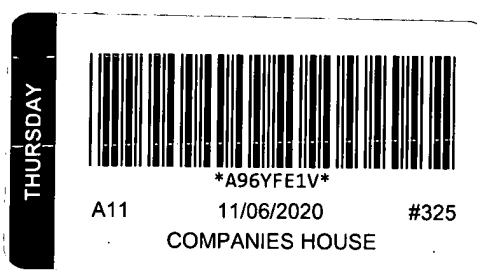


**Unaudited Financial Statements**  
**for the Year Ended 30 September 2019**  
**for**  
**Elemental Digest Limited**



**Elemental Digest Limited**

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**for the Year Ended 30 September 2019**

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**Elemental Digest Limited**

**Company Information**  
**for the Year Ended 30 September 2019**

**DIRECTORS:**

A W Aitchison  
M E Ash  
B W Palmer  
R H McIlvenny

**REGISTERED OFFICE:**

Woodwater House  
Pynes Hill  
Exeter  
Devon  
EX2 5WR

**REGISTERED NUMBER:**

08189877 (England and Wales)

**Elemental Digest Limited****Balance Sheet****As At 30 September 2019**

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Intangible assets	5	1,099,045	1,017,965
Tangible assets	6	247,816	6,679
Investments	7	4	4
		<b>1,346,865</b>	<b>1,024,648</b>
<b>CURRENT ASSETS</b>			
Debtors	8	1,113,078	185,831
Cash at bank and in hand		5,042	-
		<b>1,118,120</b>	<b>185,831</b>
<b>CREDITORS: amounts falling due within one year</b>	9	<b>(1,120,660)</b>	<b>(1,160,401)</b>
<b>NET CURRENT LIABILITIES</b>		<b>(2,540)</b>	<b>(974,570)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,344,325</b>	<b>50,078</b>
<b>CREDITORS: amounts falling due after more than one year</b>	10	<b>(403,973)</b>	<b>(140,000)</b>
<b>NET ASSETS / (LIABILITIES)</b>		<b>940,352</b>	<b>(89,922)</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	1,212	1,100
Share premium		2,566,274	1,149,800
Retained earnings		(1,627,134)	(1,240,822)
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<b>940,352</b>	<b>(89,922)</b>

The directors consider that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2019.

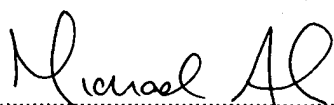
The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered 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.

In accordance with those provisions the profit and loss has not been delivered to the Registrar of Companies.

The financial statements were approved by the Board of Directors on 28<sup>th</sup> May 2020 and were signed on its behalf by:



M E Ash – Director

Elemental Digest Limited Company Registration No. 08189877

The notes form part of these financial statements

## **Elemental Digest Limited**

### **Notes to the Financial Statements**

#### **For the Year Ended 30 September 2019**

#### **1. GENERAL INFORMATION**

Elemental Digest Limited is a private company limited by shares and is incorporated in England. The company's registered number is 08189877 and the address of its registered office Woodwater House, Pynes Hill, Exeter, Devon, EX2 5WR.

#### **2. STATEMENT OF COMPLIANCE**

These financial statements of Elemental Digest Limited have been prepared in accordance with the provisions of Section 1A 'Small Entities' of the Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS102') 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 years presented, unless otherwise stated.

##### **Basis of preparing the financial statements**

These financial statements are prepared on a going concern basis, under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company.

##### **Going concern**

The directors have reviewed the company's financial position and future cash requirements for the continued development of its projects. The proceeds from the successful £1.5m fundraise that closed in September 2019 and further funding secured post balance sheet date will enable the company to fund existing project commitments over the next 12 months. Consequently, the board remains fully supportive of the business during its development phase and the directors are confident that the company can meet its liabilities as they fall due. For these reasons the financial statements have been prepared on the going concern basis.

##### **Research and testing**

Expenditure on research is written off against profits in the year in which it is incurred.

##### **Intangible assets**

Development costs of projects are capitalised at cost in the year in which they are incurred. This is on the basis that the costs meet the requirements for being capitalised under FRS 102. The costs will be amortised once commercial benefits start to be derived.

##### **Tangible assets**

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

##### *Depreciation:*

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

Motor Vehicles: 20% on reducing balance

##### *Assets in the course of construction:*

Assets in the course of construction are stated at cost. These assets are not depreciated until it is available for use.

##### **Investments**

Investments in subsidiary undertakings are initially recognised at transaction cost. They are reviewed annually for changes to the fair value, with any changes in fair value recognised through the profit and loss account.

#### **4. EMPLOYEES AND DIRECTORS**

The average number of employees and directors who held office during the year was 7 (2018: 8).

