

Registered number:  
08973073

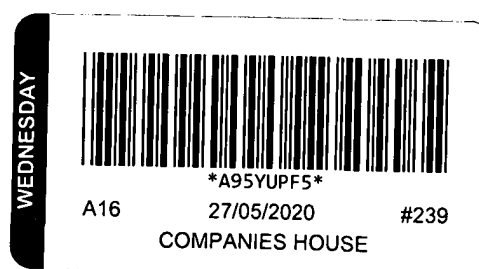
---

**VELOCITY MOBILE LIMITED**

---

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 29 APRIL 2019**  
Amended



---

**VELOCITY MOBILE LIMITED**

---

**COMPANY INFORMATION**

---

<b>Directors</b>	M Z Yusuf A Macdonald K Atrak J Caring
<b>Registered number</b>	08973073
<b>Registered office</b>	20 Grosvenor Place London SW1X 7HN
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Senior Statutory Auditor 30 Finsbury Square London EC2A 1AG

---

**VELOCITY MOBILE LIMITED**

---

**CONTENTS**

---

	Page
<b>Group strategic report</b>	4 – 6
<b>Directors' report</b>	7 – 8
<b>Independent auditor's report</b>	9 - 12
<b>Consolidated income statement</b>	13
<b>Consolidated statement of comprehensive income</b>	14
<b>Consolidated statement of financial position</b>	15
<b>Consolidated statement of changes in equity</b>	16-17
<b>Notes to the financial statements</b>	18 – 32
<b>Company statement of financial position</b>	33
<b>Company statement of changes in equity</b>	34-35

---

**VELOCITY MOBILE LIMITED**

---

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 29 APRIL 2019**

---

**Introduction**

Our mission is to harness human and machine potential to empower people to live their most meaningful lives.

Velocity is an intelligent mobile commerce platform targeting the premium consumer. Convergent, multi-vertical and digital, Velocity addresses a vast market of luxury spending representing \$5 trillion annually, largely untapped by mobile commerce. Velocity benefits from several revenue streams with a mixture of annual recurring revenue from memberships and transactional revenue driven through engagement across Experiences, Travel and Luxury Goods. Users transact through the platform using our proprietary, patent-pending conversational commerce engine that harnesses the power of human experts and Artificial Intelligence (AI). Velocity's credentials as a technology company are demonstrated by the fact that almost a third of our costs are spent on R&D, driving transactions through personalisation, recommendation engines and automation. This investment continues to drive rapid growth in customer spend, and efficiency. Velocity's technology offers "high touch" service, capable of driving large basket sizes, at lower marginal cost than has been previously possible. Net Revenue per Employee grew 231% YoY in the fiscal year.

Velocity also benefits from having a geographically diversified client base with the US our largest market, followed by the UK but a growing presence in the Middle East and Asia. The elastic nature of the spending power of Velocity's premium membership base, along with our recommendation technology allows us to increase integration into our customers' lives and monetise it. This is a key asset. We have an ability to add new verticals which rapidly contribute to growth, revenue per user approximately doubled year over year in FY19. That we can grow trust into new verticals, along with the rapid success of Velocity for Business sets up a strong platform for further growth in 2020 and beyond.

A funding round was closed after the financial year-end, putting Velocity in a strong position to capitalise further on recent rapid growth.

These accounts replace those filed on 22/05/2020 with the only difference being these accounts are audited.

**Business review**

The financial year ending in April 2019 was the second full financial year since the launch of the company's flagship direct to consumer product, Velocity Black. The company's net revenue increasing 197% year over year. Growth was driven by significant increases in memberships, driving recurring revenue, and spend per user, driving transactional revenue. The launch of Velocity for Business was also significant, where Velocity white labels its technology to global premium brands, on multiyear contracts. Furthermore, the company has also closed further funding post the end of the financial year at the highest valuation in the company's history. A first patent has also been applied for, a significant milestone to enhance the business' competitive position within the technology and luxury industries.

Velocity's high-value audience grew their engagement with the platform during the year. User engagement also increased significantly with 40% of Users now being Daily Active Users (DAUs). We increased membership pricing again during the year and the lifetime value of a user grew to an all-time high, highlighting the power of the platform in building trust and engaging some of the most discerning customers in the world.

