

Company Registration No. 06146113 (England and Wales)

GOHENRY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



GOHENRY LIMITED AND ITS SUBSIDIARIES
COMPANY INFORMATION

Directors	N Brauer R D Jones B D Roche A Zivoder C Sudgen
Registration No.	06146113
Registered Office	9 Angel Court High Street Lymington Hampshire SO41 9AP
Auditors	Wilson Wright LLP Chartered Accountants Thavies Inn House 3 - 4 Holborn Circus London EC1N 2HA

GOHENRY LIMITED AND ITS SUBSIDIARIES

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**GOHENRY LIMITED AND ITS SUBSIDIARIES
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their strategic report for the year ended 31 December 2020.

Business Review

gohenry was launched in July 2012, after a small group of friends got talking about the challenges of helping children to understand and manage money. The product itself is two parts, a pre-paid debit card for children with a companion service app for parents and child users. On the app, parents can set up automatic allowance transfers, make ad-hoc transfers, set up chores and also receive real-time notifications of their children's spending. The children are able to spend under parental control limits, to earn money, set savings goals, visualise their spending habits and also set up regular payments to charity.

gohenry operates a subscription-based model whereby parents pay a monthly membership fee. We generate additional revenue via interchange, custom card and load fees.

In April 2018, gohenry launched in the US market. With continued regional and international expansion, global headcount grew to 151 employees (Dec-20) spread across offices in the UK, US, Canada.

In December 2020, gohenry raised \$40M of equity capital through a Series A round led by Edison Partners L.P. The funds will be invested to further grow its market share and to expand the product and technology suite.

Principal risks and uncertainties

Strategic Risk

This is the risk that gohenry fails to execute its strategic plan due to poor planning or changes in the macroeconomic environment. As a consumer product, gohenry relies on consumers' willingness and disposable income available to pay for the service. We are dealing with competitive pressure as new entrants come into the market forcing us to stay ahead of the curve in terms of product and price proposition.

Mitigating controls

gohenry assumes a corporate governance framework with a board of experienced executive and non-executive directors, supported by an operating board comprised of the group's senior management team, both of which oversee and address strategic issues in an agile way as they arise.

Capital risk

This is the risk that the business has insufficient capital resources to meet the operational capital requirements and to absorb the expected losses generated by its high growth business plans, and unexpected losses if they were to occur.

Mitigating controls

The Board operate a strict policy of prudent capital management as a minimum. The Executive team also regularly run plausible scenarios and forecasting to ensure that the group's capital is managed sustainably.

Liquidity Risk

This is the risk that the business has insufficient cash or other near cash resources to be able to meet its short term financial obligations.

Mitigating controls

The Board and Executive team review the business' current and projected cash flow position on a recurring basis.

GOHENRY LIMITED AND ITS SUBSIDIARIES STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Financial crime risk

This is the risk that the gohenry product is used to launder the proceeds of crime, finance terrorist activities, commit fraud or evade financial sanctions.

Mitigating controls

Financial crime policies and procedures and regular quality assurance is in place. gohenry operates robust KYC and AML procedures and performs ongoing monitoring of transactions led by a highly skilled and dedicated risk team. Fraud prevention software helps to provide multi-layered checks on email addresses and personal details provided in the signup process. These policies have been adapted for the US market to ensure our monitoring systems move with the business.

Operational risk

This is the risk that failures in people, systems or processes could lead to a service disruption, financial losses or customer harm. This risk is heightened because gohenry deals so widely in children's spending and data.

Mitigating controls

gohenry has a range of operational risk policies and procedures which cover our people, systems, data, security and how we work with third parties. The group has partnered with carefully selected software providers and issuing banks to provide the foundations for a world-class infrastructure. In-house, we are continuing to build resilient technology APIs to ensure that the business is able to respond to unexpected events in an organised and timely manner.

Compliance risk

gohenry operates in an industry subject to extensive and comprehensive regulation. As a result, gohenry is exposed to various regulatory and compliance risks which could cause customer harm, financial losses or reputational damage.

Mitigating controls

All of gohenry's policies ensure that they are compliant with relevant rules and regulations. Specific policies aimed at financial crime, anti-bribery and corruption are in place to guide the business decisions. The management team also continually monitors any changes in legislation so that they can respond in an effective and timely manner.

