

THE IDCO. LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

THE IDCO. LIMITED

COMPANY INFORMATION

Directors	M Booher (resigned 13 February 2023) L Campos N Kingsbury J Varga T Heywood (resigned 9 January 2023) Y G P Chim M J Vos (appointed 13 February 2023)
Registered number	SC400459
Registered office	83 Princes Street Edinburgh EH2 2ER
Independent auditors	EQ Accountants LLP Chartered Accountants & Statutory Auditors 14 City Quay Dundee DD1 3JA

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	4	103,148	137,244
Tangible assets	5	9,936	14,140
Investments	6	2,247	101
		<u>115,331</u>	<u>151,485</u>
Current assets			
Debtors: amounts falling due within one year	7	546,570	437,213
Cash at bank and in hand		6,457,105	620,618
		<u>7,003,675</u>	<u>1,057,831</u>
Creditors: amounts falling due within one year	8	(309,527)	(353,787)
Net current assets		<u>6,694,148</u>	<u>704,044</u>
Total assets less current liabilities		<u>6,809,479</u>	<u>855,529</u>
Net assets		<u>6,809,479</u>	<u>855,529</u>
Capital and reserves			
Called up share capital	9	28,144	19,739
Share premium account	10	21,941,487	13,440,686
Other reserves	10	-	4,629
Profit and loss account	10	(15,160,152)	(12,609,525)
		<u>6,809,479</u>	<u>855,529</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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 on 20 September 2023.

J Varga
Director

The notes on pages 2 to 8 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. General information

The IDCo Limited is a private company, limited by shares, domiciled in Scotland with registration number SC400459. The registered office is 83 Princes Street, Edinburgh, EH2 2ER.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

Having carried out the necessary review of working capital etc, the directors are satisfied that the company will have sufficient resources in place to meet liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

In view of the above, the directors consider it appropriate to prepare the financial statements on a going concern basis.

2.3 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

2. Accounting policies (continued)

2.4 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 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.

2.6 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

2. Accounting policies (continued)

2.7 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of comprehensive income over its useful economic life.

Other 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.

2.8 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:

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

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.

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

2. Accounting policies (continued)

2.10 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's Statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2023	2022
	No.	No.
Employees	<u>37</u>	<u>38</u>

4. Intangible assets

	Development expenditure	Goodwill	Total
	£	£	£
Cost			
At 1 July 2022	456,347	1,000	457,347
At 30 June 2023	456,347	1,000	457,347
Amortisation			
At 1 July 2022	319,560	543	320,103
Charge for the year on owned assets	34,046	50	34,096
At 30 June 2023	353,606	593	354,199
Net book value			
At 30 June 2023	<u>102,741</u>	<u>407</u>	<u>103,148</u>
At 30 June 2022	<u>136,787</u>	<u>457</u>	<u>137,244</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

5. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 July 2022	938	39,111	40,049
Additions	-	6,328	6,328
At 30 June 2023	<u>938</u>	<u>45,439</u>	<u>46,377</u>
Depreciation			
At 1 July 2022	510	25,399	25,909
Charge for the year on owned assets	188	10,344	10,532
At 30 June 2023	<u>698</u>	<u>35,743</u>	<u>36,441</u>
Net book value			
At 30 June 2023	<u>240</u>	<u>9,696</u>	<u>9,936</u>
<i>At 30 June 2022</i>	<u>428</u>	<u>13,712</u>	<u>14,140</u>

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2022	101
Additions	2,146
At 30 June 2023	<u>2,247</u>

7. Debtors

	2023 £	2022 £
Trade debtors	329,337	324,747
Amounts owed by group undertakings	57,136	-
Other debtors	19,877	26,064
Prepayments and accrued income	140,220	86,402
	<u>546,570</u>	<u>437,213</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

7. Debtors (continued)

8. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	193,944	186,250
Other creditors	32,064	86,720
Accruals and deferred income	83,519	80,817
	<u>309,527</u>	<u>353,787</u>

9. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
6,321,766 (2022 - 6,321,766) Ordinary shares of £0.001 each	6,322	6,322
14,317,218 (2022 - 13,417,562) Series A shares of £0.001 each	14,317	13,417
7,505,000 (2022 - nil) Series B shares of £0.001 each	7,505	-
	<u>28,144</u>	<u>19,739</u>

On 4 November 2022, 899,656 Series A shares were issued at a price of £0.56 per share. On 15 February 2023, 7,505,000 Series B shares were issued at a price of £0.94 per share.

10. Reserves

Share premium account

The share premium account is the balance of the amounts paid over par value on the issue of share capital.

Other reserves

The other reserves is the fair value of the equity element of the loan notes issued.

Profit and loss account

The profit and loss account is the balance of profits and losses made in the current and previous years.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

11. Share-based payments

At the year end the Company held a total of 5,464,000 share options amongst 32 individuals (2022 - 4,784,000 share options amongst 19 individuals). During the year, 50,000 share options lapsed due to 1 leaver. A further 665,000 were issued to 14 new individuals and 65,000 options were issued to existing option shareholders. The options are exercisable on the occurrence of an exit event, being a share sale, asset sale, an IPO or a voluntary winding up and lapse when the grantee ceased to work 25 hours per week or 75% of their working time as an employee or ceases to be an employee.

During the year there was no movement in previously issued warrants, leaving a balance of 54,360 (2022 - 54,360).

The warrants have an exercise price of £1.09 per share on the fulfilment of certain conditions:

- the warrant holder meets certain performance criteria, of commercial value to the company; or
- certain hurdle in the share price of the company are met prior to the next round of investment in the company.

The warrant shall lapse in the event that:

- the warrant is unexercised following a sale, disposal or flotation of the company; or
- the warrant holder ceases to be a shareholder of the company; or
- the warrant holder chooses to exercise only part of its entitlement (the remaining warrant shall lapse); or
- the warrant holder does not (or is eligible to) exercise the warrant by 31 December 2023.

12. Auditors' information

The auditors' report on the financial statements for the year ended 30 June 2023 was unqualified.

The audit report was signed on 20 September 2023 by Douglas Rae (Senior statutory auditor) on behalf of EQ Accountants LLP.

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.