

COMPANY REGISTRATION NUMBER: 10502650

**NumberEight Technologies Ltd**  
**Financial statements**  
**31 December 2021**



# **NumberEight Technologies Ltd**

## **Directors' responsibilities statement**

**Year ended 31 December 2021**

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The directors are responsible for preparing the directors' report and the 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# NumberEight Technologies Ltd

## Statement of financial position

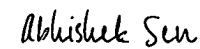
31 December 2021


	Note	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Intangible assets	5		68,843		39,806
Tangible assets	6		<u>8,406</u>		<u>9,267</u>
			77,249		49,073
<b>Current assets</b>					
Debtors	7	131,294		102,025	
Cash at bank and in hand		<u>631,735</u>		<u>1,355,452</u>	
		763,029		1,457,477	
<b>Creditors: Amounts falling due within one year</b>	8	<u>(29,047)</u>		<u>(31,354)</u>	
<b>Net current assets</b>			733,982		1,426,123
<b>Total assets less current liabilities</b>			<u>811,231</u>		<u>1,475,196</u>
<b>Net assets</b>			<u>811,231</u>		<u>1,475,196</u>
<b>Capital and reserves</b>					
Called up share capital	9		3,312		3,312
Share premium account			2,349,459		2,349,459
Profit and loss account			<u>(1,541,540)</u>		<u>(877,575)</u>
<b>Shareholders funds</b>			<u>811,231</u>		<u>1,475,196</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 10/5/2022, and are signed on behalf of the board by:

  
Mr A Sen  
Director

  
Mr C Watts  
Director

Company registration number: 10502650

The notes on pages 4 to 9 form part of these financial statements.

# NumberEight Technologies Ltd

## Statement of changes in equity

Year ended 31 December 2021

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
<b>At 1 September 2019</b>	2,343	550,374	(303,870)	248,847
Loss for the year	—	—	(573,705)	(573,705)
<b>Total comprehensive income for the year</b>	—	—	(573,705)	(573,705)
Issue of shares	969	1,799,085	—	1,800,054
<b>Total investments by and distributions to owners</b>	969	1,799,085	—	1,800,054
<b>At 31 December 2020</b>	3,312	2,349,459	(877,575)	1,475,196
Loss for the year	—	—	(663,965)	(663,965)
<b>Total comprehensive income for the year</b>	—	—	(663,965)	(663,965)
<b>At 31 December 2021</b>	<u>3,312</u>	<u>2,349,459</u>	<u>(1,541,540)</u>	<u>811,231</u>

The notes on pages 4 to 9 form part of these financial statements.

# NumberEight Technologies Ltd

## Notes to the financial statements

Year ended 31 December 2021

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### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Bankside 300 Peachman Way, Broadland Business Park, Norwich, Norfolk, NR7 0LB, United Kingdom.

The current year figures included within the financial statements are for the year ended 31 December 2021 and are therefore not entirely comparable with the figures for the period from 1 September 2019 to 31 December 2020. The reason for the change of accounting reference date was to bring the company in line with other companies within the portfolio of a key investor.

### 2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements have been prepared in sterling, which is the functional currency of the entity.

#### Going concern

The company's financial statements have been prepared under the going concern basis.

The company has, since its incorporation in 2016, invested a considerable amount of time and resources into its core research and development activities taking its goal of rebuilding the mobile app economy without personal data from a concept to reality. Like most tech startups this focus has resulted in the company being loss making each year and this is forecast to continue as further development work is carried out even though the company has begun to generate operational income for the first time in the year.

Despite having a strong balance sheet at the year end and anticipating significant growth in revenue for 2023 the directors have assessed, having prepared detailed forecasts, that the company shall need to attract additional investor funding in the third quarter of 2023 so as to be able to continue trading and continue its research and development activities.

The company has previously been successful in attracting significant investment into the company, first in 2018 and then again in 2020 and a series of further fund raising activities have long been anticipated. Given investor appetite for high quality investment opportunities at an early stage of a company's development along with the demonstratable advancements the company has made in the past two years the board of directors, which includes representatives of institutional investors already committed to the company, are confident that the company will be able to secure the further investments that it needs to be able to continue to trade for the foreseeable future.