The power of our proprietary technology and ability to monetise our premium customer base drove significant progress to profitability. With Revenue growing 197% YoY, losses were reduced by 50% compared to FY18. This result was achieved through increased share of customer wallet, productivity and efficiency gains as headcount was broadly stable, revenue per employee rose by 231%, whilst customer acquisition costs fell year over year. This progress reflects the strategic investments in technology and automation over several years, which are now bearing fruit. The investment also led to an increase in customer satisfaction, as both renewal rates and spend/user grew since the end of the financial year.

The launch of Velocity for Business has also been a success, having secured multiple contracts with multi-national corporations catering to the luxury consumer. In its first full year of operating, Velocity for Business represented close to 10% of revenue.

---

## VELOCITY MOBILE LIMITED

---

The ability to attract and retain the world's finest talent is a vital ingredient to a company's success. We received a total of 6,577 inbound job applications in 2019 and extended a total of 14 job offers (an acceptance rate of 0.2%).

We expect further growth in the coming year, primarily from three principal areas:

- Further international expansion of Velocity Black into new markets.
- Launching new verticals into our existing membership base (e.g. Health).
- Further tender wins by Velocity for Business.

### Principal risks and uncertainties

The management of the business and the nature of the Group's strategy are subject to a number of risks, the principal ones being set out below. The Directors are of the opinion that through the adoption of their risk management process there are sufficient processes in place to monitor and mitigate such risks.

**Global economic conditions.** Our overall performance depends in part on worldwide economic conditions. Most key international economies have experienced cyclical downturns from time to time in which economic activity was impacted by falling demand for a variety of goods and services, restricted credit, poor liquidity, reduced corporate profitability, volatility in credit, equity and foreign exchange markets, bankruptcies and overall uncertainty with respect to the economy. These conditions could adversely affect our members' ability or willingness to purchase our services, delay prospective members' purchasing decisions, reduce the value or duration of their subscription contracts, or affect attrition rates, all of which could adversely affect our operating results. In response to this risk, Velocity Mobile has been signing up members across several geographies and has implemented various pricing strategies designed to reflect members purchasing decisions.

**Security measures.** Our cloud-based services involve the storage and transmission of members' proprietary information, and security breaches could expose us to a risk of loss of this information, litigation and possible liability. Whilst Velocity Mobile and its suppliers have robust security measures in place, they may be breached as a result of third-party action, including intentional misconduct by computer hackers, employee error, malfeasance or otherwise and result in someone obtaining unauthorized access to our members' data. Because the techniques used to obtain unauthorized access, or to sabotage systems, change frequently and generally are not recognised until launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures.

**Competition and technological advances.** The market in which Velocity Mobile operates remains relatively untouched by competitors, but is rapidly evolving. The company is committed to its research and development strategy and is well positioned to offer products and services to its members which enables them to manage their lifestyle in the most efficient way.

**Defects or disruptions in our services.** Because our services are complex and incorporate a variety of proprietary and third-party hardware and software, our services may have errors or defects that could result in unanticipated downtime for our members and harm to our reputation and our business. Cloud services frequently contain undetected errors when first introduced or when new versions or enhancements are released. Since our members use our services for important aspects of their lifestyle management, any errors, defects, disruptions in service or other performance problems could hurt our reputation and may disrupt our members' lifestyle. As a result, members could elect to not renew their membership or delay or withhold payment to us.

**Coronavirus.** Further to the recent global outbreak of Coronavirus disease, the directors of the Company continue to assess the situation across all markets and the potential risk to the operation of the business daily. At the time of signing these accounts, there has been no unmanageable impact on either the Revenue, Customers or Employees within the Company.

The directors have taken all necessary measures as advised by the NHS, WHO, the UK government and equivalent local authorities across our office, notably making it company policy for all employees to now work from home until it is safe to return to offices.

---

**VELOCITY MOBILE LIMITED**

---

Velocity Mobile's platforms are entirely digital enabling customers to interact and make purchases with us wherever they are in the world. The Velocity customer is cash-rich and time-poor. We have seen global travel and public gathering restrictions present new growth opportunities that the business can quickly adapt to and capitalise on due to its asset-light and scalable business model.

The directors do not consider, at the date of signing the financial statements, there to be a threat to the overall business in the case of outbreak-related closures and lockdowns due to the above and the Company having access to sufficient working capital and full financial support from its Shareholders.

