

Registered number: 07455738

WHOCANFIXMYCAR.COM LTD

Annual report - filing copy

31 December 2019



WHOCANFIXMYCAR.COM LTD

Directors' report Year ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors

The directors who served during the year were:

Sir T E Chinn
W L Sheane
I Griffiths
F J A Parkes
A J C Preston
C A Missen
A Harrison (appointed 26 March 2019)

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Post balance sheet events

After the balance sheet date and prior to the approval of these financial statements, the company raised £2.8m of equity through a new share issue of 37,560 Ordinary shares and 68,882 Preferred D Ordinary shares of £0.01 each. This has further strengthened the company's resource base and, having rapidly returned to growth following the early impacts of the COVID-19 pandemic lockdown, the directors believe it is well positioned to capitalise on its capabilities, partnerships and a number of emerging opportunities in the automotive landscape. The company has demonstrated its ability to mitigate risks associated with COVID-19 and this is further referenced in the Accounting Policies note.

In April 2020, the company undertook a reduction in share capital, and consequently released £3m of the share premium account to the profit and loss account, under the provisions of s641 of the Companies Act 2006.

There have been no other significant events affecting the company since the year end.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and UNW LLP will therefore continue in office.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 23 July 2020 and signed on its behalf by:

Ian Griffiths

I Griffiths
Director

WHOCANFIXMYCAR.COM LTD

Directors' responsibilities statement

Year ended 31 December 2019

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WHOCANFIXMYCAR.COM LTD**Balance sheet
At 31 December 2019**

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	6	1,169,435	826,231
Tangible assets	7	66,742	83,214
		<u>1,236,177</u>	<u>909,445</u>
Current assets			
Debtors	8	299,318	206,063
Cash at bank and in hand		454,478	1,899,720
		<u>753,796</u>	<u>2,105,783</u>
Creditors: amounts falling due within one year	9	(531,123)	(440,553)
Net current assets		<u>222,673</u>	<u>1,665,230</u>
Total assets less current liabilities		<u>1,458,850</u>	<u>2,574,675</u>
Creditors: amounts falling due after more than one year	10	(7,551)	(7,551)
Net assets		<u><u>1,451,299</u></u>	<u><u>2,567,124</u></u>
Capital and reserves			
Called up share capital		5,628	5,460
Share premium account		5,430,598	5,384,327
Other reserves		12,253	12,253
Profit and loss account		(3,997,180)	(2,834,916)
Total equity		<u><u>1,451,299</u></u>	<u><u>2,567,124</u></u>

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.

As permitted by the provisions applicable to companies subject to the small companies' regime, the directors have opted not to file the profit and loss account.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 July 2020.

I Griffiths
Director

Ian Griffiths

Company registered number: 07455738

The notes on pages 5 to 12 form part of these financial statements.

WHOCANFIXMYCAR.COM LTD**Statement of changes in equity**
Year ended 31 December 2019

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2018	3,192	1,531,590	102,998	(1,895,664)	(257,884)
Loss for the year	-	-	-	(939,252)	(939,252)
Shares issued during the year	2,268	3,852,737	-	-	3,855,005
Equity release on convertible loan	-	-	(90,745)	-	(90,745)
At 1 January 2019	5,460	5,384,327	12,253	(2,834,916)	2,567,124
Loss for the year	-	-	-	(1,162,264)	(1,162,264)
Shares issued during the year	168	46,271	-	-	46,439
At 31 December 2019	5,628	5,430,598	12,253	(3,997,180)	1,451,299

The notes on pages 5 to 12 form part of these financial statements.

WHOCANFIXMYCAR.COM LTD

Notes to the financial statements Year ended 31 December 2019

1. General information

WHOCANFIXMYCAR.COM Limited ('the company') is a private company limited by shares, incorporated in the United Kingdom and registered in England. The address of the registered office is Floor 6, Suite 6A, West One, Forth Banks, Newcastle upon Tyne, Tyne and Wear, NE1 3PA.

2. Statement of compliance

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Section 1A of Financial Reporting Standard 102 '*The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland*' ('FRS 102') and the Companies Act 2006.

3. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

3.1 Basis of preparation of financial statements

The financial statements are prepared on a going concern basis and under the historical cost convention. They are presented in pounds sterling and rounded to the nearest pound.

3.2 Going concern

The company incurred a loss for the year of £1,162,264 and has accumulated losses of £3,997,180 at the balance sheet date. For a business at this early stage in its development this is within the director's expectation and at the year end the company still had net assets of £1,451,299 and cash of £454,478.

After the balance sheet date and prior to the approval of these financial statements, the company raised £2.8m of equity through a new share issue. With this funding in place and having assessed potential scenarios and risks to the business including those arising from the global outbreak of COVID-19, the company's cash flows and projections demonstrate the company's ability to continue in operational existence for a period of at least 12 months from the date of signing these financial statements.

Accordingly, the directors continue to prepare the financial statements on a going concern basis.

3.3 Foreign currency translation

Transactions in foreign currencies are translated into sterling using the spot exchange rates at the dates of the transactions. At each period end, foreign currency monetary assets and liabilities are translated using the closing rate. Foreign exchange gains and losses are recognised in the profit and loss account.

3.4 Revenue recognition

Turnover comprises revenue recognised in respect of services supplied during the year, net of discounts and excluding Value Added Tax.

Revenue for the provision of services is recognised over the period services are provided. Payments received in advance of services being provided are initially recorded as deferred income, within creditors, and released to the profit and loss account in future periods, as the service is provided.

WHOCANFIXMYCAR.COM LTD

Notes to the financial statements Year ended 31 December 2019

3. Accounting policies (continued)

3.5 Employee benefits

Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits are recognised as an expense in the period in which the employee's entitlement to the benefit accrues.

Defined contribution pension plan

The company operates a defined contribution pension plan for its employees. Contributions are recognised as an expense when they fall due. Amounts due but not yet paid are included within creditors on the balance sheet.

The assets of the plan are held separately from the company/group in independently administered funds.

Share based payments

The company provides share-based payment arrangements to certain employees. Equity-settled arrangements are measured at fair value at the date of the grant. To the extent material, the fair value (excluding the effect of non-market based vesting conditions) is expensed on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number of shares that are expected to vest.

Where equity-settled share based payments are modified, and are of benefit to the employee, the incremental fair value is recognised over the period from the date of modification to the date of vesting. Settlements and cancellations are treated as an acceleration of vesting and the unvested amount is recognised immediately in the profit and loss account.

The company has no cash-settled arrangements.

3.6 Intangible fixed assets and amortisation

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is provided on all intangible assets so as to write-off the cost of an asset over its estimated useful life as follows:

Software development costs	-	20% straight-line
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Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

3.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price plus any further costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets, at rates calculated to write-off the cost of fixed assets, less their estimated residual value, over their estimated useful lives as follows:

Fixtures and fittings	-	20% straight-line
Computer equipment	-	33% straight-line

Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

WHOCANFIXMYCAR.COM LTD

Notes to the financial statements Year ended 31 December 2019

3. Accounting policies (continued)

3.8 Leases

All of the company's leasing arrangements are operating leases. Rental payments under operating leases are charged to the profit and loss account on a straight-line basis over the lease term, even if payments are not made on such a basis.

3.9 Financial instruments

Basic financial instruments

The company's basic debt instruments, including trade and other accounts receivable and payable and cash and bank balances are all due within one year and are measured, initially and subsequently, at the transaction price.

At the end of each reporting period debt financial assets are assessed for impairment, and their carrying value reduced if necessary. Any impairment charge is recognised in the profit and loss account.

4. Employees

The average monthly number of employees, including directors, during the year was 42 (2018: 33).

WHOCANFIXMYCAR.COM LTD

Notes to the financial statements Year ended 31 December 2019

5. Share based payments

The company operates an EMI scheme under which share options, settled by the issue of ordinary shares in the company, have been granted to certain key executives. The options may only be exercised if the key executives remain in employment with the company and the company engages in an equity event (including a change in control, a listing or a reconstruction) or a sale of trade and assets (non-market based vesting conditions). The options expire 10 years after the date of issue.