Data Privacy risk

gohenry handles a variety of personal data, such as name, addresses and bank account details of customers and therefore must adhere to strict data protection and privacy laws. This is the risk that the group's customer data is misappropriated or fraudulently used.

Mitigating controls

The business complies with any and all relevant legislation such as the implementation of GDPR. Additionally, the business carries out regular penetration testing and continues to strengthen its security technology to ensure the robustness of its systems and to identify any potential weaknesses.

Conduct and culture risk

This is the risk that gohenry's culture, actions or behaviours cause harm to any customers e.g. developing a product that doesn't meet their needs or provide the promised level of service. This can arise from the actions or inactions of group employees or those acting on behalf of gohenry.

Mitigating controls

All temporary and permanent employees go through thorough ID checks and background screening, and receive training required to exercise their functions including child protection. gohenry has a suite of conduct-related policies and procedures covering how employees are expected to behave with particular importance placed on fair customer outcomes.

GOHENRY LIMITED AND ITS SUBSIDIARIES STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Key performance indicators

- ~Turnover growth from £12,783K in 2019 to £19,707K in 2020
- ~Gross profit growth from £5,513K in 2019 to £11,238K in 2020
- ~Recognised loss after taxation of £1,510K arising from the accelerated investment in customer acquisition in both markets (UK & US) and the additional hiring costs.

Corporate Governance

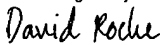
The Board of Directors is the governing body of gohenry. On a recurring basis, members of the board set the strategic goals for the business and ensures that the required financial and human resources are in place to meet the strategic and operational objectives of the group. The board has overall responsibility for:

- a. Setting and overseeing the business model, strategic decisions and the group's mission statement
- b. Defining and monitoring the culture of the organisation
- c. Maintaining effective systems and controls to ensure operational efficacy, absolute compliance with applicable laws and regulations and a robust framework for governance
- d. Setting and overseeing the budget and capital management
- e. Securing the requisite financial and human resources to enable gohenry to fulfil its business strategy
- f. Monitoring business performance against the strategic objectives and expected standards
- g. Overseeing corporate shareholder management and investor communications
- h. Determining the matters that should be reserved for the Board's decision

The Board meets once a month. Additional meetings are held as required. The Board comprises a balance of Executive and Non-Executive Directors. The Chairperson is appointed to lead and manage the board.

The board has appointed two committees of its directors - one for Remuneration (which takes charge of compensation policy, and incentivisation matters such as options), and an Audit Committee (this committee orchestrates not only gohenry's annual audit, but its risk management and controls).

The board has overall responsibility for the effective running of the group. They have delegated to the CEO and through the CEO to the Executives, the day-to-day management of the group in line with the strategy as set by the board. The CEO is required to report to the Board on a regular basis on the performance of the group and is expected to escalate certain matters that may require the Board's consideration on significant developments.

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B D Roche
Director

Date: 25 June 2021

GOHENRY LIMITED AND ITS SUBSIDIARIES DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and financial statements for the year ended 31 December 2020.

The directors' review of the business performance and risk exposure of the group is detailed in the Strategic Report.

Principal activity

The principal activity of the group is that of a web and mobile-based service with a payment card for children and teenagers, that allows parents to support their children in learning the use of money, and to have access to family targeted financial services.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

N Brauer
R D Jones
B D Roche
A Zivoder
L M Hill (resigned 26 October 2020)
C Sudgen (appointed 23 October 2020)

Research and development activities

During the year, the company has sustainably been investing in the creation of a proprietary payment infrastructure technology and of product features by investing in 2020 more than 50% of the annual staff and contractors costs.

Future developments

Society is becoming increasingly cashless and this trend has accelerated during the pandemic with more purchases done online, and with contactless payments overtaking cash payments in shops. The US and the UK are two of the fastest economies in the world to adopt digital/card payments. gohenry is ensuring that the next generation is up to speed with emerging payment technologies, and we are ideally positioned to become the global leader for Gen Z finance. gohenry publishes annually research on the Youth Economy of the UK and the US, to track the trends, economic contributions and changes in behaviours of the children and teenagers population.