The directors believe that appropriate strategies have been, and are being further developed, to ensure the Company can reduce and manage the possible impacts of adverse developments which could affect the Company's ability to continue trading.

**Financial key performance indicators**

General business KPIs are listed below. We regularly review these KPIs and other business-specific performance indicators which are used by management internally and are reported to investors.

- Gross sales growth: increased by 143% from 17/18
- Turnover growth: increased by 197% from 17/18
- Average transaction size: increased by 31% from 17/18
- Productivity Growth: net revenue per employee increased 231% from 17/18
- EBITDA: losses narrowed by 41% since 17/18.

This report was approved by the board on 22 May 2020 and signed on its behalf.



**A Macdonald**  
Director

---

**VELOCITY MOBILE LIMITED**

---

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 29 APRIL 2019**

---

The directors present their report and the financial statements for the year ended 29 April 2019. We note the year-end date during the year was changed from 30 April 2019.

**Principal activity**

The principal activity of the company for the year under review was that of a digital luxury service platform.

**Results and dividends**

The loss for the year, after taxation, amounted to £5,252,331 (2017/18 - loss £10,275,704).

The directors have not recommended the payment of an ordinary dividend.

**Going concern**

The Directors have reviewed the company's budgets and forecasts for beyond 12 months from the date of this report, its liquid resources, medium term plans and potential impact of the recent outbreak of Coronavirus disease. The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and, accordingly, consider that it is appropriate to adopt the going concern basis in preparing these financial statements.

**Directors**

The directors who served during the year were:

M Z Yusuf  
A Macdonald  
Kaveh Atrak  
Jamie Caring

**Future developments**

Beyond the business' primary product, Velocity Black, the company has continued to monetise its investment in technology. Velocity for Business is the Company's B2B offering, providing a white label digital concierge service to corporate clients.

In its first full year of operation Velocity for Business delivered close to 10% of the Company's revenue, and supported a 78% rise in productivity (measured as revenue per employee).

**Directors' responsibilities statement**

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve financial statements unless they are satisfied they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

---

**VELOCITY MOBILE LIMITED**

---

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 29 APRIL 2019**

---

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as each director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the directors have taken all the steps that ought to have been taken as a director to be aware of any relevant audit information and to confirm the Company and Group's auditor is aware of that information.

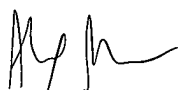
**Post balance sheet events**

In November 2019 the company closed significant further funding at a record valuation. The outbreak of the global coronavirus pandemic is considered to be a non-adjusting post balance sheet event. The Directors have considered, and continue to do so, the impact of the virus on the business and have included details in the strategic report and Directors Report. It is too early for the Directors to quantify the potential financial impact on the Company.

**Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 22 May 2020 and signed on its behalf.



**A Macdonald**  
Director



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VELOCITY MOBILE LIMITED

---

### Opinion

We have audited the financial statements of Velocity Mobile Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 29th April 2019, which comprise the Consolidated Income statement, the Consolidated Statement of comprehensive income, the Consolidated and Company statements of financial position, the Consolidated and Company Statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 29 April 2019 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VELOCITY MOBILE LIMITED

---

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the directors' conclusions, we considered the risks associated with the company's business, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VELOCITY MOBILE LIMITED

---

### Matter on which we are required to report by the Companies Act 2006

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



Grant Thornton

---

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VELOCITY MOBILE LIMITED**

---

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Anthony Thomas (Senior statutory auditor)  
for and on behalf of

**Grant Thornton UK LLP**  
Chartered Accountants  
Senior Statutory Auditor  
London

22 May 2020

---

VELOCITY MOBILE LIMITED

---

CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 29 APRIL 2019

---

	Note	2019 £	2018 £
Turnover	4	7,824,322	2,635,672
Cost of sales		(5,126,141)	(1,243,834)
<b>Gross profit</b>		<b>2,698,181</b>	<b>1,391,838</b>
Administrative expenses		(7,731,643)	(12,049,380)
Exceptional costs		(639,371)	-
<b>Operating loss</b>	5	<b>(5,672,833)</b>	<b>(10,657,542)</b>
Interest receivable and similar income	8	1,002	5
Interest payable and similar expenses	8	(8,117)	-
<b>Loss before tax</b>		<b>(5,679,947)</b>	<b>(10,657,537)</b>
Tax on loss	9	427,616	381,833
<b>Loss for the financial year</b>		<b><u>(5,252,331)</u></b>	<b><u>(10,275,704)</u></b>

There were no recognised gains and losses for 2019 or 2018 other than those included in the consolidated income statement.

