

# Zoe Global Limited

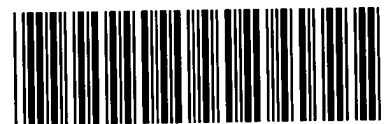
## REPORT AND UNAUDITED FINANCIAL STATEMENTS

for the year ended 31 August 2019

Registered Number: 10902884

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**Zoe Global Limited**  
**STATEMENT OF FINANCIAL POSITION**  
as at 31 August 2019

Registered number: 10902884

	Notes	2019 £	2018 £
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	40,699	21,339
Intangible assets	5	384,181	69,844
Trade and other receivables	7	644,403	-
		<u>1,069,283</u>	<u>91,183</u>
<b>Current assets</b>			
Trade and other receivables	7	1,138,949	377,456
Current asset investments	8	11,052,229	3,337,486
Cash and cash equivalents	9	4,787,460	1,549,379
		<u>16,978,638</u>	<u>5,264,321</u>
<b>Total assets</b>		<u>18,047,921</u>	<u>5,355,504</u>
<b>Equity</b>			
Called up share capital	10	23	16
Share premium account	16	21,553,143	6,124,995
Retained earnings	16	(4,137,606)	(932,431)
		<u>17,415,560</u>	<u>5,192,580</u>
<b>Total equity</b>		<u>17,415,560</u>	<u>5,192,580</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	632,361	162,924
		<u>632,361</u>	<u>162,924</u>
<b>Total liabilities</b>		<u>632,361</u>	<u>162,924</u>
<b>Total equity and liabilities</b>		<u>18,047,921</u>	<u>5,355,504</u>

For the financial year ended 31 August 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The directors of the company have elected not to include a copy of the income statement within the financial statements.

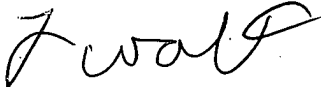
These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

**Zoe Global Limited**  
STATEMENT OF FINANCIAL POSITION  
as at 31 August 2019

Registered number: 10902884

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The financial statements were approved by the Board of Directors and authorised for issue on 19 December 2019 and signed on their behalf by:



J T Wolf  
Director

12/3/20

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2019

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### 1 ACCOUNTING POLICIES

#### (a) Basis of preparation

Zoe Global Limited ('the company') is a private limited company, incorporated and domiciled in England and Wales. The registered office of the company is 164 Westminster Bridge Road, London, United Kingdom, SE1 7RW. The principal activities of the company and the nature of its operations are described in the Directors' Report.

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and International Financial Reporting Committee ("IFRC") interpretations that are applicable to the financial statements for the year ended 31 August 2019, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared using the historical cost convention.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts on the basis that the group of which it is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

The prior period relates to the period from incorporation on 7 August 2017 to 31 August 2018.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions, which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which circumstances change.

#### *New and amended standards in issue but not yet effective*

The following standards, amendments and interpretations to existing standards have been published but are not effective and have not been early adopted by the company:

- IFRIC 23 Uncertainty over income tax treatments (effective 1 January 2019)
- Annual improvements 2015-2017 cycle
- Amendments to IFRS 9: Prepayment features with Negative Compensation
- IFRS 16 Leases

It is not anticipated that the adoption of the above standards, amendments and interpretations of existing standards will have a material impact on the company financial statements in the period of initial application except for IFRS 16.

IFRS 16 Leases is effective for periods commencing on or after 1 January 2019 and will result in almost all leases being recognised on the statement of financial position by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The company has one property lease which will be affected by the application of IFRS 16; total future rentals at the reporting date under this lease are disclosed in note 22.

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2019

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### 1 ACCOUNTING POLICIES *(continued)*

#### **(b) Foreign currency translation**

Transactions in foreign currencies are translated into the functional currency of the company using the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date.

#### **(c) Taxes**

The tax expense represents the sum of the current tax expense and deferred tax expense.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated by using tax rates that apply at the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

#### **(d) Intangible assets other than goodwill**

Separately acquired trademarks, data licenses and intellectual property have a finite useful life and are stated at cost less accumulated amortisation and impairment losses.

Amortisation is provided to write off the cost, less residual value, on a straight line basis over the estimated useful life, as follows:

Trademarks	10 years
Intellectual property	5 years
Data licenses	10 years

Research expenditure is recognised as an expense as incurred.