In 2021 we will continue to invest in and expand our technical infrastructure to support the growth in market share, number of transactions, product usage and customer enquiries that will come with the increased size of our customer base

**GOHENRY LIMITED AND ITS SUBSIDIARIES
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 of the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- ~ Select suitable accounting policies and then apply them consistently;
- ~ Make judgements 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 and the group will continue in business;
- ~ State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and of the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The auditors, Wilson Wright LLP, will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

DocuSigned by:

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B D Roche
Director

Date: 25 June 2021

**GOHENRY LIMITED
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Opinion

We have audited the financial statements of Gohenry Limited for the year ended 31 December 2020 set out on pages 9 to 29. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2020 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibility and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

The information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

GOHENRY LIMITED
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- ~adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- ~the parent company financial statements are not in agreement with the accounting records and returns; or
- ~certain disclosures of directors' remuneration specified by law are not made; or
- ~we have not received all the information and explanations we require for our audit.

Respective responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud:

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the failure to comply with tax regulations, environmental regulations, health and safety regulations, and anti-bribery and anti-corruption laws, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the auditors included:

- Discussions with the directors, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud
 - Assessing management's significant judgements and estimates in particular those relating to the valuation of share based payment and capitalisation of development costs.
 - Identifying and testing manual journal entries, in particular any journal entries posted with unclear rationale.
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GOHENRY LIMITED
INDEPEDENT AUDITOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

There are inherent limitations in the audit procedures described above, and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nikki Crane FCA (Senior Statutory Auditor)
for and behalf of Wilson Wright LLP
Chartered Accountants and Statutory Auditors
Thavies Inn House
3 - 4 Holborn Circus
London
EC1N 2HA

Date: 20 August 2021

GOHENRY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Revenue	3	19,706,615	12,783,051
Cost of sales		(8,468,385)	(7,269,562)
Gross Profit		11,238,230	5,513,489
Administrative expenses		(12,410,272)	(11,343,282)
Operating loss		(1,172,042)	(5,829,793)
Investment income		2,465	6,581
Finance costs	7	(891,097)	-
Loss before taxation	4	(2,060,674)	(5,823,212)
Taxation	8	550,346	367,108
Loss for the financial year after taxation		(1,510,328)	(5,456,104)
Other comprehensive income		305	3,001
Other comprehensive income for the year		305	3,001
Total comprehensive loss for the year		(1,510,023)	(5,453,103)

The consolidated statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

Total comprehensive loss for the year and retained earnings at 31 December 2020 are attributable to the owners of the company.

GOHENRY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed Assets					
Intangible assets	9	1,687,963		1,665,143	
Property, plant and equipment	10	<u>136,424</u>		<u>89,097</u>	
		1,824,387		1,754,240	
Current Assets					
Inventories	13	770,499		327,099	
Trade and other receivables	14	4,077,428		2,691,216	
Cash at bank and in hand		<u>31,186,638</u>		<u>2,833,015</u>	
		36,034,565		5,851,330	
Current Liabilities	15	<u>(5,806,289)</u>		<u>(3,326,477)</u>	
Net Current Assets		30,228,276		2,524,853	
Total Assets less Current Liabilities		<u>32,052,663</u>		<u>4,279,093</u>	
Non current liabilities	16	(432,000)		-	
Net assets		<u>31,620,663</u>		<u>4,279,093</u>	
Equity					
Called up share capital	20	69,377		51,808	
Share premium account	21	50,797,651		22,314,933	
Share based payment reserve	19,21	413,302		192,546	
Retained Earnings	21	(19,660,959)		(18,281,181)	
Other reserve	21	1,292		987	
Total Equity		<u>31,620,663</u>		<u>4,279,093</u>	

These financial statements were approved by the board of directors and authorised for issue on 25 June 2021 and are signed for issue on its behalf by:

DocuSigned by:

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 B D Roche
 Director

Company Registration No. 06146113

GOHENRY LIMITED
COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed Assets					
Intangible assets	9	1,687,963		1,665,143	
Property, plant and equipment	11	135,598		87,868	
Investment	12		12		2
		<u>1,823,573</u>		<u>1,753,013</u>	
Current Assets					
Inventories	13	770,499		327,099	
Trade and other receivables	14	4,055,725		3,033,869	
Cash at bank and in hand		<u>31,172,339</u>		<u>2,828,341</u>	
		35,998,563		6,189,309	
Current Liabilities	15	<u>(5,803,992)</u>		<u>(3,688,566)</u>	
Net Current Assets		30,194,571		2,500,743	
Total Assets less Current Liabilities		<u>32,018,144</u>		<u>4,253,756</u>	
Non current liabilities	16	(432,000)		-	
Net assets		<u>31,586,144</u>		<u>4,253,756</u>	
Equity					
Called up share capital	20	69,377		51,808	
Share premium account	21	50,797,651		22,314,933	
Share based payment reserve	19,21	413,302		192,546	
Retained Earnings	21	(19,694,186)		(18,305,531)	
Total Equity		<u>31,586,144</u>		<u>4,253,756</u>	

The Company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The Group loss for the financial year includes a loss of £1,519,205 (2019 - £5,471,478) which is dealt with in the financial statements of the Company.

