
SAM LABS LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

SAM LABS LTD
REGISTERED NUMBER: 09007359

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	Unaudited 2021 £
Fixed assets			
Tangible assets	6	8,983	7,601
Investments	7	40	35,051
		<u>9,023</u>	<u>42,652</u>
Current assets			
Stocks		490,800	607,407
Debtors: amounts falling due within one year	9	3,630,438	2,110,171
Cash at bank and in hand		2,547,602	819,232
		<u>6,668,840</u>	<u>3,536,810</u>
Creditors: amounts falling due within one year	10	(222,807)	(137,422)
Net current assets		<u>6,446,033</u>	<u>3,399,388</u>
Total assets less current liabilities		<u>6,455,056</u>	<u>3,442,040</u>
Creditors: amounts falling due after more than one year	11	(28,271)	(38,885)
Net assets		<u><u>6,426,785</u></u>	<u><u>3,403,155</u></u>
Capital and reserves			
Called up share capital		76,264	50,678
Share premium account		19,119,359	15,476,727
Profit and loss account		(12,768,838)	(12,124,250)
		<u><u>6,426,785</u></u>	<u><u>3,403,155</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2022

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
Joachim Edouard Horn
Director

Date: 2 June 2023

The notes on pages 3 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. General information

The principal activity of the Company in the year under review was that of an educational resources provider.

The Company is limited by shares, and is incorporated in England and Wales.

The registered office address is Stonecross, Trumpington High Street, Cambridge, CB2 9SU.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

Whilst the Company is still loss making the directors have a reasonable expectation that the company has adequate resources to continue in operating for the next 12 months and has a clear path to profitability.

The Directors therefore continue to adopt the going concern basis in preparing the accounts.

2.3 Exemption from preparing consolidated financial statements

The Company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

2.4 Revenue

Revenue is generated by sales of educational coding kits and lesson plans. Revenue is recognised when the kits are shipped either from the manufacturing facilities or warehouses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Website development	-	20 %	Straight Line Basis
Software implementation	-	33 %	Straight Line Basis

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	33%	Straight Line Basis
Office equipment	-	33%	Straight Line Basis
Computer equipment	-	33%	Straight Line Basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

(i) Financial assets

Basic financial assets, including trade and other debtors, and amounts due from related companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors and accruals, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

2.10 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.12 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.14 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.15 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

(i) Intangible Assets

Management make judgment and estimates as to the stage of completion, longevity, and ability to generate future value of capitalised software, which in turn affects the valuation of Intangible Assets at the year end date. See note 6 for the carrying amount of Intangible Assets, and note 2.5 for the useful economic lives for each class of assets.

(ii) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 7 for the carrying amount of the property plant and equipment, and note 2.6 for the useful economic lives for each class of assets.

(iii) Stock

Management make an estimate regarding the net realisable value of this stock and as such recognise a stock provision in the accounts in respect of the difference between net realisable value and cost. See note 9 for the carrying value of stock.

4. Employees

The average monthly number of employees, including directors, during the year was 6 (2021 - 7).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Intangible assets

	Website £	Computer software £	Total £
Cost			
At 1 January 2022	22,763	43,436	66,199
At 31 December 2022	22,763	43,436	66,199
Amortisation			
At 1 January 2022	22,763	43,436	66,199
At 31 December 2022	22,763	43,436	66,199
Net book value			
At 31 December 2022	-	-	-
At 31 December 2021	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2022	14,321	90,914	8,976	81,648	195,859
Additions	-	-	-	7,136	7,136
At 31 December 2022	14,321	90,914	8,976	88,784	202,995
Depreciation					
At 1 January 2022	14,321	90,914	8,976	74,046	188,257
Charge for the year on owned assets	-	-	-	5,755	5,755
At 31 December 2022	14,321	90,914	8,976	79,801	194,012
Net book value					
At 31 December 2022	-	-	-	8,983	8,983
<i>At 31 December 2021</i>	-	-	-	7,601	7,601

7. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2022	35,051
Disposals	(35,011)
At 31 December 2022	40

SAM LABS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

8. Stocks

	2022	<i>Unaudited 2021</i>
	£	£
Finished goods and goods for resale	490,800	607,407
	<u>490,800</u>	<u>607,407</u>

9. Debtors

	2022	<i>Unaudited 2021</i>
	£	£
Trade debtors	15,032	120,021
Amounts owed by group undertakings	3,583,029	1,963,752
Other debtors	9,625	9,927
Called up share capital not paid	749	749
Prepayments and accrued income	22,003	15,722
	<u>3,630,438</u>	<u>2,110,171</u>

10. Creditors: Amounts falling due within one year

	2022	<i>Unaudited 2021</i>
	£	£
Bank loans	10,615	9,547
Trade creditors	20,900	28,402
Amounts owed to group undertakings	-	758
Other taxation and social security	10,313	6,890
Other creditors	38,244	27,031
Accruals and deferred income	142,735	64,794
	<u>222,807</u>	<u>137,422</u>

SAM LABS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

	2022	<i>Unaudited 2021</i>
	£	£
Bank loans	28,271	38,885
	<u>28,271</u>	<u>38,885</u>

12. Share capital

	2022	<i>Unaudited 2021</i>
	£	£
Allotted, called up and fully paid		
5,025,493 (2021 - 1,118,007) Ordinary shares of £0.01 each	50,255	11,180
2,558,621 (2021 - 840,570) A Ordinary shares of £0.01 each	25,586	8,406
42,311 (2021 - 42,311) B Ordinary shares of £0.01 each	423	423
Nil (2021 - 795,102) C Ordinary shares of £0.01 each	-	7,951
Nil (2021 - 2,271,814) D Ordinary shares of £0.01 each	-	22,718
	<u>76,264</u>	<u>50,678</u>

On 22nd June 2022 a resolution to redesignate all A Ordinary, C Ordinary and D Ordinary shares as Ordinary share capital.

In June 2022 and December 2022 new A Ordinary shares were issued, all shares at the year ended 31 December 2022 in the A Ordinary class were issued in the current financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Share-based payments

The company offers share options to its employees via an Enterprise Management Incentive scheme ("EMI") granting options over the Ordinary shares of the company. The options have an exercise price of £0.52 per share and have vesting dates from 2015 onwards. The company also offers a non-EMI option with vesting dates from 2017 onwards.

During the year, no share options were granted to employees.

	Weighted average exercise price (pence) 2022	Number 2022	Weighted average exercise price (pence) 2021	Number Unaudited 2021
Outstanding at the beginning of the year	52	293,552	52	293,846
Expired during the year	0	-	52	(294)
Outstanding at the end of the year	0	293,552	0	293,552

14. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2022 was unqualified.

The audit report was signed on 5 June 2023 by Fran Reid (Senior Statutory Auditor) on behalf of CLA Evelyn Partners Limited.

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.