

Unaudited Financial Statements
for the Year Ended 31 December 2021
for
EARTH-I LTD

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for the year ended 31 December 2021**

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EARTH-I LTD

**Company Information
for the year ended 31 December 2021**

Directors: R Blain
H A Taher
A F Smith (Chairman)
Sir Joe French

Registered office: Northside House
69 Tweedy Road
Bromley
Kent
BR1 3WA

Registered number: 08508188 (England and Wales)

Accountants: Haines Watts
Chartered Accountants
Northside House
69 Tweedy Road
Bromley
Kent
BR1 3WA

**Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
Earth-i Ltd (Registered number: 08508188)**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Statement of Comprehensive Income and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Earth-i Ltd for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Earth-i Ltd, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Earth-i Ltd and state those matters that we have agreed to state to the Board of Directors of Earth-i Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Earth-i Ltd and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Earth-i Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Earth-i Ltd. You consider that Earth-i Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Earth-i Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Haines Watts
Chartered Accountants
Northside House
69 Tweedy Road
Bromley
Kent
BR1 3WA

22 December 2022

EARTH-I LTD (REGISTERED NUMBER: 08508188)

**Statement of Comprehensive
Income
for the year ended 31 December 2021**

		2021	2020
	Notes	£	£
Turnover		1,237,117	1,677,872
Cost of sales		<u>(564,713)</u>	<u>(852,068)</u>
Gross profit		672,404	825,804
Administrative expenses		<u>(1,215,770)</u>	<u>(1,574,225)</u>
		(543,366)	(748,421)
Other operating income		<u>92,224</u>	<u>55,950</u>
Operating loss		(451,142)	(692,471)
Interest receivable and similar income		<u>107</u>	<u>2</u>
		(451,035)	(692,469)
Interest payable and similar expenses	5	<u>(3,500)</u>	<u>(5,125)</u>
Loss before taxation		(454,535)	(697,594)
Tax on loss	6	<u>217,147</u>	<u>124</u>
Loss for the financial year		(237,388)	(697,470)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive loss for the year		(237,388)	(697,470)

The notes form part of these financial statements

Balance Sheet
31 December 2021

	Notes	2021 £	2020 £
Current assets			
Debtors	9	392,561	546,821
Cash at bank		<u>794,535</u>	<u>701,141</u>
		1,187,096	1,247,962
Creditors			
Amounts falling due within one year	10	<u>462,763</u>	<u>331,408</u>
Net current assets		<u>724,333</u>	<u>916,554</u>
Total assets less current liabilities		724,333	916,554
Creditors			
Amounts falling due after more than one year	11	<u>1,053,495</u>	<u>1,008,328</u>
Net liabilities		<u>(329,162)</u>	<u>(91,774)</u>
Capital and reserves			
Called up share capital	13	1,002,208	1,002,208
Share premium	14	9,293,320	9,293,320
Retained earnings	14	<u>(10,624,690)</u>	<u>(10,387,302)</u>
Shareholders' funds		<u>(329,162)</u>	<u>(91,774)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The 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 22 December 2022 and were signed on its behalf by:

R Blain - Director

EARTH-I LTD (REGISTERED NUMBER: 08508188)**Statement of Changes in Equity
for the year ended 31 December 2021**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 January 2020	561,592	(9,689,832)	9,293,320	165,080
Changes in equity				
Issue of share capital	440,616	-	-	440,616
Total comprehensive loss	-	(697,470)	-	(697,470)
Balance at 31 December 2020	<u>1,002,208</u>	<u>(10,387,302)</u>	<u>9,293,320</u>	<u>(91,774)</u>
Changes in equity				
Total comprehensive loss	-	(237,388)	-	(237,388)
Balance at 31 December 2021	<u>1,002,208</u>	<u>(10,624,690)</u>	<u>9,293,320</u>	<u>(329,162)</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the year ended 31 December 2021**

1. Statutory information

Earth-i Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The accounts have been prepared on a going concern basis in view of the financial support provided by the main shareholder.

Key source of estimation, uncertainty and judgement

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgement that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

There is estimation uncertainty in calculating depreciation. A full line by line review of fixed assets is carried out by management regularly. Whilst every attempt is made to ensure that the depreciation policy is as accurate as possible, there remains a risk that the policy does not match the useful life of the assets.

There is estimation uncertainty in calculating deferred tax. A full line by line review of deferred tax is carried out by management regularly. Whilst every attempt is made to ensure that the deferred tax is accurate as possible, there remains a risk that the provisions do not match the actual tax liability when asset is disposed off.