Development expenditure incurred on internally generated intangible assets is recognised as an intangible asset if all the following criteria are met:

- It is probable that the asset created will generate future economic benefits;
- The development cost of the asset can be measured reliably;
- Technical feasibility of completing the intangible asset can be demonstrated;
- There is the ability to use or sell the asset;
- Adequate technical, financial and other resources to complete the development and to use or sell the asset are available; and
- There is intention to complete, use or sell the intangible asset.

**Zoe Global Limited**  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 August 2019

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1 ACCOUNTING POLICIES *(continued)*

**(d) Intangible assets other than goodwill (continued)**

The directors do not consider that all these criteria are met for any of the company's development activities and as such all development expenditure incurred since the company was incorporated has been expensed as incurred.

Costs related to the registration of patents and trademarks are considered part of the company's development activities and, as such, are expensed as incurred.

Residual values, remaining useful lives and amortisation methods are reviewed annually and adjusted if appropriate.

The company assesses at each reporting date whether an asset may be impaired. If any such indicator exists, the entity tests for impairment by estimating the recoverable amount. If the recoverable amount is less than the carrying value of an asset, an impairment loss is required.

**(e) Property, plant and equipment**

All plant and equipment assets are stated at cost less accumulated depreciation and impairment losses.

Depreciation of plant and equipment is provided to write off the cost, less residual value, on a straight line basis over the estimated useful life, as follows:

Fixtures and fittings	5 years
Computer equipment	3 years

Residual values, remaining useful lives and depreciation methods are reviewed annually and adjusted if appropriate.

Gains or losses on disposal are included in the statement of comprehensive income.

The entity assesses at each reporting date whether an asset may be impaired. If any such indicator exists, the entity tests for impairment by estimating the recoverable amount. If the recoverable amount is less than the carrying value of an asset, an impairment loss is required.

**(f) Financial instruments**

Financial assets and financial liabilities are recognised in the company's Statement of Financial Position when the company becomes a party to the contractual provisions of the instrument.

*Trade and other receivables*

Trade and other receivables are recognised initially at their fair value, net of direct transaction costs, and subsequently measured at amortised cost using the effective interest rate method.

*Current assets investments*

Current asset investments comprise deposits that have more than three months maturity from the date of acquisition. These are held to collect contractual cash flows which are solely payments of principal and interest. Therefore, these investments are subsequently measured at amortised cost using the effective interest rate method.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, short term deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2019

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### 1 ACCOUNTING POLICIES *(continued)*

#### **(f) Financial instruments (continued)**

##### *Financial liabilities and equity*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### *Trade and other payables*

Trade and other payables represent liabilities for goods and services provided to the company prior to the end of the financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value, net of direct transaction costs, and subsequently measured at amortised cost using the effective interest rate method.

##### *Equity instruments*

Equity instruments issued by the company are recorded at fair value on initial recognition net of transaction costs.

#### **(g) Retirement benefits**

Contributions to defined contribution plans are recognised as an expense as the contributions accrue.

#### **(h) Leases**

Leases in which a significant proportion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are recognised in the statement of comprehensive income on a straight line basis over the term of the lease. Lease incentives are spread evenly over the life of the lease.

#### **(i) Share based payments**

Share-based payments of the company are equity-settled share options granted to employees, for which an option pricing model is used to estimate the fair value at grant date. That fair value is charged on a straight-line basis as an expense in the statement of comprehensive income over the period that the employee becomes unconditionally entitled to the options (vesting period), with a corresponding increase in equity.

The number of such options is adjusted annually to reflect best estimates of those expected to vest (ignoring purely market-based conditions) with consequent changes to the expense. Equity is also increased by the proceeds received, as and when employees choose to exercise their options.

### 2 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The directors consider the critical accounting judgements and key sources of estimation uncertainty used in the financial statements to be:

##### *Share based payments*

The fair value of share-based awards is measured using the Black-Scholes model which inherently makes use of significant estimates and assumptions concerning the future. Such estimates and assumptions include the expected life of the options and the number of employees that will achieve the vesting conditions. Further details of the share option scheme are given in note 14.

**Zoe Global Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 August 2019

2 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT (continued)

*Useful life of intellectual property*

The company purchased an intellectual property intangible asset in the prior period. At the reporting date the carrying amount of this intellectual property was £47,178 (2018: £62,178). The company estimates the remaining useful life of the intellectual property to be 4 years based on the expected economic benefits of the asset. However, the actual useful life may be shorter or longer depending on economic conditions and market factors.

