

REGISTERED NUMBER: 08021550 (England and Wales)

Unaudited Financial Statements for the Year Ended 31 December 2018

for

Resolving Limited

Davis Grant Limited
Chartered Certified Accountants
Treviot House
186-192 High Road
Ilford
Essex
IG1 1LR

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for the Year Ended 31 December 2018**

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Resolving Limited (Registered number: 08021550)

Balance Sheet
31 December 2018

| | Notes | 2018 £ | £ | 2017 £ | £ |
|----------------------------------------------|-------|------------------|--------------------|----------------|--------------------|
| FIXED ASSETS | | | | | |
| Intangible assets | 4 | 1,339,823 | | 800,526 | |
| Tangible assets | 5 | 104,387 | | 115,894 | |
| Investments | 6 | <u>1,059</u> | | <u>1,001</u> | |
| | | | 1,445,269 | | 917,421 |
| CURRENT ASSETS | | | | | |
| Debtors | 7 | 3,486,368 | | 480,029 | |
| Cash at bank and in hand | | <u>3,354,299</u> | | <u>449,230</u> | |
| | | 6,840,667 | | 929,259 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 8 | <u>1,604,558</u> | | <u>934,757</u> | |
| NET CURRENT ASSETS/(LIABILITIES) | | | <u>5,236,109</u> | | <u>(5,498)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>6,681,378</u> | | <u>911,923</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | | | 171,738 | | 121,182 |
| Share premium | | | 12,117,977 | | 4,665,467 |
| Retained earnings | | | <u>(5,608,337)</u> | | <u>(3,874,726)</u> |
| SHAREHOLDERS' FUNDS | | | <u>6,681,378</u> | | <u>911,923</u> |

The notes form part of these financial statements

**Balance Sheet - continued
31 December 2018**

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors on 26 March 2019 and were signed on its behalf by:

J Walker - Director

Notes to the Financial Statements
for the Year Ended 31 December 2018

1. STATUTORY INFORMATION

Resolving Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address are as below:

Registered number: 08021550

Registered office: Treviot House
186-192 High Road
Ilford
Essex
IG1 1LR

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

Turnover

Turnover represents the net invoice value, excluding value added tax, of sales relating to the year.

Patents & trademarks

Patents and trademarks are valued at cost less accumulated amortisation.

Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful life of 4 years.

Development costs

Amortisation is provided on a straight line basis over 3 years in order to write off the cost less estimated residual value of the asset over its estimated useful life.

Tangible fixed assets

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

Short leasehold - Straight line over 3 years
Fixtures and fittings - Straight line over 4 years

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.

Going concern

The company has incurred losses in the last two consecutive years. However, the directors believe sufficient financial resources are available to the company to enable it to continue trading into the foreseeable future. Therefore, the financial statements have been prepared on a going concern basis.

Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

2. ACCOUNTING POLICIES - continued

Share based payments

Where share options are awarded to employees, where material, the fair value of the vested options at the date of grant is charged to the profit and loss.

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

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 4 (2017 - 29) .

4. INTANGIBLE FIXED ASSETS

| | Other intangible assets £ |
|-----------------------|------------------------------------|
| COST | |
| At 1 January 2018 | 1,729,116 |
| Additions | 1,122,781 |
| At 31 December 2018 | <u>2,851,897</u> |
| AMORTISATION | |
| At 1 January 2018 | 928,590 |
| Charge for year | 583,484 |
| At 31 December 2018 | <u>1,512,074</u> |
| NET BOOK VALUE | |
| At 31 December 2018 | <u>1,339,823</u> |
| At 31 December 2017 | <u>800,526</u> |

5. TANGIBLE FIXED ASSETS

| | Land and buildings £ | Plant and machinery etc £ | Totals £ |
|-----------------------|----------------------------|------------------------------------|----------------|
| COST | | | |
| At 1 January 2018 | 81,421 | 62,577 | 143,998 |
| Additions | - | 37,974 | 37,974 |
| At 31 December 2018 | <u>81,421</u> | <u>100,551</u> | <u>181,972</u> |
| DEPRECIATION | | | |
| At 1 January 2018 | 6,785 | 21,319 | 28,104 |
| Charge for year | 27,140 | 22,341 | 49,481 |
| At 31 December 2018 | <u>33,925</u> | <u>43,660</u> | <u>77,585</u> |
| NET BOOK VALUE | | | |
| At 31 December 2018 | <u>47,496</u> | <u>56,891</u> | <u>104,387</u> |
| At 31 December 2017 | <u>74,636</u> | <u>41,258</u> | <u>115,894</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