These financial statements were approved by the board of directors and authorised for issue on 25 June 2021 and are signed for issue on its behalf by:

DocuSigned by:

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 B D Roche
 Director

Company Registration No. 06146113

GOHENRY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2020

	Notes	Share capital £	Share premium account £	Share based payment reserve £	Other reserve £	Retained earnings £	Total £
Balance at 1 January 2019		49,601	20,483,946	166,481	(2,014)	(12,873,311)	7,824,703
Year ended 31 December 2019							
Comprehensive loss for the year		-	-	-	-	(5,456,104)	(5,456,104)
Loss for the year		-	-	-	-	(5,456,104)	(5,456,104)
Other comprehensive income for the year		-	-	-	3,001	-	3,001
Exchange differences on consolidation		-	-	-	3,001	-	3,001
Total comprehensive loss for the year		-	-	-	3,001	(5,456,104)	(5,453,103)
Issue of share capital		2,207	1,830,987	-	-	-	1,833,194
Share based payment		-	-	74,299	-	-	74,299
Credit to equity for equity settled share-based payments		-	-	-	-	48,234	48,234
Other movements		-	-	(48,234)	-	-	(48,234)
Balance at 31 December 2019	20,21	51,808	22,314,933	192,546	987	(18,281,181)	4,279,093
Year ended 31 December 2020							
Comprehensive loss for the year		-	-	-	-	(1,510,328)	(1,510,328)
Loss for the year		-	-	-	-	(1,510,328)	(1,510,328)
Other comprehensive income for the year		-	-	-	305	-	305
Exchange differences on consolidation		-	-	-	305	-	305
Total comprehensive loss for the year		-	-	-	305	(1,510,328)	(1,510,023)
Issue of share capital		17,569	28,482,718	-	-	-	28,500,287
Share based payment		-	-	351,306	-	-	351,306
Credit to equity for equity settled share-based payments		-	-	-	-	130,550	130,550
Other movements		-	-	(130,550)	-	-	(130,550)
Balance at 31 December 2020	20,21	69,377	50,797,651	413,302	1,292	(19,660,959)	31,620,663

GOHENRY LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2020

	Notes	Share capital £	Share premium account £	Share based payment reserve £	Other reserve £	Retained earnings £	Total £
Balance at 1 January 2019		49,601	20,483,946	166,481	-	(12,882,287)	7,817,741
Year ended 31 December 2019							
Loss and total comprehensive loss for the year		-	-	-	-	(5,471,478)	(5,471,478)
Loss for the year		-	-	-	-	(5,471,478)	(5,471,478)
Issue of share capital		2,207	1,830,987	-	-	-	1,833,194
Share based payment		-	-	74,299	-	-	74,299
Credit to equity for equity settled share-based payments		-	-	-	-	48,234	48,234
Other movements		-	-	(48,234)	-	-	(48,234)
Balance at 31 December 2019	20,21	51,808	22,314,933	192,546	-	(18,305,531)	4,253,756
Year ended 31 December 2020							
Loss and total comprehensive loss for the year		-	-	-	-	(1,519,205)	(1,519,205)
Loss for the year		-	-	-	-	(1,519,205)	(1,519,205)
Issue of share capital		17,569	28,482,718	-	-	-	28,500,287
Share based payment		-	-	351,306	-	-	351,306
Credit to equity for equity settled share-based payments		-	-	-	-	130,550	130,550
Other movements		-	-	(130,550)	-	-	(130,550)
Balance at 31 December 2020	20,21	69,377	50,797,651	413,302	-	(19,694,186)	31,586,144

