

**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2022**  
**FOR**  
**KNOMA LTD**

**KNOMA LTD (REGISTERED NUMBER: 11650366)**

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FOR THE YEAR ENDED 31 OCTOBER 2022**

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**DIRECTORS:**

J H Cork  
B Shanley

**REGISTERED OFFICE:**

Runway East  
18 Crucifix Lane  
London  
SE1 3JW

**REGISTERED NUMBER:**

11650366 (England and Wales)

**SENIOR STATUTORY AUDITOR:**

Andrew Green LLB FCA

**AUDITORS:**

THP Limited  
Chartered Accountants  
and Statutory Auditors  
34-40 High Street  
Wanstead  
London  
E11 2RJ

BALANCE SHEET  
31 OCTOBER 2022

	Notes	2022 £	£	2021 £	£
<b>FIXED ASSETS</b>					
Tangible assets	5		10,453		926
<b>CURRENT ASSETS</b>					
Debtors	6	2,830,157		496,440	
Cash at bank		<u>1,953,457</u>		<u>3,005,767</u>	
		4,783,614		3,502,207	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<u>151,037</u>		<u>33,639</u>	
<b>NET CURRENT ASSETS</b>			<u>4,632,577</u>		<u>3,468,568</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			4,643,030		3,469,494
<b>CREDITORS</b>					
Amounts falling due after more than one year	8		<u>3,150,000</u>		<u>519,981</u>
<b>NET ASSETS</b>			<u>1,493,030</u>		<u>2,949,513</u>
<b>RESERVES</b>					
Share premium	11		4,351,987		4,351,987
Share option reserve	11		49,665		80,620
Retained earnings	11		<u>(2,908,622)</u>		<u>(1,483,094)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>1,493,030</u>		<u>2,949,513</u>

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 Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 28 March 2023 and were signed on its behalf by:

B Shanley - Director

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

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**1. STATUTORY INFORMATION**

Knoma 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.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. STATEMENT OF COMPLIANCE**

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.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements and going concern**

Due to the continued investment in research and development costs the Company has incurred a loss after tax of £1,425,528 (2021: £563,475) and has a deficit in retained earnings of £2,908,622 (2021: £1,483,094). However, due to funds introduced by investors the Company has cash at bank of £1,953,457 and a surplus of shareholders funds of £1,493,030 at 31 October 2022.

The Directors have produced cash flow forecasts that show that the Company will have sufficient funds for at least the next 24 months and are confident that a further round of funding will be achieved during 2023, along with an expansion of the business, through FCA registration, into B2B lending.

On this basis the accounts have been prepared on a going concern basis.

**Turnover**

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

Revenue from merchant and booking fees is recognised at the point that a loan is disbursed. A provision is made for courses cancelled in the 30 day cooling off period.

**Tangible fixed assets**

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

Fixtures and fittings	- Straight line over 3 years
Computer equipment	- Straight line over 3 years

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

Research and development tax credits are recognised on a receipts basis, as this is the point that HMRC recognises the validity of the claim.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 OCTOBER 2022**

**3. ACCOUNTING POLICIES - continued**

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**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.

**Share based payments**

The Company issues equity-settled share options to certain employees. Equity-settled share-based payment transactions are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Fair value is measured by use of the Black Scholes pricing model which is considered by management to be the most appropriate method of valuation. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

**4. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 12 (2021 - 3) .

**5. TANGIBLE FIXED ASSETS**

	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 November 2021	-	3,999	3,999
Additions	450	13,346	13,796
At 31 October 2022	<u>450</u>	<u>17,345</u>	<u>17,795</u>
<b>DEPRECIATION</b>			
At 1 November 2021	-	3,073	3,073
Charge for year	75	4,194	4,269
At 31 October 2022	<u>75</u>	<u>7,267</u>	<u>7,342</u>
<b>NET BOOK VALUE</b>			
At 31 October 2022	<u>375</u>	<u>10,078</u>	<u>10,453</u>
At 31 October 2021	-	926	926

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

	<b>2022 £</b>	<b>2021 £</b>
Trade debtors	2,763,966	437,295
Other debtors	9,600	861
VAT	5,808	3,849
Prepayments and accrued income	<u>50,783</u>	<u>54,435</u>
	<u><b>2,830,157</b></u>	<u><b>496,440</b></u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 OCTOBER 2022

## 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	87,642	25,430
Social security and other taxes	30,323	6,634
Other creditors	5,006	1,175
Accrued expenses	28,066	400
	<u>151,037</u>	<u>33,639</u>

## 8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Other loans - 2-5 years	<u>3,150,000</u>	<u>519,981</u>

Other loans relate to amounts drawn on a £20,000,000 loan facility that expires on 28 September 2025. The amounts are secured and interest is charged at a rate of 11%.

## 9. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	<u>24,600</u>	<u>-</u>

## 10. CALLED UP SHARE CAPITAL

Number:	Class:	Nominal value:	2022	2021
			£	£
1,004,465	Ordinary shares	0.00000001	-	-
1,047,426	Preference shares	0.00000001	-	-
			<u>-</u>	<u>-</u>

The Ordinary Shares will rank pari passu with regards to voting, dividends and return of capital, subject to the rights attaching to the Series Seed Preference Shares (set out below), which are more fully set out in the articles of association of the company.

The Series Seed Preference Shares have a priority ranking and are set out in the articles of associations of the company.

## 11. RESERVES

	Retained earnings	Share premium	Share option reserve	Totals
	£	£	£	£
At 1 November 2021	(1,483,094)	4,351,987	80,620	2,949,513
Deficit for the year	(1,425,528)			(1,425,528)
Share option movement	-	-	(30,955)	(30,955)
At 31 October 2022	<u>(2,908,622)</u>	<u>4,351,987</u>	<u>49,665</u>	<u>1,493,030</u>

**12. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Andrew Green LLB FCA (Senior Statutory Auditor)  
for and on behalf of THP Limited

**13. ULTIMATE CONTROLLING PARTY**

The controlling party is B Shanley.

**14. SHARE-BASED PAYMENT TRANSACTIONS**

The Company has a share option scheme for certain employees. The number of employees of the Company that share options have been granted to and that have not been cancelled is 7 (2021: 2).

During the year the Company granted 108,786 new share options at a price of £1.23 per share.

Details of the share options outstanding during the year are as follows:

	<b>2022 Number</b>	<b>2021 Number</b>
Outstanding at 1 November 2021	40,179	104,464
Granted	108,786	-
Forfeited	(10,460)	(64,285)
Outstanding at 31 October 2022	<u>138,505</u>	<u>40,179</u>

  

	<b>Number of share options</b>	<b>Weighted average exercise price (£)</b>
Outstanding at 31 October 2022	<u>138,505</u>	<u>1.27</u>

None of the options above were fully vested at the year end.

Options are generally exercisable at a price equal to the estimated fair value of the Company's shares on the date of grant. The vesting periods are three or four years. If the options remain unexercised after a period of ten years from the date of grant, the options expire.

The fair value of the share options at the grant date was calculated using the Black Scholes model, which is considered to be the most appropriate generally accepted valuation method of measuring fair value.

The Company recognised total credit/(expense) of £30,955 related to equity-settled share-based payment transactions in 2022 (2021: £(32,410)).



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.