6. **FIXED ASSET INVESTMENTS**

| | Other investments £ |
|-----------------------|------------------------------------|
| COST | |
| At 1 January 2018 | 1,001 |
| Additions | <u>58</u> |
| At 31 December 2018 | <u>1,059</u> |
| NET BOOK VALUE | |
| At 31 December 2018 | <u>1,059</u> |
| At 31 December 2017 | <u>1,001</u> |

7. **DEBTORS**

| | 2018 £ | 2017 £ |
|-----------------------------------------------|-------------------|----------------|
| Amounts falling due within one year: | | |
| Trade debtors | 519,403 | 230,632 |
| Amounts owed by related parties | 848,521 | - |
| Other debtors | <u>912,590</u> | <u>249,397</u> |
| | <u>2,280,514</u> | <u>480,029</u> |
| Amounts falling due after more than one year: | | |
| Amounts owed by related parties | <u>1,205,854</u> | - |
| Aggregate amounts | <u>3,486,368</u> | <u>480,029</u> |

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

| | 2018 £ | 2017 £ |
|---------------------------------|-------------------|----------------|
| Trade creditors | 145,793 | 97,383 |
| Amounts owed to related parties | 1,191,159 | 5,811 |
| Taxation and social security | 110,125 | 34,306 |
| Other creditors | <u>157,481</u> | <u>797,257</u> |
| | <u>1,604,558</u> | <u>934,757</u> |

9. **OTHER FINANCIAL COMMITMENTS**

At the period end the total financial commitments was £353,040 (2017; £564,864)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

10. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the year ended 31 December 2018 and the year period ended 31 December 2017

| | | | 2018 | 2017 |
|------------------|---|---|-----------|----------|
| | £ | £ | | |
| Amounts Advanced | | | 172,594 | 93,575 |
| Amounts Repaid | | | (174,737) | (70,108) |

The loan to the director is repayable on demand. Interest is charged on loans at the official rate set by HMRC.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

11. SHARE CAPITAL

Resolving Limited, issued EMI options to certain employees which provides additional remuneration for those employees who are key to the operations of the company. The options are granted with a fixed exercise price determined at the grant of the option. The options vest between 1 May 2015 to 21 January 2021 and they are exercisable within 10 years from the date of grant. Employees are not entitled to dividends until the shares are exercised. Vesting of options is subject to continued employment with the company.

The following options have been granted as at 31 December 2018.

| Share scheme | Date of Grant | Number of Ordinary Shares Under Option | Exercise Price | Exercise Period |
|----------------------------------|---------------|----------------------------------------|----------------|-------------------------|
| Enterprise Management Incentives | 30/01/2015 | 390,000 | £0.01 | 31/01/2016 - 31/01/2026 |
| Enterprise Management Incentives | 10/03/2015 | 5,000 | £0.01 | 11/03/2016 - 11/03/2026 |
| Enterprise Management Incentives | 08/06/2015 | 10,000 | £0.01 | 09/06/2016 - 09/06/2026 |
| Enterprise Management Incentives | 21/09/2015 | 5,000 | £0.01 | 22/09/2016 - 22/09/2026 |
| Enterprise Management Incentives | 01/12/2015 | 15,000 | £0.01 | 02/12/2016 - 02/12/2026 |
| Unapproved Share Option Scheme | 02/05/2015 | 15,000 | £0.01 | 03/05/2016 - 03/05/2026 |
| Enterprise Management Incentives | 03/10/2016 | 5,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 01/12/2016 | 10,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 04/12/2016 | 75,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 29/12/2016 | 5,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 10/01/2017 | 5,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 04/04/2017 | 10,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 24/04/2017 | 15,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 13/05/2017 | 5,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 27/05/2017 | 10,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 02/08/2017 | 10,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 05/09/2017 | 15,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 26/09/2017 | 25,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 01/10/2017 | 85,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 14/10/2017 | 5,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 21/11/2017 | 10,000 | £0.01 | 22/01/2018 - 22/01/2028 |
| Enterprise Management Incentives | 05/12/2017 | 5,000 | £0.01 | 22/01/2018 - 22/01/2028 |

Resolving Limited (Registered number: 08021550)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2018**

| | | | | |
|----------------------------------|------------|---------|-------|----------------------------|
| Enterprise Management Incentives | 22/01/2018 | 55,000 | £0.01 | 22/01/2019 - 22/01/2029 |
| Enterprise Management Incentives | 22/01/2018 | 331,000 | £0.01 | 23/04/2018 - 23/04/2028 |

The directors consider the fair value of the share options to be immaterial, therefore not provided.

The company only recognises expenses relating to these options based on the employees, employed directly by the company for the elapsed vesting period.

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