GOHENRY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Cash Flow Notes	£	2020 £	£	2019 £
Cash flows from operating activities					
Cash generated by operations	1		1,120,153		(4,612,660)
Interest income			2,465		6,581
Income taxes received			363,714		221,374
Net cash outflow from operating activities			<u>1,486,332</u>		<u>(4,384,705)</u>
Investing activities					
Purchase of property, plant and equipment		(107,658)		(35,101)	
Purchase of intangible assets		(634,241)		(894,491)	
Net cash used in investing activities			<u>(741,899)</u>		<u>(929,592)</u>
Financing activities					
Proceeds from issue of shares		28,500,287		1,833,196	
Net cash generated from financing activities			<u>28,500,287</u>		<u>1,833,196</u>
Net increase/(decrease) in cash and cash equivalents			<u>29,244,720</u>		<u>(3,481,101)</u>
Cash and cash equivalents at the beginning of the financial year			2,833,015		6,314,116
Difference on foreign exchange			(891,097)		-
Cash and cash equivalents at the end of the financial year			<u><u>31,186,638</u></u>		<u><u>2,833,015</u></u>
Cash at bank balances			31,186,638		2,833,015
Cash and cash equivalents	1.1		<u><u>31,186,638</u></u>		<u><u>2,833,015</u></u>

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Reconciliation of operating loss to cash used in from operations	2020 £	2019 £
Loss for the financial year after tax	(1,510,328)	(5,456,104)
Adjustments for:		
Taxation charged	(550,346)	(367,108)
Interest income	(2,465)	(6,581)
Finance costs	891,097	-
Operating loss	(1,172,042)	(5,829,793)
Adjustments for:		
Depreciation of property, plant and equipment	60,331	46,719
Amortisation of intangible assets	611,421	816,169
Exchange difference on consolidation	305	3,001
Share based payment costs	351,306	74,299
Operating cash flow before movement in working capital	(148,679)	(4,889,605)
Movements in working capital		
(Increase)/decrease in inventories	(443,400)	176,258
Increase in trade and other receivables	(1,192,728)	(808,260)
Increase in trade and other payables	2,904,960	908,947
Cash generated by operations	1,120,153	(4,612,660)

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

1.1 Analysis of changes in net debt

	1 January	Cash flow	Other non-	31 December
	2020		cash	2020
			changes	
Cash at bank and in hand	2,833,015	29,244,720	(891,097)	31,186,638
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

**GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1 Accounting Policies

Company information

Gohenry Limited is a private company limited by shares incorporated in England and Wales. The registered office is 9 Angel Court, High Street, Lymington, Hampshire, SO41 9AP.

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.

The financial statements are prepared in sterling, which is the functional currency of the group. 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 group incurred losses of £1,510,023 (2019 - £5,453,103) in the year.

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report.

During the financial year, the WHO declared a global COVID-19 pandemic and restrictions were put in place in the UK to contain the spread of this disease. The directors have reviewed the effect of COVID-19 and considered it to have an overall positive effect on the financial performance of the group. At the time of approving the financial statements, the directors have a reasonable expectation that the group and company have adequate resources to continue in operational existence for the foreseeable future, thus the directors continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

1.3 Financial Reporting Standard 102 - reduced disclosure exemptions

The parent company has taken advantage of the following disclosure exemptions in preparing its individual financial statements, as permitted by FRS 102:

- the requirement to present a statement of cash flows for the company;
- the requirements of Section 33 Related Party disclosures paragraph 33.7.

1.4 Basis of consolidation

The group financial statements include the accounts of the company and of its subsidiary undertakings drawn up to 31 December 2020 as detailed in note 12 to the accounts. Profits or losses on intra-group transactions are eliminated in full. The results of the subsidiaries have been consolidated from the date of their acquisition.

1.5 Revenue

Revenue comprises membership fee income and commissions receivable on transactions executed using the service offering, excludes value added tax and trade discounts.

1.6 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.7 Intangible fixed assets - Domain names

Domain names acquired are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write off the cost on a systematic basis over its estimated useful economic life of 10 years.

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting Policies (continued)

1.8 Intangible fixed assets - Development costs

Capitalised development expenditure is stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write off the cost on a systematic basis over its estimated useful economic life of 3 years.

Identifiable development expenditure is capitalised where there is expected to be a benefit to future periods, its technical, commercial and financial feasibility can be demonstrated and it can be reliably measured. All other development expenditure is recognised as an expense in the period in which it is incurred.

1.9 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised on a straight line basis so as to write off the cost of the assets less their residual values over their useful lives:

Fixtures, fittings & equipment - 3 - 5 years per annum

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 the income statement.