*Development expenditure*

The company incurs a significant amount of expenditure on development activities related to its core intellectual property. Under IAS 38- 'Intangible assets', development costs incurred on internally generated intangible assets are required to be capitalised if certain criteria are met. The directors have exercised a critical judgement in determining that the criteria are not met. As a result, development expenditure is expensed as incurred and not capitalised.

3 STAFF

The average number of employees (including directors) employed by the company during the year was 25 (2018: 9).

The aggregate payroll costs for employees, including directors, for the period were as follows:

	2019 £	2018 £
Wages and salaries	1,729,958	629,289
Social security costs	127,016	36,997
Other pension costs	15,909	3,530
Share based payments	382,244	158,337
	<u>2,255,127</u>	<u>828,153</u>
	2019 £	2018 £
<b>DIRECTORS' REMUNERATION</b>		
Emoluments	206,667	140,000
Pension contributions	2,037	1,010
	<u>208,704</u>	<u>141,010</u>

The number of directors to whom retirement benefits are accruing under money purchase scheme was 2 (2018: 2).

	2019 £
<b>HIGHEST PAID DIRECTOR</b>	
Attributable to the highest paid director:	
Emoluments	103,333
Pension contributions	1,019
	<u>104,352</u>

The company was not required to make higher paid directors' remuneration disclosure in 2018.



**Zoe Global Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 August 2019

4 PROPERTY, PLANT AND EQUIPMENT

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>			
At 7 August 2017	-	-	-
Additions	-	23,767	23,767
	<u>-</u>	<u>23,767</u>	<u>23,767</u>
At 31 August 2018	-	23,767	23,767
	<u>-</u>	<u>23,767</u>	<u>23,767</u>
Additions	12,759	19,514	32,273
Disposals	-	(1,341)	(1,341)
	<u>12,759</u>	<u>18,173</u>	<u>30,932</u>
At 31 August 2019	12,759	41,940	54,699
	<u>12,759</u>	<u>41,940</u>	<u>54,699</u>
<b>Accumulated depreciation</b>			
At 7 August 2017	-	-	-
Charge for period	-	2,428	2,428
	<u>-</u>	<u>2,428</u>	<u>2,428</u>
At 31 August 2018	-	2,428	2,428
	<u>-</u>	<u>2,428</u>	<u>2,428</u>
Charge for the year	479	11,093	11,572
	<u>479</u>	<u>11,093</u>	<u>11,572</u>
At 31 August 2019	479	13,521	14,000
	<u>479</u>	<u>13,521</u>	<u>14,000</u>
<b>Net book value</b>			
At 31 August 2019	12,280	28,419	40,699
	<u>12,280</u>	<u>28,419</u>	<u>40,699</u>
At 31 August 2018	-	21,339	21,339
	<u>-</u>	<u>21,339</u>	<u>21,339</u>
At 7 August 2017	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

The depreciation charge is included within administrative expenses in the statement of comprehensive income.

**Zoe Global Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 August 2019

5 INTANGIBLE ASSETS

	Data License £	Trademarks £	Intellectual property £	Total £
<b>Cost</b>				
At 7 August 2017	-	-	-	-
Additions	-	8,031	75,000	83,031
	<u>-</u>	<u>8,031</u>	<u>75,000</u>	<u>83,031</u>
At 31 August 2018	-	8,031	75,000	83,031
	<u>-</u>	<u>8,031</u>	<u>75,000</u>	<u>83,031</u>
Additions	365,158	-	-	365,158
	<u>365,158</u>	<u>-</u>	<u>-</u>	<u>365,158</u>
At 31 August 2019	365,158	8,031	75,000	448,189
	<u>365,158</u>	<u>8,031</u>	<u>75,000</u>	<u>448,189</u>
<b>Accumulated amortisation</b>				
At 7 August 2017	-	-	-	-
Charge for the period	-	365	12,822	13,187
	<u>-</u>	<u>365</u>	<u>12,822</u>	<u>13,187</u>
At 31 August 2018	-	365	12,822	13,187
	<u>-</u>	<u>365</u>	<u>12,822</u>	<u>13,187</u>
Charge for the year	34,215	1,606	15,000	50,821
	<u>34,215</u>	<u>1,606</u>	<u>15,000</u>	<u>50,821</u>
At 31 August 2019	34,215	1,971	27,822	64,008
	<u>34,215</u>	<u>1,971</u>	<u>27,822</u>	<u>64,008</u>
<b>Net book value</b>				
At 31 August 2019	330,943	6,060	47,178	384,181
	<u>330,943</u>	<u>6,060</u>	<u>47,178</u>	<u>384,181</u>
At 31 August 2018	-	7,666	62,178	69,844
	<u>-</u>	<u>7,666</u>	<u>62,178</u>	<u>69,844</u>
At 7 August 2018	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The intellectual property relates to the acquisition of the assets of MapMyGut, an application which provides a personalised analysis and interpretation of a patient's gut bacteria, for a cost of £75,000, which is being amortised over a period of 5 years.