Outstanding options at the balance sheet date are as follows:

Date of grant	No. of options	Exercise price	Expiry date
26 November 2016	5,284	£10.17	25 November 2026
22 December 2017	6,622	£15.26	21 December 2027
30 July 2018	20,000	£18.00	29 July 2028

	Weighted average exercise price (£) 2019	Number 2019	Weighted average exercise price (£) 2018	Number 2018
Outstanding at the beginning of the year	16.13	31,906	13.00	11,906
Granted during the year		-	18.00	20,000
Outstanding at the end of the year	16.13	31,906	16.13	31,906

None of the outstanding options were exercisable at the end of the current or preceding year.

The fair value of the services received in return for the share options granted are measured by reference to the fair value of the share options granted. The directors have considered the measurement inputs and assumptions by reference to expected volatility, expected dividend growth rate, risk-free interest rate and the likelihood of realising the non-market vesting conditions.

The directors consider that the fair value of the share options at 31 December 2019 is not material. Consequently, the carrying value of the liability and the charge recognised in respect of share based payments for the year ended 31 December 2019 is £nil (2018: £nil).

WHOCANFIXMYCAR.COM LTD**Notes to the financial statements
Year ended 31 December 2019****6. Intangible assets**

	Software development costs £
Cost	
At 1 January 2019	1,284,230
Additions	652,407
At 31 December 2019	<u>1,936,637</u>
Amortisation	
At 1 January 2019	457,999
Charge for the year	309,203
At 31 December 2019	<u>767,202</u>
Net book value	
At 31 December 2019	<u><u>1,169,435</u></u>
At 31 December 2018	<u><u>826,231</u></u>

WHOCANFIXMYCAR.COM LTD

Notes to the financial statements Year ended 31 December 2019

7. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2019	58,162	44,505	102,667
Additions	4,243	2,210	6,453
At 31 December 2019	62,405	46,715	109,120
Depreciation			
At 1 January 2019	675	18,778	19,453
Charge for the year	12,110	10,815	22,925
At 31 December 2019	12,785	29,593	42,378
Net book value			
At 31 December 2019	49,620	17,122	66,742
At 31 December 2018	57,487	25,727	83,214

8. Debtors

	2019 £	2018 £
Trade debtors	248,940	164,311
Other debtors	3,728	11,153
Prepayments and accrued income	46,650	30,599
	299,318	206,063

WHOCANFIXMYCAR.COM LTD

Notes to the financial statements Year ended 31 December 2019

9. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	111,082	116,666
Other taxation and social security	101,724	63,968
Other creditors	43,722	37,922
Accruals and deferred income	274,595	221,997
	531,123	440,553

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

	2019 £	2018 £
Other loans	7,551	7,551

11. Pension commitments

The company operates a defined contribution pension scheme. The assets are held separately from those of the company in an independently administered fund. The pension charge for the year represents contributions payable by the company to the fund and amounted to £29,215 (2018: £15,180).

Contributions amounting to £15,171 (2018: £9,056) were payable to the fund at the year end and are included within creditors.

12. Commitments under operating leases

At 31 December 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	64,880	16,220
Later than 1 year and not later than 5 years	176,066	240,946
	240,946	257,166

WHOCANFIXMYCAR.COM LTD

Notes to the financial statements Year ended 31 December 2019

13. Post balance sheet events

After the balance sheet date and prior to the approval of these financial statements, the company raised £2.8m of equity through a new share issue of 37,560 Ordinary shares and 68,882 Preferred D Ordinary shares of £0.01 each.

In April 2020, the company undertook a reduction in share capital, and consequently released £3m of the share premium account to the profit and loss account, under the provisions of s641 of the Companies Act 2006.

The impact of COVID-19 has been adequately addressed in the Directors' Report and the Accounting Policies note.

14. Audit

This is the filing copy of the company's full financial statements. As permitted by section 444 of the Companies Act 2006, the filing copy does not include the profit and loss account.

The full financial statements (which include a profit and loss account) were subject to audit, and the audit report gave an unqualified opinion.

The audit report was signed by Andrew Wilson BA FCA (Senior Statutory Auditor), for and on behalf of UNW LLP, Statutory Auditor, Newcastle upon Tyne.