

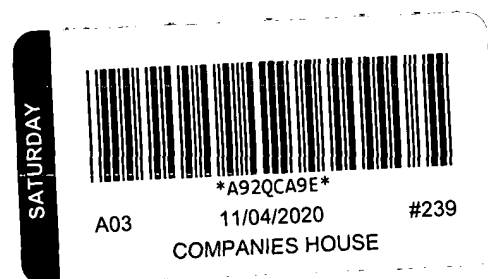
Aforza Limited

Unaudited Financial Statements

Period Ended

31 January 2020

Company Number 11889388



Aforza Limited
Registered number:11889388

Statement of Financial Position
as at 31 January 2020

	Note	2020 £
Fixed assets		
Tangible assets	6	19,978
Current assets		
Debtors	7	20,729
Cash and cash equivalents		1,099,910
		<u>1,120,639</u>
Creditors: amounts falling due within one year	8	<u>(58,608)</u>
Net current assets		1,062,031
Net assets		<u><u>1,082,009</u></u>
Capital and reserves		
Called up share capital	9	100
Other reserves		1,872,873
Profit and loss account		(790,964)
Total Equity		<u><u>1,082,009</u></u>

Aforza Limited
Registered number: 11889388

Statement of Financial Position (continued)
as at 31 January 2020

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 period 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 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:



.....
D A Dinardo
Director

Date: 27/03/2020

The notes on pages 4 to 12 form part of these financial statements.

Aforza Limited

Statement of Changes in Equity for the Period Ended 31 January 2020

	Share capital	Other reserves	Retained earnings	Total equity
	£	£	£	£
At 18 March 2019	-	-	-	-
Comprehensive income for the period				
Loss for the period	-	-	(790,964)	(790,964)
Shares issued during the period	100	-	-	100
Simple agreement for future equity (SAFE)	-	1,872,873	-	1,872,873
At 31 January 2020	100	1,872,873	(790,964)	1,082,009

The notes on pages 4 to 12 form part of these financial statements.

Aforza Limited

Notes to the Financial Statements for the Period Ended 31 January 2020

1. General information

Aforza Limited is a private company, limited by the shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is stated on the company information page and the nature of the company's operations and principal activity are set out in the directors' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention 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 preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The accounts have been prepared on the going concern basis as the directors have confirmed that they will continue to support the company for the foreseeable future and meet the excess liabilities if the company is unable to do so.

During the year the company made a loss before taxation of £790,964. The statement of financial position on page 5 of the financial statements shows net assets of £1,082,009 as at 31 January 2020. After the period end the company is expected to receive Welsh Government/ ERDF SMART Cymru grant in March 2020 and in June 2020 of approximately £60,000 and £40,000 respectively. The directors have considered the position of Aforza Limited and believe that it is appropriate to prepare the financial statements on a going concern basis.

Aforza Limited

Notes to the Financial Statements for the Period Ended 31 January 2020

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'interest receivable or payable'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other income'.

Aforza Limited

Notes to the Financial Statements for the Period Ended 31 January 2020

2. Accounting policies (continued)

2.4 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.

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:

Plant and machinery	-	20%
Computer equipment	-	33%

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.

2.5 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. 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.

2.6 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.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.8 Creditors

Short term creditors are measured at the transaction price.

Aforza Limited

Notes to the Financial Statements for the Period Ended 31 January 2020

2. Accounting policies (continued)

2.9 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.10 Current and Deferred Taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Aforza Limited

Notes to the Financial Statements for the Period Ended 31 January 2020

2. Accounting policies (continued)

2.11 Financial instruments

The company 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 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 statement of comprehensive income.

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.

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

There are no estimates and judgements that have a significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the financial year.

4. Employees

The average monthly number of employees, including the directors, during the period was as follows:

	Period ended 31 January 2020 No.
Employees	11

Aforza Limited

Notes to the Financial Statements for the Period Ended 31 January 2020

5. Directors' remuneration

	Period ended 31 January 2020 £
Directors' emoluments	348,889
	<u>348,889</u>

The highest paid director received remuneration of £127,209.

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,000.

6. Tangible fixed assets

	Plant and machinery £	Computer equipment £	Total £
Cost			
At 18 March 2019	-	-	-
Additions	192	24,591	24,783
At 31 January 2020	<u>192</u>	<u>24,591</u>	<u>24,783</u>
Depreciation			
Charge for the period	11	4,794	4,805
At 31 January 2020	<u>11</u>	<u>4,794</u>	<u>4,805</u>
Net book value			
At 31 January 2020	<u>181</u>	<u>19,797</u>	<u>19,978</u>

Aforza Limited

Notes to the Financial Statements for the Period Ended 31 January 2020

7. Debtors

	2020 £
Other debtors	6,212
Prepayments and accrued income	14,517
	<u>20,729</u>

8. Creditors: Amounts falling due within one year

	2020 £
Trade creditors	15,637
Other taxation and social security	31,574
Other creditors	5,272
Accruals and deferred income	6,125
	<u>58,608</u>

9. Share capital

	2020 £
Allotted, called up and fully paid	
10,000,000 shares of £0.00001 each	<u>100</u>

On incorporation, the Company issued 10,000,000 ordinary shares with a nominal value of £0.00001 per share.

10. Government Grant

During the period the company received a de minimis award of £3,237 from Data Innovation Accelerator at Cardiff University. This amount has been included within statement of comprehensive income as other income.

Aforza Limited

Notes to the Financial Statements for the Period Ended 31 January 2020

11. Share based payments

The company operates a company Employee Share Option Plan with Non-Employee Sub Plan under which individuals were granted share options. Under the scheme 25% of the original number of shares vest on the first anniversary of the vesting commencement date and a further 2.0833% of the original number of shares monthly thereafter. In the absence of observable market prices and market data, share options granted were valued at fair value on the grant date using the Black Scholes valuation model.

During the period, 59,720 options were granted out of which 55,860 were exercised and paid.

12. Reserves

Profit and Loss account

Retained earnings represents cumulative profits or losses, net dividends paid and other adjustments.

Other reserve

The other reserve consists of simple agreement for future equity shares for which consideration has been received but which are not issued yet.

Share allotment reserve

The share allotment reserve consists of share options granted during the period which were exercised by the employees.

13. Pension commitments

The pension cost charge represents contributions payable by Aforza Limited and amounted to £19,054. Pension contributions totalling £5,144 were payable at the reporting date.

14. Commitments under operating leases

The company had no commitments under the non-cancellable operating leases as at the reporting date.

15. Related party transactions

Directors loans amounting to £127 were repayable by the company as at the balance sheet date and are included within other creditors.

During the period, Mr E Butterworth, a director of the company paid £21 to the company bank account and Mr D Dinardo, a director of the company overpaid £198 to the company for his expense reimbursement and transferred £8 to the bank account. These amounts are outstanding to be paid at the period end.

During the period the directors owed the company £100 for their share of the capital. This amount stands unpaid at the period end and has been included within other creditors.

16. Post balance sheet events

There have been no significant events affecting the company since the period end.

Aforza Limited

Notes to the Financial Statements for the Period Ended 31 January 2020

17. Controlling party

There is no ultimate controlling party of the company by virtue of their shareholding.