

**HELPSHIFT UK LTD**

**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

COMPANY INFORMATION

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Director	E J Vermillion
Registered number	11831259
Registered office	New Penderel House 4th Floor 283-288 High Holborn London United Kingdom WC1V 7HP
Independent auditors	ZEDRA Corporate Reporting Services (UK) Limited

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**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	4	42,334	60,924
Bank and cash balances		62,674	62,347
		<u>105,008</u>	<u>123,271</u>
Creditors: amounts falling due within one year	5	(36,662)	(67,914)
<b>Net current assets</b>		<u>68,346</u>	<u>55,357</u>
<b>Total assets less current liabilities</b>		<u>68,346</u>	<u>55,357</u>
<b>Net assets</b>		<u>68,346</u>	<u>55,357</u>
<b>Capital and reserves</b>			
Called up share capital		1	1
Capital contribution reserve	6	14,314	14,314
Profit and loss account		54,031	41,042
		<u>68,346</u>	<u>55,357</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:

**E J Vermillion**  
**Director**

Date: 17 June 2022

The notes on pages 3 to 6 form part of these financial statements.

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

	<b>Called up share capital £</b>	<b>Capital contribution reserve £</b>	<b>Profit and loss account £</b>	<b>Total equity £</b>
<b>At 1 January 2020</b>	<b>1</b>	<b>5,031</b>	<b>12,167</b>	<b>17,199</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	28,875	28,875
Share based payments	-	9,283	-	9,283
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>9,283</b>	<b>28,875</b>	<b>38,158</b>
<b>At 1 January 2021</b>	<b>1</b>	<b>14,314</b>	<b>41,042</b>	<b>55,357</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	12,989	12,989
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>12,989</b>	<b>12,989</b>
<b>At 31 December 2021</b>	<b>1</b>	<b>14,314</b>	<b>54,031</b>	<b>68,346</b>

The notes on pages 3 to 6 form part of these financial statements.

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

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**1. Accounting policies**

**1.1 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:

**1.2 Going concern**

The Company is in a net asset position of £68,346, which is supported by a positive cash position. It operates on a transfer pricing arrangement with its parent company Helpshift, Inc. The parent company pays intercompany sales invoices when received and provides additional cash funding as required to support the normal operations of the Company. As a result, the Company is reliant on the continued support of the Helpshift, Inc. to finance its operations.

Helpshift UK Ltd has received written confirmation from Helpshift, Inc., that it will continue to provide financial support to the Company for a period of 12 months from the date of signing these financial statements. The director acknowledges that there is doubt over whether the group's funding and operations can continue to operate through that period without additional external financing. The group is exploring options to support growth of the business and will utilise all available resources to continue operations beyond that period. However, this condition raises material doubt about the Company's ability to continue as a going concern.

**1.3 Turnover**

Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Rendering of services**

Turnover is recognised on a cost plus 5% basis, in line with the intercompany service agreement with the parent company. Intercompany turnover is recognised when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the intercompany service agreement;
- the costs incurred under the intercompany service agreement can be measured reliably.

**1.4 Debtors**

Short term debtors are measured at transaction price, less any impairment. Amounts owed by group undertakings are intercompany loans measured at cost. These loans are unsecured, interest free and repayable on demand.

**1.5 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions.

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

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**1. Accounting policies (continued)**

**1.6 Creditors**

Short term creditors are measured at the transaction price. Amounts owed to group undertakings are intercompany loans measured at cost. No interest is charged on the loans, which are repayable on demand.

**1.7 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.

**1.8 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 Balance sheet 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.

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

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**1. Accounting policies (continued)**

**1.9 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 Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

**1.10 Taxation**

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

**2. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2021 was unqualified, though the auditors drew attention to note 1.2 to these accounts which indicates the existence of material

uncertainty which may cause significant doubt about the Company's ability to continue as a going concern.

The audit report was signed on 20 June 2022 by Louise Morriss BFP ACA FCCA (Senior statutory auditor) on behalf of ZEDRA Corporate Reporting Services (UK) Limited.

**3. Employees**

The average monthly number of employees during the year was 2 (2020 - 4).

**4. Debtors**

	2021 £	2020 £
Amounts owed by group undertakings	11,148	-
Other debtors	2,584	1,994
Prepayments and accrued income	28,602	58,930
	<u>42,334</u>	<u>60,924</u>



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

**5. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Trade creditors	6,572	180
Amounts owed to group undertakings	-	26,161
Corporation tax	3,137	7,311
Other taxation and social security	10,232	13,391
Other creditors	1,793	2,490
Accruals and deferred income	14,928	18,381
	<u>36,662</u>	<u>67,914</u>

**6. Capital contribution reserve**

Certain employees of the Company along with other group employees have been granted options over the shares in the Company's parent. The options are granted at an independently determined fair value and 25% of the options are exercisable one year after the date of grant, vesting continues monthly thereafter.

An expense equivalent to the fair value of the share options is recognised evenly over the vesting period with a corresponding amount being recognised in the capital contribution reserve.

**7. Controlling party**

Helpshift, Inc. is the parent of the smallest group for which consolidated financial statements are drawn up of which the Company is a member. The registered office of the parent company is 180 Montgomery Street, Suite 1850, San Francisco, CA 94104, USA.

**8. Post balance sheet events**

There were no adjusting or non-adjusting events occurring between the end of the reporting period and the date these financial statements were approved.

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.