# NumberEight Technologies Ltd

## Notes to the financial statements *(continued)*

Year ended 31 December 2021

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### 3. Accounting policies *(continued)*

#### **Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgments, estimates and assumptions. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

#### **Impairment of intangible assets - Patents**

The directors have considered the value of the company's capitalised patent applications arising from its research and development activities. This assessment primarily includes considering the likelihood of patent applications being granted in light of whether any challenges have been notified and the expectation of whether the company will be able to commercially exploit the patent by way of using it to generate future profitable income streams, which itself requires assessing future demand and viability of software still under development.

#### **Going concern**

As explained in detail above the directors have considered the requirement of the company to obtain additional investor funding. Having considered all the information available they consider there to be a strong likelihood of sufficient investment being obtained and therefore the accounts have been prepared under the going concern basis.

#### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Each contract with customers is assessed on its own merits to determine whether the nature of the sale is effectively the provision of a license, which is apportioned over time or whether the provision of software is more akin to that of a sale of goods when income is recognised on despatch, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

# NumberEight Technologies Ltd

## Notes to the financial statements *(continued)*

### Year ended 31 December 2021

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#### 3. Accounting policies *(continued)*

##### Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

##### Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

##### Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

##### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Patents, trademarks and licences	-	10% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

The useful life of certain intangible assets cannot be reliably estimated. These assets are being amortised over 10 years in accordance with the maximum allowable useful life under FRS 102 as they are considered by the directors to have a useful life of at least 10 years.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

# NumberEight Technologies Ltd

## Notes to the financial statements *(continued)*

### Year ended 31 December 2021

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#### 3. Accounting policies *(continued)*

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 33% straight line

#### 4. Employee numbers

The average number of employees during the year was 12 (2020: 9).

#### 5. Intangible assets

	Patents, trademarks and licences £
<b>Cost</b>	
At 1 January 2021	39,806
Additions	31,118
<b>At 31 December 2021</b>	<u>70,924</u>
<b>Amortisation</b>	
Charge for the year	2,081
<b>At 31 December 2021</b>	<u>2,081</u>
<b>Carrying amount</b>	
<b>At 31 December 2021</b>	<u>68,843</u>
At 31 December 2020	<u>39,806</u>

#### 6. Tangible assets

	Equipment £	Total £
<b>Cost</b>		
At 1 January 2021	15,013	15,013
Additions	4,814	4,814
<b>At 31 December 2021</b>	<u>19,827</u>	<u>19,827</u>
<b>Depreciation</b>		
At 1 January 2021	5,746	5,746
Charge for the year	5,675	5,675
<b>At 31 December 2021</b>	<u>11,421</u>	<u>11,421</u>
<b>Carrying amount</b>		
<b>At 31 December 2021</b>	<u>8,406</u>	<u>8,406</u>
At 31 December 2020	<u>9,267</u>	<u>9,267</u>

# NumberEight Technologies Ltd

## Notes to the financial statements *(continued)*

Year ended 31 December 2021

### 7. Debtors

	2021	2020
	£	£
Trade debtors	26,955	–
Other debtors	104,339	102,025
	<u>131,294</u>	<u>102,025</u>

### 8. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	834	9,601
Accruals and deferred income	17,008	12,345
Social security and other taxes	11,205	9,408
	<u>29,047</u>	<u>31,354</u>

### 9. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Allotted shares of £0.01 each	<u>331,226</u>	<u>3,312</u>	<u>331,226</u>	<u>3,312</u>

### 10. Summary audit opinion

The auditors report for the year ended 31 December 2021 was unqualified with no emphasis of matter.

The senior statutory auditor was Steven Scarlett FCA, for and on behalf of Lovewell Blake LLP.

### 11. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2021			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
A director	<u>53</u>	<u>–</u>	<u>(53)</u>	<u>–</u>

	2020			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
A director	<u>–</u>	<u>53</u>	<u>–</u>	<u>53</u>

No interest was charged on the directors loan and advances in the prior year.

# NumberEight Technologies Ltd

## Notes to the financial statements *(continued)*

Year ended 31 December 2021

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### 12. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 September 2019.

No transitional adjustments were required in equity or profit or loss for the year.