1.10 Inventories

Inventories held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

Inventories are recognised at the point the risks and rewards are transferred to the company, be it on delivery or at the point of invoice.

1.11 Non-current investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the income statement.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.12 Impairment of non-current assets

At each reporting end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting Policies (continued)

1.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts where applicable. Bank overdrafts are shown within borrowings in current liabilities.

1.14 Financial instruments

The group 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 group's statement of financial position when the group 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 trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost.

Impairment of financial assets

Financial assets, other than those held at fair value through the income statement, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the income statement.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the income statement.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classifications 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 group after deducting all of its liabilities.

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting Policies (continued)

1.14 Financial instruments (continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.15 Equity instruments

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

1.16 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.17 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 non-current 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 group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.18 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting Policies (continued)

1.19 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 an appropriate pricing 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.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payments expense is not adjusted if the modified fair value is less than the original fair value.

1.20 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

1.21 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within finance costs.

All other foreign exchange gains and losses are presented in the profit and loss account within other foreign exchange gains and losses.

The rate of exchange ruling at the statement of financial position date is used for translating into sterling the assets and liabilities of the overseas subsidiaries whilst the results and cash flows are translated at the average rate of exchange for the year. Exchange differences arising on consolidation are taken directly to reserves.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

2 Judgements and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Deferred tax asset

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits.

Research and development expenditure

The directors use their judgments in the assessment of the extent, if any, to which expenditure is identified as development expenditure rather than research expenditure.

Impairment of non-current assets

The directors review the carrying value of non-current assets including intangible assets for indications of impairment at the financial year end. If indicators of impairment exist, the carrying value of the asset is subject to further testing to determine whether its carrying value exceeds its estimated recoverable amount.

Share-based payments

The group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Judgement is required in determining the most appropriate valuation model and the most appropriate inputs into the model including the level of volatility, the number of options that are expected to vest and the expected life of the option.

3 Revenue

Revenue, analysed geographically between markets, was as follows:-

	2020 £	2019 £
United Kingdom	17,177,163	11,184,896
Rest of the World	2,529,452	1,598,155
	<u>19,706,615</u>	<u>12,783,051</u>

4 Loss before tax

	2020 £	2019 £
Loss before tax is stated after charging:		
Amortisation of intangible assets	611,421	816,169
Depreciation of property, plant and equipment	60,331	46,719
Operating lease rentals	367,396	347,359
Auditors' remuneration - group	20,500	16,000
- company	17,000	13,000
Exchange (gains)/losses	<u>(60,768)</u>	<u>24,121</u>

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

5 Employees (including directors)

Number of employees

The average number of employees (including directors) during the year was:

	2020 Number	2019 Number
Administrative and management	139	113

Employment costs

	2020 £	2019 £
Salaries	5,653,328	4,227,198
Social security costs	544,938	382,162
Pension costs	69,158	37,773
Share-based payments	351,306	74,299
Total staff costs	6,618,730	4,721,432
Amounts capitalised	(477,986)	(714,391)
Staff costs charged to profit and loss	6,140,744	4,007,041

6 Directors' Emoluments

	2020 £	2019 £
Emoluments	441,359	406,750
Company pension contributions to defined contribution schemes	4,181	3,186
	445,540	409,936
Emoluments disclosed above include the following in respect of the highest paid director:		
Emoluments	222,727	205,000
Company pension contributions to defined contribution schemes	-	-
	222,727	205,000

Key management personnel are considered to be the Board of Directors.

The number of directors for whom retirement benefits are accruing under defined contribution pension schemes amounted to 3 (2019 - 3).

No directors (2019: 1) exercised share options during the year.

7 Finance costs

	2020 £	2019 £
Loss on foreign exchange on cash and cash equivalents	891,097	-
	891,097	-

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

8 Taxation	2020	2019
	£	£
Current tax credit		
UK corporation tax	<u>(550,346)</u>	<u>(367,108)</u>
The tax credit for the year can be reconciled to the loss per the income statement as follows:		
Loss before taxation	<u>2,060,674</u>	<u>5,823,212</u>
Expected tax credit based on the standard rate of UK corporation tax of 19.00% (2019 - 19.00%)	(391,528)	(1,106,410)
Effects of:		
Non deductible expenses	1,934	32,304
Losses carried forward not provided	329,894	1,056,391
Share based payment charge	66,748	14,117
Movement in deferred tax not provided	(7,048)	3,598
R&D tax credit	(550,346)	(367,108)
Current tax credit for the year	<u>(550,346)</u>	<u>(367,108)</u>

The company has estimated tax losses of £17,249,359 (2019 - £15,504,196) available for carry forward against future profits.

