

Unaudited Financial Statements for the Year Ended 31 December 2020

for

Scribestar Ltd

Contents of the Financial Statements
for the Year Ended 31 December 2020

	Page
Company Information	1
Chartered Accountants' Report	2
Balance Sheet	3
Notes to the Financial Statements	4

DIRECTORS:

A D B Shaw
R J Westmacott
A Prozes
D Krucik
G Lunn

REGISTERED OFFICE:

Suite 202
45 Beech Street
London
EC2Y 8AD

REGISTERED NUMBER:

06935972 (England and Wales)

ACCOUNTANTS:

Chapman Robinson and Moore Limited
30 Bankside Court
Stationfields
Kidlington
Oxford
OX5 1JE

Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
Scribestar Ltd

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 Profit and Loss Account 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 Scribestar Ltd for the year ended 31 December 2020 which comprise the Profit and loss account, 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 Scribestar 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 Scribestar Ltd and state those matters that we have agreed to state to the Board of Directors of Scribestar 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 Scribestar Ltd and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Scribestar 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 Scribestar Ltd. You consider that Scribestar 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 Scribestar 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.

Chapman Robinson and Moore Limited
30 Bankside Court
Stationfields
Kidlington
Oxford
OX5 1JE

Date:

Balance Sheet
31 December 2020

	Notes	31/12/20 £	31/12/19 £
FIXED ASSETS			
Intangible assets	4	2,462,762	3,694,143
Tangible assets	5	<u>3,571</u>	<u>6,607</u>
		<u>2,466,333</u>	<u>3,700,750</u>
CURRENT ASSETS			
Debtors	6	119,938	167,019
Cash at bank		<u>71,814</u>	<u>85,669</u>
		191,752	252,688
CREDITORS			
Amounts falling due within one year	7	<u>(579,188)</u>	<u>(243,392)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(387,436)</u>	<u>9,296</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,078,897</u>	<u>3,710,046</u>
CAPITAL AND RESERVES			
Called up share capital		530	441
Share premium	8	13,682,056	13,415,145
Other reserves	8	138,420	138,420
Retained earnings	8	<u>(11,742,109)</u>	<u>(9,843,960)</u>
		<u>2,078,897</u>	<u>3,710,046</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 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.

In accordance with Section 444 of the Companies Act 2006, the Profit and loss account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 22 September 2021 and were signed on its behalf by:

A D B Shaw - Director

Notes to the Financial Statements
for the Year Ended 31 December 2020

1. **STATUTORY INFORMATION**

Scribestar 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.

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.

Turnover

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

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs are being amortised evenly over their estimated useful life of five years.

Tangible fixed assets

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

Plant and machinery etc - 50% on cost, 33% on cost and 25% on cost

Taxation

Taxation for the year comprises current 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.

The tax credit shown in the accounts relates to payable Research and Development tax credit received in the year. As at the balance sheet date, the quantum of the claim for the year is not known, and so the credit in the accounts relates to the monies received in the current year in relation to the prior year.

Research and development

Significant ongoing investment is made into research and development. This expenditure is written off in the year in which it is incurred.

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.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 7 (2019 - 9).

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

4. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 January 2020 and 31 December 2020	<u>6,171,433</u>
AMORTISATION	
At 1 January 2020	2,477,290
Charge for year	<u>1,231,381</u>
At 31 December 2020	<u>3,708,671</u>
NET BOOK VALUE	
At 31 December 2020	<u>2,462,762</u>
At 31 December 2019	<u>3,694,143</u>

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2020 and 31 December 2020	<u>458,728</u>
DEPRECIATION	
At 1 January 2020	452,121
Charge for year	<u>3,036</u>
At 31 December 2020	<u>455,157</u>
NET BOOK VALUE	
At 31 December 2020	<u>3,571</u>
At 31 December 2019	<u>6,607</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/20 £	31/12/19 £
Trade debtors	36,000	49,000
Other debtors	<u>83,938</u>	<u>118,019</u>
	<u>119,938</u>	<u>167,019</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/20 £	31/12/19 £
Trade creditors	107,298	28,349
Taxation and social security	15,043	15,664
Other creditors	<u>456,847</u>	<u>199,379</u>
	<u>579,188</u>	<u>243,392</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

8. **RESERVES**

	Retained earnings £	Share premium £	Other reserves £	Totals £
At 1 January 2020	(9,843,960)	13,415,145	138,420	3,709,605
Deficit for the year	(1,898,149)			(1,898,149)
Cash share issue	-	266,911	-	266,911
At 31 December 2020	<u>(11,742,109)</u>	<u>13,682,056</u>	<u>138,420</u>	<u>2,078,367</u>

The other reserve shown relates to a share option reserve created after a granting of share options in 2017.

9. **RELATED PARTY DISCLOSURES**

During the year, Directors lent £174,113 to the company. This is free of interest and with no fixed repayment date. The balance outstanding at the year end was £174,113 (2019: £175,000). This amount has subsequently been converted to shares.

During the year there were purchases from the entity's related parties totalling £91,080 (2019: £NIL).

10. **POST BALANCE SHEET EVENTS**

On 7th January 2021, a further issue of 6,942,360 shares was undertaken at £0.054 per share, and 3,000,000 shares at £0.03 per share. The nominal value of these shares was 0.00001 pence per share. This resulted in the following changes to equity:

	Share Capital £99	Share Premium £464,887
Issue January 2021		

On 19th April 2021, a further issue of 10,950,299 shares were undertaken at £0.054 per share. This resulted in the following changes to equity:

	Share Capital £110	Share Premium £591,206
Issue April 2021		

£170,000 of the Directors loan has been converted into shares on the 7th January 2021.

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.