFRS 16.

	Less than 1 year £	1 to 5 years £	Over 5 years £	2020 £
Property lease	45,700	10,628	-	56,328

##### *Lease terms*

The company has one lease of the ground floor of a property, used as its head office. The contractual end date of the lease is 5 January 2023 with tenant break clauses on the 18 December and 18 June of each year up to the contractual end date. Management consider it reasonably certain that the option to terminate the lease will be exercised on 18 December 2021. The lease term for the application of IFRS 16 is considered to be the period from 1 September 2019 to 18 December 2021, a period of approximately 28 months. This is also the period which has been used in the analysis of the gross contractual undiscounted cash flows above.

#### 15 RETIREMENT BENEFIT OBLIGATIONS

The company pension arrangements are operated through a defined contribution scheme. The amount recognised as an expense in the year ended 31 August 2020 is £32,829 (2019: £15,909).

Included with other payables is £12,143 (2019: £8,141) relating to pension commitments at the period end.

#### 16 FINANCIAL RISK MANAGEMENT

The company's operations expose it to a number of financial risks including market risk (foreign currency risk and interest rate risk), credit risk and liquidity risk. The company manages these risks through an effective risk management programme.

##### *Liquidity risk*

The company closely monitors its access to bank and other credit facilities in comparison to its outstanding commitments on a regular basis to ensure that it has sufficient funds to meet the obligations of the company as they fall due.

The Board receives regular cash flow forecasts which estimate the cash inflows and outflows so that management can ensure that sufficient funding is in place as it is required.

The maturity of trade liabilities is for a period of time equal to less than 6 months.

##### *Interest rate profile*

The company has cash deposits of £14,954,242 (2019: £4,787,460) at the year end. The company also had cash held in treasury deposits of £nil (2019: £11,052,229) which yielded interest rates between 0.61% pa and 2.13% pa until their maturity. Company funds are invested in deposit accounts with the objective of maintaining a balance between accessibility of funds and competitive rates of return.

The company had no interest bearing borrowings at 31 August 2020 (2019: £nil).

##### *Borrowing facilities*

The company had no un-drawn committed borrowing facilities at 31 August 2020 (2019: £nil).

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

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#### 16 FINANCIAL RISK MANAGEMENT (*continued*)

##### *Credit risk exposure*

Credit risk predominantly arises from trade and other receivables and cash and cash equivalents.

There are no trade receivables as the company is not generating any revenue at this time and other receivables is principally comprised of a debtor due from the Department of Health and Social Care (DHSC) for grant income, reducing exposure to credit risk greatly. Cash and cash equivalents are held in a diverse range of accounts creating a more diverse range of bank deposits which helps to reduce credit risk.

The company's maximum exposure to credit risk relating to its financial assets is equivalent to their carrying value, as disclosed in note 20. All financial assets have a fair value which is equal to their carrying value.

##### *Foreign currency exposure*

Since the company operates internationally it is exposed to foreign currency risk as part of its normal business as the company carries out research activities in both Europe and the United States.

The amount of trade payables denominated in a foreign currency is shown in note 12.

The company holds bank accounts denominated in USD and Euros to mitigate any foreign currency risk exposure.

#### 17 CAPITAL MANAGEMENT

The company's objectives when managing capital are:

- to safeguard the company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The company sets the amount of capital in proportion to risk. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

There is no external debt in the company.

#### 18 RESERVES

##### **Share premium account**

Represents amounts subscribed for share capital in excess of nominal value, net of directly attributable share issue costs.

##### **Retained earnings**

Retained earnings represent the accumulated retained profits and losses less payment of dividends.

#### 19 KEY MANAGEMENT PERSONNEL COMPENSATION

Disclosures required in respect of IAS 24 regarding remuneration of key management personnel is covered by the disclosure of directors' remuneration included within note 3.

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2020

#### 20 FINANCIAL INSTRUMENTS

<b>Financial assets at amortised cost</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other receivables	497,807	151,715
Current asset investments	-	11,052,229
Cash and cash equivalents	14,954,242	4,787,460
Amounts due from group undertakings	705,010	644,403
	<u>16,157,059</u>	<u>16,635,807</u>
<b>Financial liabilities at amortised cost</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade and other payables	<u>978,242</u>	<u>579,690</u>

#### 21 TRANSITION TO IFRS 16

The company adopted IFRS 16 from 1 September 2019 using the modified retrospective approach and accordingly the information presented for 2019 has not been restated. The 2019 figures remain as previously reported under IAS 17 'Leases' and related interpretations. On initial application, the company has elected to record its right-of-use asset based on the corresponding lease liability, adjusted by the amount of any prepaid or accrued lease payments. A right-of-use asset of £95,148 and lease obligation of £95,148 were recorded as of 1 September 2019.

When measuring the lease liability, the company discounted lease payments using its incremental borrowing rate at 1 September 2019. The weighted-average rate applied is 2.4%.

The following table reconciles the company's operating lease obligation at 31 August 2019, as previously disclosed in the company's financial statements, to the lease obligation recognised on initial application of IFRS 16 at 1 September 2019.

	<b>Property lease £</b>
IAS 17 operating lease commitment at 31 August 2019	83,229
Service charges included in operating lease disclosure	(23,882)
Lease payments beyond the first tenant break clause, to the end of the IFRS 16 lease term, not included in the operating lease disclosure	42,681
Impact of discounting	<u>(6,880)</u>
IFRS 16 opening lease liability at 1 September 2019	<u>95,148</u>