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

9 Intangible Fixed Assets

Group and Company	Domain Names £	Development Costs £	Total £
Cost			
At 1 January 2020	65,866	2,783,878	2,849,744
Additions	28,585	605,656	634,241
At 31 December 2020	<u>94,451</u>	<u>3,389,534</u>	<u>3,483,985</u>
Amortisation			
At 1 January 2020	12,461	1,172,140	1,184,601
Charge for the year	7,241	604,180	611,421
At 31 December 2020	<u>19,702</u>	<u>1,776,320</u>	<u>1,796,022</u>
Net book values			
At 31 December 2020	<u>74,749</u>	<u>1,613,214</u>	<u>1,687,963</u>
At 31 December 2019	<u>53,405</u>	<u>1,611,738</u>	<u>1,665,143</u>

10 Property, plant and equipment

Group	Plant and machinery £
Cost	
At 1 January 2020	223,783
Additions	109,146
Disposals	(1,488)
At 31 December 2020	<u>331,441</u>
Depreciation	
At 1 January 2020	134,686
Charge for the year	60,910
Disposals	(579)
At 31 December 2020	<u>195,017</u>
Net book values	
At 31 December 2020	<u>136,424</u>
At 31 December 2019	<u>89,097</u>

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

11 Property, plant and equipment

Company	Plant and machinery
	£
Cost	
At 1 January 2020	222,554
Additions	109,146
Disposals	(1,488)
At 31 December 2020	<u>330,212</u>
Depreciation	
At 1 January 2020	134,686
Charge for the year	60,507
Disposals	(579)
At 31 December 2020	<u>194,614</u>
Net book values	
At 31 December 2020	<u><u>135,598</u></u>
At 31 December 2019	<u><u>87,868</u></u>

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

12 Fixed Asset Investment - Company	Shares in Group Undertakings £
12.1 Cost	
At 1 January 2020	2
Additions	10
At 31 December 2020	<u>12</u>

12.2 At 31 December 2020 the company held more than 20% of the equity of the following:

Name of Company	Registered office	Country of incorporation	Shares Held Class	Proportion of Shares Held	Nature of Business
goHenry Inc	3500 South DuPont Highway City of Dover County of Kent 19901	USA	Ordinary	100%	Business support
goHenry Financial Technology Inc	1600 - 925 West Georgia Street Vancouver BC V6C 3L2	Canada	Ordinary	100%	Business support
goHenry Family Finance Limited	9 Angel Courtyard Lymington SO41 9AP	England	Ordinary	100%	Business support

All subsidiaries have been included in the consolidated accounts.

13 Inventories	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Goods held for distribution	770,499	327,099	770,499	327,099
	<u>770,499</u>	<u>327,099</u>	<u>770,499</u>	<u>327,099</u>

14 Trade and other receivables	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	4,261	-	4,261	-
Amounts owed by group undertakings	-	-	188,521	372,479
Corporation tax	551,366	368,187	550,285	367,170
Other receivables	2,292,414	2,047,330	2,292,414	2,047,330
Prepayments and accrued income	1,229,387	275,699	1,020,244	246,890
	<u>4,077,428</u>	<u>2,691,216</u>	<u>4,055,725</u>	<u>3,033,869</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

15 Current liabilities	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Amounts falling due within one year:				
Trade payables	3,507,247	1,448,744	3,505,802	1,432,235
Other taxation and social security	873,991	352,503	873,991	352,503
Other payables	1,305	72,669	1,305	72,669
Accruals and deferred income	1,423,746	1,452,561	1,422,884	1,828,561
Amounts due to group undertakings	-	-	10	2,598
	<u>5,806,289</u>	<u>3,326,477</u>	<u>5,803,992</u>	<u>3,688,566</u>

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

16 Non-current liabilities	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Amounts falling due greater than one year:				
Accruals and deferred income	432,000	-	432,000	-
	<u>432,000</u>	<u>-</u>	<u>432,000</u>	<u>-</u>

17 Operating lease commitments

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

	2020 £	2019 £
Operating leases which expire:		
Within one year	489,483	125,686
Between two and five years	-	-
	<u>489,483</u>	<u>125,686</u>

18 Retirement benefit schemes

The group operates a defined contribution pension schemes for all qualifying employees. The assets of the schemes are held separately from those of the group in independently administered funds.