---

VELOCITY MOBILE LIMITED

---

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 29 APRIL 2019

---

	2019	2018
	£	£
Loss for the financial year	(5,252,331)	(10,275,704)
<b>Other comprehensive income</b>		
Currency translation differences	477,528	1,781,850
<b>Total comprehensive income for the year</b>	<b>(4,774,803)</b>	<b>(8,493,854)</b>

**VELOCITY MOBILE LIMITED**  
**REGISTERED NUMBER:08973073**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 29 APRIL 2019**

	Note	29 April 2019 £	30 April 2018 £
<b>Fixed assets</b>			
Intangible assets	11	2,700,565	3,531,174
Tangible assets	12	116,397	177,725
		<u>2,816,962</u>	<u>3,708,899</u>
<b>Current assets</b>			
Stocks	14	149,058	183,233
Debtors: amounts falling due within one year	15	969,052	918,389
Cash at bank and in hand	16	585,452	1,040,721
		<u>1,703,562</u>	<u>2,142,343</u>
Creditors: amounts falling due within one year	17	(2,885,144)	(2,311,171)
Loans falling due within one year	18	(779,067)	-
Provisions falling due within one year	19	(48,545)	-
		<u>(2,009,194)</u>	<u>(168,828)</u>
<b>Net current (liabilities)/assets</b>		<b>(2,009,194)</b>	<b>(168,828)</b>
<b>Total assets less current liabilities</b>		<b>807,768</b>	<b>3,540,071</b>
Other liabilities		(645,362)	
Provisions falling due after one year	19	-	(27,762)
		<u>162,406</u>	<u>3,512,309</u>
<b>Net assets</b>		<b>162,406</b>	<b>3,512,309</b>
<b>Capital and reserves</b>			
Called up share capital	20	250	242
Share premium account		25,582,244	24,157,352
Other reserves		5,944,779	5,944,779
Profit and loss account		(31,364,867)	(26,590,064)
<b>Equity attributable to owners of the parent Company</b>		<b>162,406</b>	<b>3,512,309</b>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
**A Macdonald**

Director

Date: 22 May 2020

The notes on pages 18 to 32 form part of these financial statements.

VELOCITY MOBILE LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 29 APRIL 2019

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
<b>At 1 May 2018</b>	<u>242</u>	<u>24,157,352</u>	<u>5,944,779</u>	<u>(26,590,064)</u>	<u>3,512,309</u>
Loss for the year	-	-	-	(5,252,331)	(5,252,331)
Foreign exchange movement	-	-	-	477,528	477,528
<b>Other comprehensive income for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,774,803)</u>	<u>(4,774,803)</u>
<b>Total comprehensive income for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,774,803)</u>	<u>(4,774,803)</u>
Shares issued during the year	8	1,410,403	-	-	1,410,410
Share based payments	-	14,489	-	-	14,490
<b>Total transactions with owners</b>	<u>8</u>	<u>1,424,892</u>	<u>-</u>	<u>-</u>	<u>1,424,900</u>
<b>At 29 April 2019</b>	<u><u>250</u></u>	<u><u>25,582,244</u></u>	<u><u>5,944,779</u></u>	<u><u>(31,364,867)</u></u>	<u><u>162,406</u></u>

VELOCITY MOBILE LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 APRIL 2018

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 May 2017	231	21,062,856	4,000,783	(16,314,360)	8,749,510
Loss for the year	-	-	-	(10,275,704)	(10,275,704)
Foreign exchange movement	-	-	1,781,850	-	1,781,850
Other comprehensive income for the year	-	-	1,781,850	-	1,781,850
<b>Total comprehensive income for the year</b>	-	-	1,781,850	(10,275,704)	(8,493,854)
Shares issued during the year	11	3,094,507	-	-	3,094,507
Consideration for acquisitions	-	-	162,146	-	162,146
Total transactions with owners	11	3,094,496	162,146	-	3,256,653
<b>At 30 April 2018</b>	<b>242</b>	<b>24,157,352</b>	<b>5,944,779</b>	<b>(26,590,064)</b>	<b>3,512,309</b>

---

## VELOCITY MOBILE LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 APRIL 2019

---

#### 1. General information

Velocity Mobile Limited is a private company limited by shares, registered and incorporated in England. The company's registered office is 20 Grosvenor Place, London, SW1X 7HN.

