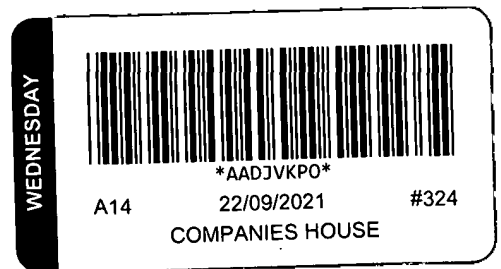

BOOKBOON.COM LIMITED

UNAUDITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2020



BOOKBOON.COM LIMITED
REGISTERED NUMBER: 07257821

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	3	734,841	620,341
Tangible assets	4	25,320	16,200
		<u>760,161</u>	<u>636,541</u>
Current assets			
Debtors: amounts falling due within one year	5	724,971	1,248,398
Cash at bank and in hand	6	511,067	60,425
		<u>1,236,038</u>	<u>1,308,823</u>
Creditors: amounts falling due within one year	7	<u>(3,618,099)</u>	<u>(3,806,234)</u>
Net current liabilities		(2,382,061)	(2,497,411)
Total assets less current liabilities		(1,621,900)	(1,860,870)
Creditors: amounts falling due after more than one year	8	(50,000)	-
Provisions for liabilities			
Deferred tax	9	(3,159)	(3,159)
		<u>(3,159)</u>	<u>(3,159)</u>
Net liabilities		(1,675,059)	(1,864,029)
Capital and reserves			
Called up share capital	10	100	100
Profit and loss account		(1,675,159)	(1,864,129)
		<u>(1,675,059)</u>	<u>(1,864,029)</u>

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 year in question in accordance with section 476 of the 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.

BOOKBOON.COM LIMITED
REGISTERED NUMBER: 07257821

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

The company has opted not to file the statement of income and retained earnings 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 on 14 September 2021



Mr T B Madsen
Director

The notes on pages 3 to 10 form part of these financial statements.

BOOKBOON.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

The company is a private company limited by shares, which is incorporated and domiciled in the UK.

The address of the company's registered office is 2nd Floor, 55 Ludgate Hill, London, EC4M 7JW.

The principal activity of the business was that of the distribution of online educational materials.

The average monthly number of employees, including directors, during the year was 24 (2019: 24).

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 following principal accounting policies have been applied:

2.2 Going concern

In their assessment of going concern the directors have considered the current and developing impact on the business as a result of the COVID19 virus. This initially had a significant impact on the company's operations, and the ability to close new deals. The company's operations have stabilised to a new normal, but are still affected by customers' cost reductions, while the pandemic has proven the need for digital learning.

Having reviewed and stress tested cash flow forecasts, the directors believe the company can meet its cash flow requirements. The directors therefore believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

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.

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 income and retained earnings.

2.4 Revenue

Turnover represents the value of all educational materials sold during the year, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and, where applicable, recognised over the subscription period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure

2.6 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.7 Current and deferred taxation

The tax expense for the year comprises of current and deferred tax. The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet 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 balance sheet date.

2.8 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.

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, historically development costs were amortised over their useful economic lives of 10 years until fully recognised, whilst any new additions are amortised over their useful economic lives of 5 years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.9 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.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. 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 & machinery	-	20% Straight Line Basis
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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.

2.11 Debtors

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

2.12 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.

2.13 Creditors

Short term creditors are measured at the transaction price.

BOOKBOON.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

3. Intangible assets

	Development £
Cost	
At 1 January 2020	775,913
Additions - internal	298,311
At 31 December 2020	<u>1,074,224</u>
Amortisation	
At 1 January 2020	155,573
Charge for the year on owned assets	183,810
At 31 December 2020	<u>339,383</u>
Net book value	
At 31 December 2020	<u>734,841</u>
At 31 December 2019	<u>620,340</u>

BOOKBOON.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Tangible fixed assets

	Plant & machinery £
Cost or valuation	
At 1 January 2020	35,936
Additions	15,491
Disposals	(11,324)
At 31 December 2020	<u>40,103</u>
Depreciation	
At 1 January 2020	19,736
Charge for the year on owned assets	6,371
Disposals	(11,324)
At 31 December 2020	<u>14,783</u>
Net book value	
At 31 December 2020	<u>25,320</u>
At 31 December 2019	<u>16,200</u>

5. Debtors

	2020 £	2019 £
Trade debtors	605,214	1,061,723
Other debtors	64,069	132,581
Prepayments and accrued income	55,688	54,094
	<u>724,971</u>	<u>1,248,398</u>

BOOKBOON.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	511,067	60,425
Less: bank overdrafts	-	(98)
	<u>511,067</u>	<u>60,327</u>

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	-	98
Trade creditors	16,307	151,394
Other taxation and social security	31,836	40,460
Other creditors	2,586,027	2,282,097
Accruals and deferred income	983,929	1,332,185
	<u>3,618,099</u>	<u>3,806,234</u>

8. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	50,000	-
	<u>50,000</u>	<u>-</u>

During the year, the company received a loan provided by the government under the COVID 19 bounce back scheme, with the interest covered for the first 12 months.

BOOKBOON.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Deferred taxation

	2020 £	2019 £
At beginning of year	(3,159)	(3,061)
(Credit)/Charge to profit or loss	-	(98)
At end of year	(3,159)	(3,159)

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(3,159)	(3,159)
	(3,159)	(3,159)

10. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
100 (2019 - 100) Ordinary shares of £1.00 each	100	100

11. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounts to £16,817 (2019: £15,226). Contributions totalling £2,617 (2019: £7,830) were payable to the fund at the balance sheet date and are included in other creditors.

BOOKBOON.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12. Commitments under operating leases

At 31 December 2020 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	66,500	-
	<u>66,500</u>	<u>-</u>

13. Related party transactions

Bookboon.com Limited purchases its published materials from Bookboon Aps, a company registered in Denmark in which the directors have a controlling interest. At the year end the company owed Bookboon Aps £2,583,410 (2019: £2,273,698). Interest is chargeable and the balance of this loan is shown within other creditors.

During the period Bookboon Aps charged the company £5,816 (2019: £17,738) for travelling costs, £868,290 (2019: £1,240,915) for consultancy fees and £105,075 (2019: £916,658) for royalties.