Trademarks relate to the acquisition of a recognisable sign, design or expression which identifies products or services of a particular source from those of others. Trademarks are capitalised and amortised over a period of 10 years.

The data licence relates to a licence acquired to access data in relation to the development of the product and is amortised over a period of 10 years which is equal to the license period in the agreement.

The amortisation charge is included within administrative expenses in the statement of comprehensive income.

**Zoe Global Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 August 2019

6 INVESTMENTS

The company has one subsidiary undertaking; Zoe US Inc which was incorporated in September 2018. The registered office is 1209 Orange Street, Wilmington, New Castle, DE 19801. The company owns 100% of the subsidiary's share capital which comprises ordinary shares.

The aggregate amount of capital and reserves at 31 August 2019 and the result for the same period for Zoe US Inc was net liabilities of £86,984 and a loss of £86,984 respectively.

7 TRADE AND OTHER RECEIVABLES

	2019	2018
	£	£
Current		
Prepayments and accrued income	97,324	106,313
Corporation tax recoverable	889,910	208,502
Other receivables	151,715	62,641
	<u>1,138,949</u>	<u>377,456</u>
Non-current		
Amounts owed by group undertakings	644,403	-
	<u>1,783,352</u>	<u>377,456</u>

There is no material difference between the fair value of receivables and their carrying amount. No impairment charge was recognised in the current or prior period.

8 CURRENT ASSET INVESTMENTS

	2019	2018
	£	£
Treasury deposits	11,052,229	3,337,486
	<u>11,052,229</u>	<u>3,337,486</u>

The treasury deposits relate to four deposits made as follows:

	Interest rate
£1,000,000 made on 3 June 2019 maturing on 3 September 2019	0.63%
£1,000,000 made on 5 August 2019 maturing on 5 November 2019	0.61%
£1,652,800 made on 15 August 2019 maturing on 17 February 2020	0.69%
\$9,000,000 made on 13 August 2019 maturing on 13 November 2019	2.13%

**Zoe Global Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 August 2019

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9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and short term deposits held with banks. Cash and short term deposits and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

	2019 £	2018 £
Cash on hand and balances with banks	4,787,460	1,549,379
	<u>4,787,460</u>	<u>1,549,379</u>

The carrying amount of these assets approximates to their fair value.

10 SHARE CAPITAL

	2019 £	2018 £
<b>Issued and fully paid</b>		
3,948,717 (2018: 557,258) Ordinary shares of £0.0000001 each	-	-
56,793,911 (2018: 56,329,529) Seed shares of £0.0000001 each	6	6
100,000,000 (2018: 100,000,000) Founder shares of £0.0000001 each	10	10
71,780,053 (2018: nil) Series A shares of £0.0000001 each	7	-
	<u>23</u>	<u>16</u>

75,635,894 (2018: 156,886,787) shares were issued during the period. All shares issued in the prior period were issued for cash, all shares issued in the current year were issued for cash except for 3,391,459 ordinary shares issued in return for a data license intangible asset.

The company's Ordinary, Seed, Series A and Founder shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company. In the event of liquidation, the holders of Seed and Series A shares shall rank first in order of preference of the distribution of the surplus assets of the company after paying off all liabilities.

The Founder shares have rights specific to them. The company will not, without the prior written approval of the Founder shareholders holding not less than 75% in nominal value of the Founder shares, undertake a change in the company structure, nature of business, appoint and remove directors or dismiss any of the Founder shareholders as employees.