#### 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 Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Income statement in these financial statements.

The following principal accounting policies have been applied:

##### 2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated income statement from the date on which control is obtained. They are deconsolidated from the date control ceases.

##### 2.3 Cash flow

The group, being a qualifying entity according to Section 1 of FRS 102, is exempt from the requirement to draw up a cash flow statement.

##### 2.4 Turnover

Turnover represents amount receivable for membership subscriptions, the provision for goods and services and commissions net of VAT. The total turnover of the company for the year has been derived from its principal activities.

Turnover is recognized when the significant risks and rewards of ownership have passed to the buyer when the goods or services are delivered.

Membership income is spread over the subscription period after accounting for initial costs.

##### 2.5 Going concern

The Directors have reviewed the company's budgets and forecasts for beyond 12 months from the date of this report, its liquid resources, medium term plans and potential impact of the recent outbreak of Coronavirus disease. The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and, accordingly, consider that it is appropriate to adopt the going concern basis in preparing these financial statements.

---

## VELOCITY MOBILE LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 APRIL 2019

---

#### 2.6 Tangible fixed assets

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	33.33% on straight line basis
Fixture, fittings and equipment	33.33% on straight line basis

#### 2.7 Intangible assets

##### Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated income statement over its useful economic life.

##### Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

#### 2.8 Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution of value.

#### 2.9 Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction (or, if hedged forward, at the rate of exchange under the related forward currency contract). Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

#### 2.10 Operating lease

Rentals paid under operating lease are charged to the profit and loss on a straight-line basis over the lease term.

#### 2.11 Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but reversed by the balance sheet date, except as otherwise required by FRS 19.

---

## VELOCITY MOBILE LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 APRIL 2019

---

#### 2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 2.14 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to sell. Inventories are recognised as an expense in the period in which the related revenue is recognised.

Cost is determined on the first-in, first-out (FIFO) method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the inventory to its present location and condition.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

#### 2.15 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated income statement.

---

## VELOCITY MOBILE LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 APRIL 2019

---

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date. Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### 2.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### 2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated income statement in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

#### 2.18 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives for 3 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

The Directors have made judgements and estimates that they consider to be reasonable and prudent. The Directors do not believe that there are any impairment issues to consider as the significant growth in revenue and membership validate the company's strategy. The Directors are aware that the company will need to continue investing to sustain its growth and short-term losses are an inevitable outcome of the growth strategy.

The company has made a dilapidations provision of £48,545 as at 29 April 2019. The Directors consider this provision to be sufficient to cover the dilapidations costs as it stands.

---

VELOCITY MOBILE LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 APRIL 2019

---

**4. Turnover**

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Revenue	7,824,322	2,635,672
	<u>7,824,322</u>	<u>2,635,672</u>

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	3,230,955	1,861,235
United States of America	4,593,367	774,437
	<u>7,824,322</u>	<u>2,635,672</u>

**5. Operating loss**

The operating loss is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	96,281	71,198
Amortisation of intangible fixed assets	1,420,102	1,263,052
Operating lease charges	426,506	348,201
Fees payable to the Group's auditor and its associates for the audit of the Company's annual financial statements	26,000	15,900
Tax compliance and advisory services	41,000	9,000
Preparation of financial statements	-	1,500

**6. Employees**

The average monthly number of employees, including directors, during the year was 50 (2018 - 56).

**7. Directors' remuneration**

	2019 £	2018 £
Directors' emoluments	240,000	240,000
Company contributions to defined contribution pension schemes	1,698	522
	<u>241,698</u>	<u>240,522</u>

**VELOCITY MOBILE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 APRIL 2019**

The highest paid director received remuneration of £120,000 (2018 - £120,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £849 (2018 - £260).