There is estimation uncertainty in calculating bad debt provisions. A full line by line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectable.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- Straight line over 3 years
Computer equipment	- Straight line over 3 years

Financial instruments

Financial assets such as cash and debtors are measured at the present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors are measured at the present value of the obligation.

Notes to the Financial Statements - continued
for the year ended 31 December 2021

2. Accounting policies - continued**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Going concern

After making reasonable enquires, the board of directors considers that the company has adequate resources to continue its operations for the foreseeable future, and therefore these financial statements have been prepared on a going concern basis.

3. Employees and directors

	2021	2020
	£	£
Wages and salaries	735,724	964,996
Social security costs	84,070	105,914
Other pension costs	20,115	23,810
	<u>839,909</u>	<u>1,094,720</u>

Notes to the Financial Statements - continued
for the year ended 31 December 20213. **Employees and directors - continued**

The average number of employees during the year was as follows:

	2021	2020
Employees	<u>15</u>	<u>23</u>

4. **Directors' emoluments**

	2021	2020
	£	£
Directors' remuneration	<u>24,000</u>	<u>22,630</u>

5. **Interest payable and similar expenses**

	2021	2020
	£	£
Loan interest	<u>3,500</u>	<u>5,125</u>

6. **Taxation****Analysis of the tax credit**

The tax credit on the loss for the year was as follows:

	2021	2020
	£	£
Current tax:		
Prior year tax adj	<u>(217,147)</u>	<u>(124)</u>
Tax on loss	<u>(217,147)</u>	<u>(124)</u>

7. **Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Totals £
Cost			
At 1 January 2021	48,176	88,680	136,856
Disposals	-	(1,040)	(1,040)
At 31 December 2021	<u>48,176</u>	<u>87,640</u>	<u>135,816</u>
Depreciation			
At 1 January 2021	48,176	88,680	136,856
Eliminated on disposal	-	(1,040)	(1,040)
At 31 December 2021	<u>48,176</u>	<u>87,640</u>	<u>135,816</u>
Net book value			
At 31 December 2021	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2020	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2021

8. Fixed asset investments

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Earth-i LLC

Registered office: 16192 Coastal Highway, Lewes, Delaware, USA

Nature of business: Marketing in the USA

	% holding
Class of shares:	
No shares in issue	100.00

The company was formed on 25th July 2017 and although no shares are in issue the company is wholly owned by Earth-i Ltd. Operating costs are reflected in Earth-i Ltd's profit and loss account and the amount owed to Earth-i Ltd relates to funds held in the Earth-i LLC bank account.

9. Debtors: amounts falling due within one year

	2021 £	2020 £
Trade debtors	275,592	133,160
Other debtors	-	15,582
Tax	-	165,078
VAT	-	31,123
Prepayments and accrued income	116,969	201,878
	<u>392,561</u>	<u>546,821</u>

10. Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts (see note 12)	8,333	-
Trade creditors	14,851	190,468
Social security and other taxes	22,145	24,662
VAT	54,984	-
Other creditors	3,274	4,765
Accruals and deferred income	359,176	111,513
	<u>462,763</u>	<u>331,408</u>

11. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Other loans (see note 12)	<u>1,053,495</u>	<u>1,008,328</u>

12. Loans

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year or on demand:		
Bank loans	<u>8,333</u>	<u>-</u>

Notes to the Financial Statements - continued
for the year ended 31 December 202112. **Loans - continued**

	2021 £	2020 £
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>1,053,495</u>	<u>1,008,328</u>

13. **Called up share capital**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
3,486,133	Ordinary B	£0.01	<u>34,861</u>	<u>34,861</u>

Allotted and issued:

Number:	Class:	Nominal value:	2021 £	2020 £
96,734,725	Ordinary A	£0.01	<u>967,347</u>	<u>967,347</u>

There were no shares issued during the year (2020-nil).

14. **Reserves**

	Retained earnings £	Share premium £	Totals £
At 1 January 2021	(10,387,302)	9,293,320	(1,093,982)
Deficit for the year	(237,388)		(237,388)
At 31 December 2021	<u>(10,624,690)</u>	<u>9,293,320</u>	<u>(1,331,370)</u>

15. **Post balance sheet events**

The loan due to H A Taher of £1million pounds and accrued interest of £11,828 was waived as of 2nd February 2022.

16. **Ultimate controlling party**

The controlling party is H A Taher.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.