

REGISTERED NUMBER: 11476975 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD 23 JULY 2018 TO 31 DECEMBER 2019
FOR
MENWELL LIMITED

MENWELL LIMITED (REGISTERED NUMBER: 11476975)

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MENWELL LIMITED

COMPANY INFORMATION

FOR THE PERIOD 23 JULY 2018 TO 31 DECEMBER 2019

DIRECTORS:

C Meermann
G L Pallis

REGISTERED OFFICE:

110 Clifton Street
London
EC2A 4HT

REGISTERED NUMBER:

11476975 (England and Wales)

ACCOUNTANTS:

Horizon Accounts Ltd
Stapleton House Second Floor
110 Clifton Street
London
EC2A 4HT

BALANCE SHEET
31 DECEMBER 2019

	Notes	£	£
FIXED ASSETS			
Intangible assets	4		8,183
Tangible assets	5		<u>62,182</u>
			70,365
CURRENT ASSETS			
Stocks		171,278	
Debtors	6	360,119	
Cash at bank and in hand		<u>3,962,839</u>	
		4,494,236	
CREDITORS			
Amounts falling due within one year	7	<u>4,806,193</u>	
NET CURRENT LIABILITIES			<u>(311,957)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(241,592)</u>
CAPITAL AND RESERVES			
Called up share capital			1
Share premium			4,915,823
Other equity			168,828
Share option reserve			197,116
Retained earnings			<u>(5,523,360)</u>
			<u>(241,592)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 December 2019.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

BALANCE SHEET - continued
31 DECEMBER 2019

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 23 April 2020 and were signed on its behalf by:

G L Pallis - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 23 JULY 2018 TO 31 DECEMBER 2019

1. **STATUTORY INFORMATION**

Menwell Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

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

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Trademarks are being amortised evenly over their estimated useful life of five years.

Computer software is being amortised evenly over its estimated useful life of ten years.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Computer Equipment : 33.33% on straight line

Fixtures & Fittings : 25% on straight line

Plant & Machinery : 15% on straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. ACCOUNTING POLICIES - continued

Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Income Statement.

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

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in, the Income Statement, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, loans from fellow group companies that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the period comprises current tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Going concern

The financial statements have been prepared on a going concern basis. The company incurred trading losses during the year. The directors, however, were successful in attracting further investments during the year and hence believe the company has sufficient resources to meet its obligations, if and when, they become due. They are therefore of the opinion that they should continue to adopt the going concern basis of accounting in preparing the financial statements.

Share based payments

The company operates an equity-settled compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement. The credit entry is taken to reserves because the share options are equity-settled.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the period was 13 .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 23 JULY 2018 TO 31 DECEMBER 2019

4.	INTANGIBLE FIXED ASSETS	Other intangible assets
		£
	COST	
	Additions	<u>9,762</u>
	At 31 December 2019	<u>9,762</u>
	AMORTISATION	
	Charge for period	<u>1,579</u>
	At 31 December 2019	<u>1,579</u>
	NET BOOK VALUE	
	At 31 December 2019	<u>8,183</u>
5.	TANGIBLE FIXED ASSETS	Plant and machinery etc
		£
	COST	
	Additions	<u>75,072</u>
	At 31 December 2019	<u>75,072</u>
	DEPRECIATION	
	Charge for period	<u>12,890</u>
	At 31 December 2019	<u>12,890</u>
	NET BOOK VALUE	
	At 31 December 2019	<u>62,182</u>
6.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	£
	Other debtors	<u>360,119</u>
7.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	£
	Trade creditors	122,971
	Taxation and social security	28,384
	Other creditors	<u>4,654,838</u>
		<u>4,806,193</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Included in other creditors is £4,470,607 of convertible loan note which is expected to be converted to equity.

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

Within one year	£ <u>123,830</u>
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9. ULTIMATE CONTROLLING PARTY

During the year there was no ultimate controlling party.

10. SHARE-BASED PAYMENT TRANSACTIONS

The company operates an EMI qualifying share option scheme. As at the date of the Statement of Financial Position, the parent company had granted 199,591 EMI qualifying share options to 12 employees of the company at an exercise price of £1.08 per share. As at the year end 20,218 share options vested, 104,068 share options lapsed and none were exercised. Share options vest over 4 years with a 12 month cliff.

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.