**8. Interest receivable**

	2019 £	2018 £
Other interest receivable	1,002	5
	<b>1,002</b>	<b>5</b>

**Interest payable**

	2019 £	2018 £
Other interest payable	(8,117)	-
	<b>(8,117)</b>	<b>-</b>

**9. Taxation**

	2019 £	2018 £
<b>Corporation tax</b>		
Current tax on profits for the year	(427,616)	(381,833)
	<b>(427,616)</b>	<b>(381,833)</b>

Due to current and carried forward prior year tax losses, the tax assessed for the year is a credit of £427,616 (2018 – credit £381,833). The standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Loss on ordinary activities before tax	<b>(5,679,947)</b>	<b>(10,657,537)</b>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	(1,079,190)	(2,024,932)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	127,302	327,654
Income not deductible for tax purposes	(41,472)	-
Additional deduction for R&D expenditure	(329,536)	(287,507)
Surrender of tax losses for R&D tax credit refund	138,085	120,473

---

**VELOCITY MOBILE LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 APRIL 2019**

---

<b>9. Taxation (continued)</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Fixed asset differences	181,241	-
Adjustments in respect of prior periods	16,717	-
Differences between capital allowances and depreciation	(20,425)	-
Foreign tax paid	607	-
Deferred tax not recognised	772,262	1,476,119
Utilisation of brought forward losses	(324,459)	-
Impact of difference in foreign tax rates	131,252	6,360
<b>Total tax charge for the year</b>	<b><u>(427,616)</u></b>	<b><u>(381,833)</u></b>

The company has taxable trading losses carried forward amounting to £17,266,689 (2018: £13,256,760) to be offset against future profits of the same trade. Corporation tax is computed at the rate applicable to small companies in the UK for the period under review.

**10. Parent company profit for the year**

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Income statement in these financial statements. The loss after tax of the parent Company for the year was £6,197,271 (2018 - loss £6,672,138).

**VELOCITY MOBILE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 APRIL 2019**

**11. Intangible assets**

**Group**

	Intellectual property £	Development costs £	Customer lists £	Goodwill £	Total £
<b>Cost</b>					
At 1 May 2018	52,086	1,091,243	2,297,444	2,435,032	5,875,805
Additions	-	589,494	-	-	589,494
Disposals	-	-	-	-	-
At 29 April 2019	<u>52,086</u>	<u>1,680,737</u>	<u>2,297,444</u>	<u>2,435,032</u>	<u>6,465,299</u>
<b>Amortisation</b>					
At 1 May 2018	29,776	351,083	989,759	974,013	2,344,631
Charge for the year	10,418	463,190	459,489	487,006	1,420,103
On disposals	-	-	-	-	-
At 29 April 2019	<u>40,194</u>	<u>814,273</u>	<u>1,449,248</u>	<u>1,461,019</u>	<u>3,764,734</u>
<b>Net book value</b>					
At 29 April 2019	<u>11,892</u>	<u>866,464</u>	<u>848,196</u>	<u>974,013</u>	<u>2,700,565</u>
At 30 April 2018	<u>22,310</u>	<u>740,160</u>	<u>1,307,685</u>	<u>1,461,019</u>	<u>3,531,174</u>

**VELOCITY MOBILE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 APRIL 2019**

**11. Intangible assets (continued)**

**Company**

	Intellectual property £	Development costs £	Customer lists £	Goodwill £	Total £
<b>Cost</b>					
At 1 May 2018	52,086	1,091,243	2,297,444	2,435,032	5,875,805
Additions	-	589,494	-	-	589,494
Disposals	-	-	-	-	-
At 29 April 2019	<b>52,086</b>	<b>1,680,737</b>	<b>2,297,444</b>	<b>2,435,032</b>	<b>6,465,299</b>
<b>Amortisation</b>					
At 1 May 2018	29,776	351,083	989,759	974,013	2,344,631
Charge for the year	10,418	463,190	459,489	487,006	1,420,103
On disposals	-	-	-	-	-
At 29 April 2019	<b>40,194</b>	<b>814,273</b>	<b>1,449,248</b>	<b>1,461,019</b>	<b>3,764,734</b>
<b>Net book value</b>					
At 29 April 2019	<b>11,892</b>	<b>866,464</b>	<b>848,196</b>	<b>974,013</b>	<b>2,700,565</b>
At 30 April 2018	<b>22,310</b>	<b>740,160</b>	<b>1,307,685</b>	<b>1,461,019</b>	<b>3,531,174</b>