**Zoe Global Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 August 2019

11 SHARE BASED PAYMENTS

The following options have been granted over £0.0000001 Ordinary shares in the company:

Grant date	As at 1 September 2018	Granted	Forfeited	Exercised	As at 31 August 2019	Exercise price
<b>Employee scheme:</b>						
From 1 September 2017 – 31 March 2018	10,033,530	-	-	(50,000)	9,983,530	0.0000001p
From 1 April 2018 – 31 August 2018	140,000	-	-	-	140,000	3.4p
From 11 September 2018 – 5 November 2018	-	3,249,610	-	-	3,249,610	3.4p
From 1 April 2019 - 12 July 2019	-	740,000	-	-	740,000	6.0p
On 1 April 2019	-	2,707,307	-	-	2,707,307	7.0p
<b>Advisor Scheme:</b>						
From 1 September 2017 – 31 March 2018	1,015,000	-	-	-	1,015,000	0.0000001p
From 1 September 2017 – 31 March 2018	220,000	-	-	-	220,000	4.0p
From 1 April 2018 – 31 August 2018	210,000	-	-	-	210,000	0.0000001p
From 10 October 2018 – 5 November 2018	-	213,807	-	-	213,807	4.0p
From 9 May 2019 – 9 June 2019	-	138,000	-	-	138,000	7.0p
<b>MMS Scheme:</b>						
From 1 September 2017 – 31 August 2018	767,135	-	-	-	767,135	£1
	<u>12,385,665</u>	<u>7,048,724</u>	<u>-</u>	<u>(50,000)</u>	<u>19,384,389</u>	

The total expense recognised by the company in profit and loss in the period in respect of share options was £382,244 (2018: £158,337).

**Zoe Global Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 August 2019

11 SHARE BASED PAYMENTS *(continued)*

**Equity-settled share option plan**

The company has a share option scheme with 3 distinct types of options.

Under the Enterprise Management Incentive plan, the participants are granted options which only vest if the employee remains in employment with the company at the vesting date. 25% of the options vest after the first anniversary of the grant date and a subsequent 6.25% vests quarterly thereafter until the option is fully vested. (The options lapse 10 years at the end of the day before the tenth anniversary of the grant date).

Under Advisory Option Plan, participants are granted options which only vest if certain service conditions are met. The options vest in equal instalments after each subsequent month during which the participant serves as an advisor to the company after the vesting start date until the options are fully vested. The total vesting period varies and is between 12 months and 48 months. The options may only be exercised by the option holder following notification of an impending exit event, including business sale or reorganisation. The options lapse 10 years at the end of the day before the tenth anniversary of the grant date.

Under the MMS plan, participants are granted options which vest following notification of an impending exit event. The option may only be exercised by the option holder following notification of an impending exit event, including business sale or reorganisation. The options lapse 15 years at the end of the day before the fifteenth anniversary of the grant date.

	2019	Weighted average exercise price	Options	2018	Weighted average exercise price
Outstanding at 1 September	12,385,665	6.35p	-	-	-
Granted during the period	7,048,724	5.14p	12,635,665	6.22p	
Exercised	(50,000)	0.0000001p			
Forfeited during the period	-	-	(250,000)	0.0000001p	
	<u>19,384,389</u>	<u>6.14p</u>	<u>12,385,665</u>	<u>6.35p</u>	
Outstanding at 31 August	19,384,389	6.14p	12,385,665	6.35p	
Exercisable at 31 August	6,108,978	6.5p	259,667	0.95p	

The options outstanding at 31 August 2019 had an exercise price between £0.0000001 and £1 and a weighted average remaining contractual life of 1.74 years. The weighted average fair value of each option granted during the year was 8.31p.

The estimate of the grant date fair value of each option is based on the Black Scholes model. The inputs into the Black Scholes model are as follows:

	2019	2019
	EMI	Advisor
Weighted average share price	13.7p	13.7p
Weighted average exercise price	£0.05	£0.06
Expected volatility	67.9% - 71.2%	57.2% - 57.9%
Expected life	3 years	5 years
Risk free rate	0.51% - 0.83%	0.58% - 1.29%
Expected dividends	Nil	Nil

**Zoe Global Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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11 SHARE BASED PAYMENTS *(continued)*

	2018	2018	2018
	EMI	MMS	Advisor
Weighted average share price	8.71p	8.71p	8.71p
Weighted average exercise price	0.05p	£1	0.6p
Expected volatility	58.5% - 59.3%	61.5% - 62.7%	53.2% - 54.0%
Expected life	3 years	15 years	5 years
Risk free rate	0.64% - 0.92%	1.63% - 1.76%	0.73% - 1.15%
Expected dividends	Nil	Nil	Nil

Expected volatility was determined by calculating the historical volatility of the similar companies' share prices over the previous years based on the expected life of each type of option. 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.

