

Registered number: 08534024

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**THOUGHTONOMY LTD**

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**UNAUDITED**  
**FINANCIAL STATEMENTS**  
**INFORMATION FOR FILING WITH THE REGISTRAR**  
**FOR THE YEAR ENDED 31 MAY 2018**



**THOUGHTONOMY LTD**  
**REGISTERED NUMBER: 08534024**

**BALANCE SHEET**  
**AS AT 31 MAY 2018**

	Note	2018 £	*Restated 2017 £
<b>Fixed assets</b>			
Tangible assets	5	30,036	11,703
Investments	6	8	-
		<u>30,044</u>	<u>11,703</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	2,535,268	1,213,665
Cash at bank and in hand	8	892,648	1,361,673
		<u>3,427,916</u>	<u>2,575,338</u>
Creditors: amounts falling due within one year	9	(3,176,189)	(1,919,138)
<b>Net current assets</b>		<u>251,727</u>	<u>656,200</u>
<b>Total assets less current liabilities</b>		<u>281,771</u>	<u>667,903</u>
<b>Net assets</b>		<u>281,771</u>	<u>667,903</u>
<b>Capital and reserves</b>			
Called up share capital	10	177	176
Share premium account		338,606	332,482
Other reserves		149,874	102,636
Profit and loss account		(206,886)	232,609
		<u>281,771</u>	<u>667,903</u>

\* See note 3

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**THOUGHTONOMY LTD**  
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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MAY 2018**

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The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out within Part 15 of the Companies Act 2006 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:



**J R Perry**  
Director

Date: 28 February 2019

The notes on pages 3 to 10 form part of these financial statements.

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## THOUGHTONOMY LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

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#### 1. General information

Thoughtonomy Limited is a private limited company, limited by shares, incorporated in England and Wales. The address of the registered office is International House, 1 St. Katharine's Way, London, E1W 1UN.

The financial statements are presented in Sterling, which is the functional currency of the company.

#### 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 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:

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:

##### 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.

##### License income

Revenue from license fees is recognised over the period to which the license relates.

##### 2.3 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.

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THOUGHTONOMY LTD

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2018

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2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

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:

Fixtures and fittings	-	20%
Computer equipment	-	25%

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 the Statement of Comprehensive Income.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

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## THOUGHTONOMY LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

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#### 2. Accounting policies (continued)

##### 2.6 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.

##### 2.7 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Statement of Comprehensive Income over the vesting period. Fair value is measured by use of a Binomial model. 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 Statement of Comprehensive Income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Statement of Comprehensive Income is charged with fair value of goods and services received.

##### 2.8 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 the Statement of Comprehensive Income 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.

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2018

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2. Accounting policies (continued)

2.9 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

2.10 Taxation

The tax expense represents the sum of the tax currently payable and any deferred tax.

The current tax charge is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, when they relate to income

3. Restatement of prior year figures

The prior year figures have been restated to recognise a share option charge in relation to share options vested. As part of this restatement, changes were made to the presentation and disclosures in the financial statements to accurately reflect the options issued and their respective terms.

The impact of this restatement on the prior year has been to:

- Increase administration costs by £71,509;
- Increase other reserves (share based payments reserve) by £102,636; and
- Increase retained earnings by £31,127.

4. Employees

The average monthly number of employees, including directors, during the year was 31 (2017 - 17).

THOUGHTONOMY LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2018

**5. Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 June 2017	607	17,433	18,040
Additions	3,439	22,345	25,784
At 31 May 2018	<u>4,046</u>	<u>39,778</u>	<u>43,824</u>
<b>Depreciation</b>			
At 1 June 2017	35	6,302	6,337
Charge for the year on owned assets	470	6,981	7,451
At 31 May 2018	<u>505</u>	<u>13,283</u>	<u>13,788</u>
<b>Net book value</b>			
At 31 May 2018	<u>3,541</u>	<u>26,495</u>	<u>30,036</u>
At 31 May 2017	<u>572</u>	<u>11,131</u>	<u>11,703</u>

**6. Fixed asset investments**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
Additions	8
At 31 May 2018	<u>8</u>
<b>Net book value</b>	
At 31 May 2018	<u>8</u>
At 31 May 2017	<u>-</u>



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THOUGHTONOMY LTD

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2018

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7. Debtors

	2018 £	2017 £
Trade debtors	1,414,205	794,825
Amounts owed by group undertakings	145,348	-
Other debtors	220,823	83,049
Prepayments and accrued income	754,892	335,791
	<u>2,535,268</u>	<u>1,213,665</u>

8. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	892,648	1,361,673
	<u>892,648</u>	<u>1,361,673</u>

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	427,174	150,036
Other taxation and social security	370,825	283,784
Other creditors	12,720	10,472
Accruals	287,406	78,512
Deferred income	2,078,064	1,396,334
	<u>3,176,189</u>	<u>1,919,138</u>

10. Share capital

	2018 £	2017 £
<b>Allotted, called up and fully paid</b>		
1,765,875 (2017 - 1,759,750) Ordinary shares of £0.0001 each	<u>177</u>	<u>176</u>

During the year 6,125 ordinary shares of £0.0001 were issued at £1 each.

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THOUGHTONOMY LTD

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2018

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**11. Reserves**

**Share premium account**

The share premium account is used to record the aggregate amount or value of premiums paid when the company's shares are issued at an amount in excess of nominal value.

**Other reserves**

This reserve relates to the fair value of the share options granted which has been charged to profit or loss over the vesting period of the options.

**Profit and loss account**

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

**12. Share based payments**

On 1 August 2015 the Company granted 110,000 share options to 2 employees. The options are exercisable at a price of £1 per share and had vesting periods of between 0 and 2 years. At 31 May 2018 98,333 share options had vested but were not exercised. If the options remain unexercised after a period of 10 years from issue, the options expire.

During the year ended 31 May 2017 the Company granted a further 234,000 share options to 10 employees. The options are exercisable at a price of £1 per share and had vesting periods of between 0 and 3 years. At 31 December 2018 119,667 share options had vested but had not been exercised. If the options remain unexercised after a period of 10 years from issue, the options expire.

During the year ended 31 May 2018 the Company granted a further 41,281 share options to 9 employees. The options are exercisable at a price of £1 per share and have vesting periods of between 0 and 4 years. At 31 December 2018 no share options had vested and had not been exercised. If the options remain unexercised after a period of 10 years from issue, the options expire.

Options are forfeited if the employee leaves the Company before the options vest. At the balance sheet date no options had been forfeited.

Charges have been made to the profit and loss during the year in respect of the share options totalling £47,238 (2017: £71,509).

**13. Capital commitments**

At 31 May 2018 the Company had capital commitments as follows:

	2018	2017
	£	£
Contracted for but not provided in these financial statements	792,948	-
	<u>792,948</u>	<u>-</u>

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THOUGHTONOMY LTD

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2018

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**14. 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 £10,226 (2017 - £Nil). Contributions totalling £4,974 (2017 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

**15. Related party transactions**

During the year the company paid directors remuneration of £596,086 (2017: £205,016).

Included within other debtors are director loans totalling £155,823 (2017: £5,823). These loans attract interest at a rate of 2.5% and are payable on demand.

**16. Controlling party**

The ultimate controlling part is T Walby by virtue of share ownership.