COMPANY REGISTRATION NUMBER: 08115900

Echobox Limited

Filleted Unaudited Financial Statements

31 December 2022

Echobox Limited

Financial Statements

Period from 1 July 2022 to 31 December 2022

Contents **Page**

Officers and professional advisers	1
Chartered certified accountants report to the board of directors on the preparation of the unaudited statutory financial statements	2
Statement of financial position	3
Notes to the financial statements	5

Echobox Limited

Officers and Professional Advisers

The board of directors	A Amann
	M P Fletcher
Company secretary	OHS Secretaries Limited
Registered office	9th Floor
	107 Cheapside
	London
	EC2V 6DN
Accountants	Complete Accounting Solutions
	Chartered Certified Accountants
	727-729 High Road
	London
	N12 0BP

Echobox Limited

Chartered Certified Accountants Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Echobox Limited

Period from 1 July 2022 to 31 December 2022

As described on the statement of financial position, the directors of the company are responsible for the preparation of the financial statements for the period ended 31 December 2022, which comprise the statement of financial position and the related notes. You consider that the company is exempt from an audit under the Companies Act 2006. In accordance with your instructions we have compiled these financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.

Complete Accounting Solutions Chartered Certified Accountants
727-729 High Road London N12 0BP

Echobox Limited

Statement of Financial Position

31 December 2022

	Note	31 Dec 22	30 Jun 22
		£	£
Fixed assets			
Intangible assets	5	3,200	3,673
Tangible assets	6	114,348	137,904
		117,548	141,577
Current assets			
Debtors	7	1,041,685	959,896
Cash at bank and in hand		1,740,760	2,862,228
		2,782,445	3,822,124
Creditors: amounts falling due within one year	8	6,540,311	1,550,733
Net current (liabilities)/assets		(3,757,866)	2,271,391
Total assets less current liabilities		(3,640,318)	2,412,968
Creditors: amounts falling due after more than one year	9	–	4,928,334
Net liabilities		(3,640,318)	(2,515,366)
Capital and reserves			
Called up share capital	12	163	163
Share premium account		2,514,177	2,514,081
Share options reserve		88,421	80,856
Profit and loss account		(6,243,079)	(5,110,466)
Shareholders funds		(3,640,318)	(2,515,366)

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the period ending 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- 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 Act with respect to accounting records and the preparation of financial statements .

Echobox Limited

Statement of Financial Position *(continued)*

31 December 2022

These financial statements were approved by the board of directors and authorised for issue on 25 April 2023 , and are signed on behalf of the board by:

A Amann

Director

Company registration number: 08115900

Echobox Limited

Notes to the Financial Statements

Period from 1 July 2022 to 31 December 2022

1. General information

The company is a private company limited by shares, registered in England and Wales, company registration number 08115900 . The address of the registered office is 9th Floor, 107 Cheapside, London, EC2V 6DN.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity. Research and development Revenue expenditure on research and development is written off in the year in which it is incurred. Going concern The company incurred losses of £1,062,262 and has net liabilities of £3,569,967 and net current assets of £2,853,060. The company is in ongoing discussions to refinance its £4.9m debt facility with Flow Capital and no matters have been drawn to its attention to suggest that renewal or refinancing with Flow Capital or an alternative lender may not be forthcoming on acceptable terms. Apart from the Flow Capital facility, the directors believe that the company's cash flow and cash balances as at the year end of £1,740,760 will enable the company to meet its other financial obligations if and when they become due for a period of at least 12 months from the date of the approval of the financial statements. Revenue recognition Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax. Income tax The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date . Foreign currencies Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account. Operating leases Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis. Intangible assets Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses .

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Patents and licenses - 5 years Patents and 10 years Licenses straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Office equipment	-	33% straight line
Computer equipment	-	33% straight line

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Profit and Loss Accounts over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance Sheet 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 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 and Loss Account over the remaining vesting period.

4. Employee numbers

The average number of persons employed by the company during the period amounted to 90 (2022: 83).

5. Intangible assets

	Patents and licenses
	£
Cost	
At 1 July 2022 and 31 December 2022	23,627
Amortisation	
At 1 July 2022	19,954
Charge for the period	473
At 31 December 2022	20,427
Carrying amount	
At 31 December 2022	3,200
At 30 June 2022	3,673

6. Tangible assets

	Office equipment	Computer equipment	**Total**
	£	£	**£**
Cost			
At 1 July 2022	25,638	220,361	245,999
Additions	–	9,423	9,423
At 31 December 2022	25,638	229,784	255,422
Depreciation			
At 1 July 2022	12,357	95,738	108,095
Charge for the period	3,288	29,691	32,979
At 31 December 2022	15,645	125,429	141,074
Carrying amount			
At 31 December 2022	9,993	104,355	114,348
At 30 June 2022	13,281	124,623	137,904

7. Debtors

	31 Dec 22	30 Jun 22
	£	£
Trade debtors	818,950	713,951
Other debtors	222,735	245,945
	1,041,685	959,896

8. Creditors: amounts falling due within one year

	31 Dec 22	30 Jun 22
	£	£
Trade creditors	43,244	101,103
Social security and other taxes	162,684	162,137
Other creditors	6,334,383	1,287,493
	6,540,311	1,550,733

9. Creditors: amounts falling due after more than one year

	31 Dec 22	30 Jun 22
	£	£
Other creditors	–	4,928,334

10. Provisions

The company has provided £11,836 of restoration/dilapidation provisions in respect of the rental property occupied by the company.

11. Share-based payments

Certain employees of the Company have been granted options over the shares in the Company. The options granted are at a fair value determined by the directors.

25% of these options are exercisable one year after the date of the grant and then monthly for each of the three years thereafter. None (30 June 2022 : none) of the options vested were exercised in the period ended 31 December 2022.

An expense equivalent to the fair value of the share options granted is recognised evenly over the vesting period with a corresponding amount being recognised in the share option reserve.

12. Called up share capital

Issued, called up and fully paid

	31 Dec 22		30 Jun 22	
	No.	**£**	No.	£
Ordinary shares of £ 0.00001 each	10,000,000	100	10,000,000	100
Deferred shares shares of £ 0.00001 each	100,000	1	100,000	1
Series Seed Preferred shares of £ 0.00001 each	1,399,999	14	1,399,999	14
Series A shares of £ 0.00001 each	4,376,786	44	4,376,786	44
B Ordinary shares shares of £ 0.00001 each	421,523	4	419,779	4
	16,298,308	163	16,296,564	163

During the period, the company issued 1,744 B Ordinary shares for a total consideration of £96 .

13. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	31 Dec 22	30 Jun 22
	£	£
Not later than 1 year	80,429	80,144
Later than 1 year and not later than 5 years	3,990	9,975
	84,419	90,119