12 TRADE AND OTHER PAYABLES

	2019	2018
	£	£
Trade payables	140,650	59,925
Other payables	68,902	77,024
Accrued liabilities	86,184	25,975
Amounts owed to group undertakings	336,625	-
	<u>632,361</u>	<u>162,924</u>
Other payables comprise:		
Other tax and social security	52,671	24,316
Pension payable	8,141	2,708
Miscellaneous minor items	8,090	50,000
	<u>68,902</u>	<u>77,024</u>

The company had trade payables denominated in Euros of £nil (2018: £29,338) and £78,019 (2018: £17,370) denominated in US Dollars at the period end.

Trade payables are unsecured and are usually paid within 30 days of recognition.

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short term nature.

13 RETIREMENT BENEFIT OBLIGATIONS

The company pension arrangements are operated through a defined contribution scheme. The amount recognised as an expense in the year ended 31 August 2019 is £15,909 (2018: £3,530).

Included with other creditors is £8,141 (2018: £2,708) relating to pension commitments at the period end.

# Zoe Global Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2019

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#### 14 FINANCIAL RISK MANAGEMENT

The company's operations expose it to a number of financial risks including market risk (foreign currency risk and interest rate risk), credit risk and liquidity risk. The company manages these risks through an effective risk management programme.

##### **Liquidity risk**

The company closely monitors its access to bank and other credit facilities in comparison to its outstanding commitments on a regular basis to ensure that it has sufficient funds to meet the obligations of the company as they fall due.

The Board receives regular cash flow forecasts which estimate the cash inflows and outflows so that management can ensure that sufficient funding is in place as it is required.

The maturity of trade liabilities is for a period of time equal to less than 6 months.

##### **Interest rate profile**

The company has cash deposits of £4,787,460 (2018: £1,549,379) at the period end. The company also has cash held in treasury deposits of £11,052,229 (£3,337,486) which yield interest rates between 0.61% pa and 2.13% pa. Company funds are invested in deposit accounts with the objective of maintaining a balance between accessibility of funds and competitive rates of return.

The company had no interest bearing borrowings at 31 August 2019 (2018: nil).

##### **Borrowing facilities**

The company had no un-drawn committed borrowing facilities at 31 August 2019 (2018: nil).

##### **Credit risk exposure**

Credit risk predominantly arises from financial asset investments, trade receivables and cash and cash equivalents.

There are no trade receivables as the company is not generating any revenue at this time, reducing exposure to credit risk greatly. Cash and cash equivalents are held in a diverse range of accounts and treasury deposits creating a more diverse range of bank deposits which helps to reduce credit risk.

The company's maximum exposure to credit risk relating to its financial assets is equivalent to their carrying value, as disclosed in note 21. All financial assets have a fair value which is equal to their carrying value.

##### **Foreign currency exposure**

Since the company operates internationally it is exposed to foreign currency risk as part of its normal business as the company carries out research activities in both Europe and the United States.

The amount of trade payables denominated in a foreign currency is shown in note 15.

The company holds bank accounts denominated in USD and Euros to mitigate any foreign currency risk exposure.



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15 CAPITAL MANAGEMENT

The company's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The company sets the amount of capital in proportion to risk. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

There is no external debt in the company.

16 RESERVES

**Share premium account**

Represents amounts subscribed for share capital in excess of nominal value, net of directly attributable share issue costs.

**Retained earnings**

Retained earnings represent the accumulated retained profits and losses less payment of dividends.

17 KEY MANAGEMENT PERSONNEL COMPENSATION

Disclosures required in respect of IAS 24 regarding remuneration of key management personnel is covered by the disclosure of directors' remuneration included within note 4.

18 FINANCIAL INSTRUMENTS

<b>Financial assets at amortised cost</b>	2019 £	2018 £
Other receivables	151,715	62,641
Current asset investments	11,052,229	3,337,486
Cash and cash equivalents	4,787,460	1,549,379
Amounts due from group undertakings	644,403	-
	<u>16,635,807</u>	<u>4,949,506</u>
<b>Financial liabilities at amortised cost</b>		2018 £
Trade and other payables	<u>632,361</u>	<u>138,608</u>

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19 OPERATING LEASE COMMITMENTS

The company entered into an operating lease relating to an office building.

	2019	2018
	£	£
The total of future minimum operating lease payments is as follows:		
Within one year	64,090	-
More than 1 year but within 5 years	19,139	-
After 5 years	-	-
	<hr/>	<hr/>
	83,229	-
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