**VELOCITY MOBILE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 APRIL 2019**

**12. Tangible fixed assets**

**Group**

	Leasehold improvements £	Equipment £	Total £
<b>Cost or valuation</b>			
At 1 May 2018	45,580	361,005	406,585
Additions	574	56,913	57,487
Disposals	-	(46,794)	(46,794)
<b>At 29 April 2019</b>	<b>46,154</b>	<b>371,124</b>	<b>417,278</b>
<b>Depreciation</b>			
At 1 May 2018	25,369	203,492	228,861
Charge for the year on owned assets	9,572	86,708	96,281
Charge for the year on disposals		(24,261)	(24,261)
<b>At 29 April 2019</b>	<b>34,942</b>	<b>265,939</b>	<b>300,881</b>
<b>Net book value</b>			
At 29 April 2019	<u>11,212</u>	<u>105,185</u>	<u>116,397</u>
At 30 April 2018	<u>20,211</u>	<u>157,513</u>	<u>177,724</u>

---

VELOCITY MOBILE LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 APRIL 2019

---

12. Tangible fixed assets (continued)

Company

Cost or Valuation	Leasehold improvements £	Equipment £	Total £
At 1 May 2018	21,780	224,716	246,496
Additions	574	47,963	48,537
Disposals	-	(24,261)	(24,261)
At 29 April 2019	<u>22,354</u>	<u>248,418</u>	<u>270,772</u>
<b>Depreciation</b>			
At 1 May 2018	3,625	96,405	100,030
Charge for the year on owned assets	7,402	65,719	73,121
At 29 April 2019	<u>11,027</u>	<u>162,124</u>	<u>173,151</u>
<b>Net book value</b>			
At 29 April 2019	<u>11,027</u>	<u>86,294</u>	<u>97,621</u>
At 30 April 2018	<u>18,155</u>	<u>128,311</u>	<u>146,466</u>

**VELOCITY MOBILE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 APRIL 2019**

**13. Fixed asset investments**

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Velocity Mobile Inc	Ordinary	100%	Mobile application technology
Velocity Mobile Canada Inc	Ordinary	100%	Mobile application technology
Leanmobile Limited	Ordinary	100%	Mobile application technology

**Company**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 May 2018	795,998
Disposal of Velocity Mobile Canada Inc	<u>(356,290)</u>
At 29 April 2019	<u>439,708</u>
 <b>Net book value</b>	
At 29 April 2019	<u>439,708</u>
At 30 April 2018	<u>795,998</u>

**14. Stocks**

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Finished goods and goods for resale	<u>149,058</u>	<u>183,233</u>	<u>48,117</u>	<u>141,432</u>

**VELOCITY MOBILE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 APRIL 2019**

**15. Debtors**

	<b>Group 2019 £</b>	<i>Group 2018 £</i>	<b>Company 2019 £</b>	<i>Company 2018 £</i>
Trade debtors	169,137	101,061	12,673	41,723
Other debtors	203,437	259,655	189,026	240,368
Prepayments and accrued income	168,862	169,261	90,956	165,763
Corporation tax receivable	427,616	388,412	428,223	388,412
	<u>969,052</u>	<u>918,389</u>	<u>720,878</u>	<u>836,266</u>

**16. Cash and cash equivalents**

	<b>Group 2019 £</b>	<i>Group 2018 £</i>	<b>Company 2019 £</b>	<i>Company 2018 £</i>
Cash at bank and in hand	<u>585,452</u>	<u>1,040,721</u>	<u>272,579</u>	<u>560,077</u>

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

	<b>Group 2019 £</b>	<i>Group 2018 £</i>	<b>Company 2019 £</b>	<i>Company 2018 £</i>
Trade creditors	912,249	857,275	581,970	682,136
Other taxation and social security	420,623	231,364	418,471	231,362
Other creditors	212,882	15,060	2,190,289	15,060
Accruals and deferred income	1,339,390	1,207,472	483,320	504,916
	<u>2,885,144</u>	<u>2,311,171</u>	<u>3,674,050</u>	<u>1,433,474</u>

Dilapidations provision	<u>48,545</u>	<u>-</u>	<u>48,545</u>	<u>-</u>
-------------------------	---------------	----------	---------------	----------

**Creditors: Amounts falling due after one year**

Dilapidations provision	-	27,762	-	27,762
	<u>-</u>	<u>27,762</u>	<u>-</u>	<u>27,762</u>

