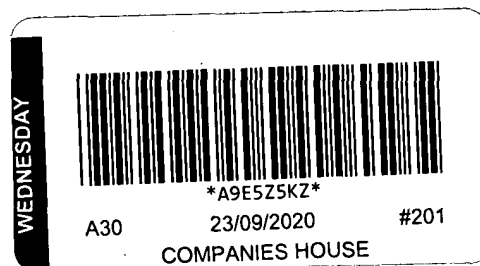


Company Registration No. 09459339 (England and Wales)

TRUSSLE LAB LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
PAGES FOR FILING WITH REGISTRAR



TRUSSLE LAB LTD

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TRUSSLE LAB LTD**BALANCE SHEET****AS AT 31 DECEMBER 2019**

		31 December 2019		31 December 2018	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		127,437		81,920
Current assets					
Debtors	5	998,000		514,308	
Cash at bank and in hand		2,382,247		9,254,639	
		<u>3,380,247</u>		<u>9,768,947</u>	
Creditors: amounts falling due within one year	6	<u>(5,835,322)</u>		<u>(804,359)</u>	
Net current (liabilities)/assets			(2,455,075)		8,964,588
Total assets less current liabilities			<u>(2,327,638)</u>		<u>9,046,508</u>
Capital and reserves					
Called up share capital	7		293		293
Share premium account			19,242,900		19,238,222
Convertible option reserve			45,195		-
Other reserves			397,235		352,902
Profit and loss reserves			<u>(22,013,261)</u>		<u>(10,544,909)</u>
Total equity			<u>(2,327,638)</u>		<u>9,046,508</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 18 September 2020 and are signed on its behalf by:

Ian Larkin

Mr I Larkin
Director

Company Registration No. 09459339

TRUSSLE LAB LTD**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	Share capital £	Share premium account £	Convertible debt option reserve £	Other reserves £	Profit and loss reserves £	Total £
Balance at 1 March 2018		196	5,629,714	-	260,950	(4,585,733)	1,305,127
Period ended 31 December 2018:							
Loss and total comprehensive income for the period		-	-	-	-	(5,959,176)	(5,959,176)
Issue of share capital	7	97	13,608,508	-	-	-	13,608,605
Share options charge		-	-	-	91,952	-	91,952
Balance at 31 December 2018		293	19,238,222	-	352,902	(10,544,909)	9,046,508
Year ended 31 December 2019:							
Loss and total comprehensive income for the year		-	-	-	-	(11,468,352)	(11,468,352)
Issue of share capital	7	-	4,678	-	-	-	4,678
Conversion option value of convertible loan notes		-	-	45,195	-	-	45,195
Share option charge		-	-	-	44,334	-	44,334
Balance at 31 December 2019		293	19,242,900	45,195	397,235	(22,013,261)	(2,327,638)

TRUSSLE LAB LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Trussle Lab Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 1-3 Dufferin Street, London, Greater London, United Kingdom, EC1Y 8NA. 1-3 Dufferin Street, London, EC1Y 8NA

Comparative period

The comparative period is from 1 March 2018 to 31 December 2018.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors have considered the impact of the COVID-19 virus and the net balance sheet deficit position on the future viability of the Company and, at the date of signing these financial statements, the directors remain confident of the future prospects of the Company. Additional finance was secured during June 2020 in the form of convertible loan notes and the company also secured a funding facility which can be drawn down as required to further finance the company. The directors believe that in light of the finance raised from the convertible loans, the funding facility available, the current cash position and the forecasted cash flows of the business there is a reasonable expectation that the Company will have sufficient resources to continue to meet its liabilities as they fall due for the foreseeable future and therefore have prepared the financial statements on a going concern basis.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover is recognised upon completion of a mortgage.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	4 years straight line
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

TRUSSLE LAB LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Convertible Loan Note

Compound financial instruments issued by the company comprise convertible loan stock that can be converted to class C shares at the option of the holder.

The liability component of the compound financial instrument is recognised on the date of inception at the fair value of a similar liability that does not have an equity conversion option. The equity element is recognised as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the equity and liability components in proportion to their initial carrying amounts.

Subsequently, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares 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. Financial liabilities classified as payable within one year are not amortised.

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. Amounts payable are classified as current liabilities if payment is due within one year or less. 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.

TRUSSLE LAB LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2019****1 Accounting policies****(Continued)****1.6 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.8 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Operating loss

	31 December 2019	31 December 2018
Operating loss for the period is stated after charging:	£	£
Fees payable to the company's auditor for the audit of the company's financial statements	23,000	12,250

TRUSSLE LAB LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2019**3 Employees**

The average monthly number of persons (including directors) employed by the company during the Year was:

	31 December 2019 Number	31 December 2018 Number
Total	105	68

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2019	128,004
Additions	93,313
At 31 December 2019	221,317
Depreciation and impairment	
At 1 January 2019	46,084
Depreciation charged in the Year	47,796
At 31 December 2019	93,880
Carrying amount	
At 31 December 2019	127,437
At 31 December 2018	81,920

5 Debtors

	31 December 2019 £	31 December 2018 £
Amounts falling due within one year:		
Trade debtors	52,835	15,543
Prepayments and accrued income	945,165	498,765
	998,000	514,308

Trussle Lab Limited are expecting a material cash inflow relating to a research and development claim for relevant expenditure incurred in 2019. At the time of approving the financial statements it was not possible to reliably quantify the value of the claim and therefore on this basis no asset has been recognised in these financial statements.

TRUSSLE LAB LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2019**6 Creditors: amounts falling due within one year**

	31 December 2019	31 December 2018
	£	£
Trade creditors	593,292	383,872
Taxation and social security	219,501	133,616
Other creditors	5,022,529	286,871
	<u>5,835,322</u>	<u>804,359</u>

7 Called up share capital

	31 December 2019	31 December 2018
	£	£
Ordinary share capital		
Issued and fully paid		
1,124,737 (2018: 1,123,218) Ordinary 0.01p each	112	112
970,575 B shares of 0.01p each	97	97
841,024 Seed preferred shares of 0.01p each	84	84
	<u>293</u>	<u>293</u>

1,519 share options were exercised during the period for a consideration of £4,679. The nominal value of the shares is £0.0001.

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Anil Kapoor.

The auditor was Azets Audit Services.

TRUSSLE LAB LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2019**9 Operating lease commitments****Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	31 December 2019	31 December 2018
	£	£
Within one year	243,183	380,952
Between two and five years	982,186	1,225,309
	<u>1,225,309</u>	<u>1,606,261</u>

10 Events after the reporting date

The Pandemic COVID-19, which is a non-adjusting post balance sheet event, caused a significant reduction on property purchases throughout the early stages of the Pandemic from March 2020 which in turn led to a short term reduction in the size of the mortgage market. The business does not expect any long term impact as a result of the pandemic.

The business successfully secured additional funding for the business in July and August 2020. The business took advantage of the government backed Future Fund scheme, in addition to new convertible notes and a venture debt facility.

11 Parent company

There is no ultimate holding company or controlling party.