The charge to the income statement in respect of defined contribution pension schemes was £69,158 (2019 - £37,773) of which £21,865 (2019 - £10,157) was unpaid at the statement of financial position date.

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

19 Share-based payment transactions

	Number of share options		Weighted average exercise price	
	2020 Number	2019 Number	2020 £	2019 £
Outstanding at 1 January 2020	4,673,333	1,268,667	0.20	0.20
Granted	1,076,570	3,692,000	0.20	0.20
Exercised	(3,000)	(270,667)	0.20	0.20
Expired	(87,000)	(16,667)	0.20	0.20
	<u>4,659,903</u>	<u>4,673,333</u>	<u>0.20</u>	<u>0.20</u>
Outstanding at 31 December	5,659,903	4,673,333	0.20	0.20
	<u>5,659,903</u>	<u>4,673,333</u>	<u>0.20</u>	<u>0.20</u>
Exercisable at 31 December	1,984,833	985,334	0.20	0.20
	<u>1,984,833</u>	<u>985,334</u>	<u>0.20</u>	<u>0.20</u>

The weighted average share price at the date of exercise for share options exercised during the year was £0.20 (2019 - £0.20).

The options outstanding at 31 December 2020 had an exercise price of £0.20, and a remaining contractual life of between 5 and 10 years.

Liabilities and expenses

The vesting requirements of the options vary, however other than 864,334 of the options granted in May 2014 which vested immediately, the remaining options vest between one and ten years as long as the option holder remains an employee of the group. In addition to this, 3,000,000 of the options granted in 2019 are also contingent on an exit event.

The weighted average fair value of the options granted in the previous year was determined using the Black-Scholes option pricing model. The inputs used in the model were applied by the directors with reference to their specific knowledge of the group.

During the year, the group recognised total share-based payment expenses of £351,306 (2019: £74,299).

GOHENRY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

20 Share capital	2020	2019
	£	£
Allotted, issued and fully paid		
18,966,713 (2019: 18,966,713) Ordinary Shares of £0.0025p each	47,417	47,417
1,759,485 (2019: 1,756,485) Ordinary A Shares of £0.0025p each	4,399	4,391
5,914,906 (2019: nil) Series A Shares of £0.0025p each	14,787	-
1,109,785 (2019: nil) Series A1 Shares of 0.0025p each	2,774	-
	<u>69,377</u>	<u>51,808</u>

During the year, 3,000 Ordinary A shares were issued for a consideration totalling £600, 5,914,906 Series A Shares were issued for a consideration totalling £25,504,358 and 1,109,785 Series A1 shares were issued for consideration totalling £4,747,771.

Ordinary and Ordinary A shares carry the same rights to full voting, dividends and capital distributions (including on winding up).

Series A and Series 1 A shares carry the same rights to full voting and capital distributions (including on winding up), however are subject to preferential dividends upon compliance with certain sections of the company's Articles of Association.

21 Reserves

Share premium (Group and Company)

The share premium reserve contains the premium in excess of par value arising on the issue of share capital, net of issue expenses.

Share-based payment reserve (Group and Company)

The share-based payment reserve captures the fair value of share options measured at the grant date of options, comprising the cumulative charge to the income statement for the fair value of the options less amounts released to retained earnings upon the exercise of options.

Other reserve (Group)

Other reserve comprises translation differences arising from the translation of financial statements of the Group's foreign entities into Sterling.

Retained earnings - Group

The retained earnings reserve represents both the company and the subsidiaries' relevant proportion of cumulative profits and losses, net of the parent company's dividends paid and other adjustments where applicable.

Retained earnings - Company

The retained earnings reserve represents cumulative profits and losses, net of dividends paid and other adjustments where applicable.

22 Controlling party

The company is owned by a number of private shareholders and companies, none of whom own more than 20% of the issued share capital of the company. Accordingly there is no parent entity nor ultimate controlling party.

23 Related party transactions

The company has taken advantage of the exemption available in accordance with Section 33.1A of Financial Reporting Standard 102 whereby it has not disclosed transactions entered into between two or more members of a group, where a party to the transaction is a wholly owned subsidiary undertaking of gohenry Limited.