**Elemental Digest Limited****Notes to the Financial Statements (continued)**  
**For the Year Ended 30 September 2019****5. INTANGIBLE ASSETS**

	Development Costs £
<b>COST</b>	
At 1 October 2018	1,017,965
Additions	81,080
At 30 September 2019	<u>1,099,045</u>
<b>NET BOOK VALUE</b>	
At 30 September 2019	<u>1,099,045</u>
At 30 September 2018	<u>1,017,965</u>

**6. TANGIBLE ASSETS**

	Assets in the course of construction £	Motor Vehicles £	Total £
<b>COST</b>			
At 1 October 2018	-	13,045	13,045
Additions	242,473	-	242,473
At 30 September 2019	<u>242,473</u>	<u>13,045</u>	<u>255,518</u>
<b>ACCUMULATED DEPRECIATION</b>			
At 1 October 2018	-	(6,366)	(6,366)
Charge for the year	-	(1,336)	(1,336)
At 30 September 2019	<u>-</u>	<u>(7,702)</u>	<u>(7,702)</u>
<b>NET BOOK VALUE</b>			
At 30 September 2019	<u>242,473</u>	<u>5,343</u>	<u>247,816</u>
At 30 September 2018	<u>-</u>	<u>6,679</u>	<u>6,679</u>

**7. INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 October 2018 and 30 September 2019	<u>4</u>
<b>NET BOOK VALUE</b>	
At 30 September 2019	<u>4</u>
At 30 September 2018	<u>4</u>

**Elemental Digest Limited****Notes to the Financial Statements (continued)**  
**For the Year Ended 30 September 2019****7. INVESTMENTS (continued)**

The company owns 100% of the share capital in the following dormant companies:

Elemental Digest Edibles Limited	£1
Elemental Digest Energy Limited	£1
Elemental Digest Systems Limited	£1
Elemental Digest Thallo Limited	£1

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Other Debtors	1,113,078	185,831
	<u>1,113,078</u>	<u>185,831</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Bank loans and overdrafts	-	7,426
Hire purchase contracts	-	1,970
Trade creditors	261,582	202,083
Taxation and social security	2,345	2,670
Other creditors	760,725	946,252
Accruals and deferred income	96,008	-
	<u>1,120,660</u>	<u>1,160,401</u>

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019 £	2018 £
Other creditors	<u>403,973</u>	<u>140,000</u>

**11. SECURED DEBTS**

	2019 £	2018 £
Hire purchase contracts	-	1,970
Other creditors	263,973	239,975
	<u>263,973</u>	<u>241,945</u>

Included within creditors due after more than one year is an amount of £263,973 secured by way of a debenture including a fixed and floating charge over the assets of the company.

## **Elemental Digest Limited**

### **Notes to the Financial Statements (continued)** **For the Year Ended 30 September 2019**

#### **12. SHARE CAPITAL**

	2019 £	2018 £
<i>Authorised, allotted and fully paid:</i>		
100,000,000 A Ordinary shares of £0.00001 each	1,000	1,000
10,000,000 B Ordinary shares of £0.00001 each	100	100
2,410,000 C Ordinary shares of £0.00001 each	24	-
<i>Authorised, allotted and unpaid:</i>		
8,775,370 C Ordinary shares of £0.00001 each	88	-
	<u>1,212</u>	<u>1,100</u>

All share classes rank pari passu in respect of dividends, voting rights and distributions on winding up.

The A, B and C Ordinary shares were subdivided during the year at a ratio of 1:10,000.

During the year 2,410,000 C Ordinary shares of £0.00001 each were issued for a total consideration of £328,638.

A further 8,775,370 C Ordinary shares of £0.00001 each were issued but remained unpaid at 30 September 2019 and therefore recognised as a receivable in Other Debtors. The proceeds of £1,196,602 were received in October 2019.

Expenses on issue of the shares during the year were £108,654.

#### **13. OTHER FINANCIAL COMMITMENTS**

The company has entered into a lease commitment which runs until 31 August 2020. The remaining financial commitment is £27,500.

#### **14. RELATED PARTY DISCLOSURES**

Included within other creditors due within one year are loans from directors totalling £381,501 (2018: £375,501) and are repayable on demand. Of this balance, £81,501 (2018: £75,501) is interest free and £300,000 (2018: £300,000) relates to a convertible loan note held by a director which is accruing interest at a rate of 8% per annum. The amount of accrued interest (but not paid) as at year end is £99,025 (2018: £73,118). The intent of the director is to convert the loan to shares once the company has received the funding required to develop the future operating activities at which point the accrued interest will be waived.

Included within other creditors due within one year is an amount owed to a company under the control of one of the directors. As at the year end the amount owed was £192,747 (2018: £172,654). During the year, the company incurred costs from the related party of £40,622 (2018: £67,436). These transactions have been undertaken on an arms-length basis.

Included within other creditors due after more than one year is a loan from a director totalling £140,000 (2018: £140,000). The loan is interest free and cannot be called upon by the director until such point as the company has distributable reserves.