

REGISTERED NUMBER: 10359002 (England and Wales)

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
KROO LTD**

KROO LTD (REGISTERED NUMBER: 10359002)

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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KROO LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTORS:

N Valimahomed
A Michaelides

REGISTERED OFFICE:

Labs House
15-19 Bloomsbury Way
London
WC14 2TH

REGISTERED NUMBER:

10359002 (England and Wales)

ACCOUNTANTS:

Lewis Brownlee (Chichester) Limited
Chartered Accountants
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

KROO LTD (REGISTERED NUMBER: 10359002)**STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020**

	Notes	£	2020 £	£	2019 £
FIXED ASSETS					
Tangible assets	4		92,392		66,565
CURRENT ASSETS					
Debtors	5	280,797		314,804	
Cash at bank		1,333,609		<u>1,527,235</u>	
		1,614,406		1,842,039	
CREDITORS					
Amounts falling due within one year	6	3,173,998		<u>650,580</u>	
NET CURRENT (LIABILITIES)/ASSETS			(1,559,592)		<u>1,191,459</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(1,467,200)		1,258,024
ACCRUALS AND DEFERRED INCOME NET (LIABILITIES)/ASSETS			84,036		<u>59,694</u>
			(1,551,236)		<u>1,198,330</u>
CAPITAL AND RESERVES					
Called up share capital			26		25
Share premium			13,000,898		11,729,155
Retained earnings			(14,552,160)		<u>(10,530,850)</u>
SHAREHOLDERS' FUNDS			(1,551,236)		<u>1,198,330</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- 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.

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 26 February 2021 and were signed on its behalf by:

A Michaelides - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. STATUTORY INFORMATION

Kroo 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. ACCOUNTING POLICIES

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention.

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	- 10% on cost
Computer equipment	- 33% on cost

Financial instruments

Financial instruments are classified by the director as basic or advanced following the conditions in FRS102 section 1A. Basic financial instruments are recognised at amortised cost using effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. Advanced financial instruments are recognised at fair value.

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 statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

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 statement of financial position 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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES - continued**Leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

The obligations for contributions to defined contribution scheme are recognised as an expense in the period they are incurred. The assets of the scheme are held separately from those of the company in an independently administered fund.

Going concern

The company has adequate resources to continue in operational existence for a minimum of 12 months from the date of signing the financial statements. This is on the basis that support will be provided by N Valimahomed as necessary together with the support of the Future Fund convertible loan. For this reason, the financial statements have been prepared on a going concern basis which presumes the realisation of assets and liabilities in the normal course of business.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 31 (2019 - 25) .

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2020	8,935	141,253	150,188
Additions	-	79,843	79,843
Disposals	-	(4,331)	(4,331)
At 31 December 2020	<u>8,935</u>	<u>216,765</u>	<u>225,700</u>
DEPRECIATION			
At 1 January 2020	1,480	82,143	83,623
Charge for year	841	48,844	49,685
At 31 December 2020	<u>2,321</u>	<u>130,987</u>	<u>133,308</u>
NET BOOK VALUE			
At 31 December 2020	<u>6,614</u>	<u>85,778</u>	<u>92,392</u>
At 31 December 2019	<u>7,455</u>	<u>59,110</u>	<u>66,565</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other debtors	<u>280,797</u>	<u>314,804</u>

KROO LTD (REGISTERED NUMBER: 10359002)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	407,215	173,998
Taxation and social security	-	4,463
Other creditors	<u>2,766,783</u>	<u>472,119</u>
	<u>3,173,998</u>	<u>650,580</u>

7. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year or on demand:		
Convertible loan	<u>2,766,783</u>	<u>-</u>

The convertible loan has been issued under the British Business Bank's Future Fund scheme. The loan is convertible into shares at the next equity raising round, expected to be during 2021, at a 20% discount. The loan is subject to interest at 8% per annum.

8. OTHER FINANCIAL COMMITMENTS

At the 31 December 2020 rental commitments totalled £286,560 (2019: £428,069).

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.