**VELOCITY MOBILE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 APRIL 2019**

<b>18. Loans and other borrowings</b>	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Convertible loan note	779,067	-	779,067	-
Revenue based financing facility	645,362	-	-	-
	<u>1,424,429</u>	<u>-</u>	<u>779,067</u>	<u>-</u>
<b>19. Provisions</b>				
<b>Group</b>				<b>Dilapidation</b>
				<b>£</b>
Charged to profit or loss				48,545
<b>At 29 April 2019</b>				<u>48,545</u>
<b>Company</b>			<b>Dilapidation</b>	<b>Total</b>
			<b>£</b>	<b>£</b>
Charged to profit or loss			48,545	48,545
<b>At 29 April 2019</b>			<u>48,545</u>	<u>48,545</u>

---

VELOCITY MOBILE LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 APRIL 2019

---

20. Share capital

	2019	2018
	£	£
<b>Allotted, called up and fully paid</b>		
250 (2018 - 242) Ordinary shares of £1.00 each	<u>250</u>	<u>242</u>

21. Commitments under operating leases

At 29 April 2019 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Between one and five years	414,685	403,569	414,685	403,569
	<u>414,685</u>	<u>403,569</u>	<u>414,685</u>	<u>403,569</u>

22. Controlling party

There is no ultimate controlling party.

23. Related party transactions

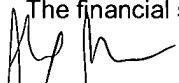
The company has taken advantage of the exemption under the terms of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", not to disclose related party transactions with wholly owned subsidiaries within the group.

**VELOCITY MOBILE LIMITED**

**COMPANY STATEMENT OF FINANCIAL POSITION  
AS AT 29 APRIL 2019**

	Note	29 April 2019 £	30 April 2018 £
<b>Fixed assets</b>			
Intangible assets	11	2,700,565	3,531,173
Tangible assets	12	97,621	146,466
Investments	13	439,708	795,998
		<u>3,237,894</u>	<u>4,473,637</u>
<b>Current assets</b>			
Stocks	14	48,117	141,432
Debtors: amounts falling due within one year	15	720,878	836,266
Cash at bank and in hand	16	272,579	560,077
		<u>1,041,574</u>	<u>1,537,775</u>
Creditors: amounts falling due within 1 year	17	(3,674,050)	(1,433,474)
Provisions	19	(48,545)	-
Loans	18	(779,067)	-
		<u>(3,460,089)</u>	<u>104,301</u>
<b>Total assets less current liabilities</b>		<u>(222,195)</u>	<u>4,577,938</u>
Provisions	19		(27,762)
<b>Net assets</b>		<u>(222,195)</u>	<u>4,550,176</u>
<b>Capital and reserves</b>			
Called up share capital	20	250	242
Share premium account		25,582,244	24,157,352
Other reserves		5,272,691	5,272,691
Profit and loss account		<u>(31,077,380)</u>	<u>(24,880,109)</u>
<b>Total Capital &amp; Reserves</b>		<u>(222,195)</u>	<u>4,550,176</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**A Macdonald**

Director

Date: 22 May 2020

The notes on pages 18 to 32 form part of these financial statements.

VELOCITY MOBILE LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 29 APRIL 2019

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 May 2018	242	24,157,352	5,272,691	(24,880,109)	4,550,176
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	-	(6,197,271)	(6,197,271)
Foreign exchange movement	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	(6,197,271)	(6,197,271)
<b>Contributions by and distributions to owners</b>					
Shares issued during the year	8	1,410,403	-	-	1,410,409
Share based payments	-	14,489	-	-	14,489
<b>At 29 April 2019</b>	<u>250</u>	<u>25,582,244</u>	<u>5,272,691</u>	<u>(31,077,380)</u>	<u>(222,195)</u>

VELOCITY MOBILE LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 APRIL 2018

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 May 2017	231	21,062,856	5,110,545	(18,207,971)	7,965,661
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	-	(6,672,138)	(6,672,138)
<b>Total comprehensive income for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,672,138)</u>	<u>(6,672,138)</u>
<b>Contributions by and distributions to owners</b>					
Shares issued during the year	11	3,094,496	-	-	3,094,507
Consideration for acquisition	-	-	162,146	-	162,146
<b>At 30 April 2018</b>	<u>242</u>	<u>24,157,352</u>	<u>5,272,691</u>	<u>(24,880,109)</u>	<u>4,550,176</u>

The notes on pages 18 to 32 form part of these financial statements.

