REGISTERED NUMBER: 09021758

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2021

FOR

AFFLOW LTD

AFFLOW LTD (REGISTERED NUMBER: 09021758)

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FOR THE YEAR ENDED 31 OCTOBER 2021

AFFLOW LTD

COMPANY INFORMATION
FOR THE YEAR ENDED 31 OCTOBER 2021

DIRECTORS:	L Cooper K A Forshaw L E Green
REGISTERED OFFICE:	Unit 3 Wyvern House Old Forge Business Park Sheffield South Yorkshire S2 4HG
REGISTERED NUMBER:	09021758
ACCOUNTANTS:	Thorpes Limited Chartered Accountants Rocklands Grove Road Rotherham South Yorkshire S60 2ER

AFFLOW LTD (REGISTERED NUMBER: 09021758)

BALANCE SHEET
31 OCTOBER 2021

		2021		2020	
	Notes	$	$	$	$
FIXED ASSETS					
Intangible assets	3		4,081		5,101
Tangible assets	4		5,869		6,460
Investments	5		29,082		29,082
			39,032		40,643
CURRENT ASSETS					
Debtors	6	184,754		323,684	
Cash at bank		2,214,546		1,252,347	
		2,399,300		1,576,031	
CREDITORS					
Amounts falling due within one year	7	2,286,442		1,609,775	
NET CURRENT ASSETS/(LIABILITIES)			112,858		(33,744)
TOTAL ASSETS LESS CURRENT LIABILITIES			151,890		6,899
CAPITAL AND RESERVES					
Called up share capital	8		309		309
Retained earnings			151,581		6,590
SHAREHOLDERS' FUNDS			151,890		6,899

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2021 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
(b) 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 14 October 2022 and were signed on its behalf by:

L Cooper - Director

The notes form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

1. **ACCOUNTING POLICIES**

Company information
Afflow Ltd is a private company limited by shares incorporated in England and Wales. The registered
office is Unit 3 Wyvern House, Old Forge Business Park, Guernsey Road, Sheffield, South Yorkshire,
S2 4HG.

1.1 Accounting convention
These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting
Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the
Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure
requirements of section 1A of FRS 102 have been applied other than where additional disclosure is
required to show a true and fair view.

The financial statements are prepared in US Dollars, which is the functional currency of the company.
Monetary a mounts in these financial statements are rounded to the nearest $.

The financial statements have been prepared under the historical cost convention. The principal
accounting policies adopted are set out below.

1.2 Going concern
At the time of approving the financial statements, the directors have a reasonable expectation that the
company has adequate resources to continue in operational existence for the foreseeable future. Thus the
directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Preparation of consolidated financial statements
The financial statements contain information about Afflow Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

1.4 Turnover
Turnover is recognised at the fair value of the consideration received or receivable for services provided
in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of
consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration takes into account trade discounts, settlement discounts and volume rebates.

1.5 Intangible fixed assets other than goodwill
Intangible assets acquired separately from a business are recognised at cost and are subsequently
measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets
acquired on business combinations are recognised separately from goodwill at the acquisition date if the
fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over
their useful lives on the following bases:

Domain names 10% straight line

1.6 Tangible fixed assets

valuation, net
of depreciation and any impairment losses.
Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over
their useful lives on the following bases:

Fixtures, fittings & equipment 20% reducing balance
Computer equipment 25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale
proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Impairment of fixed assets
At each reporting period end date, the company reviews the carrying amounts of its tangible and
intangible assets to determine whether there is any indication that those assets have suffered an
impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order

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NOTES TO THE FINANCIAL STATEMENTS - continued
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to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in
use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate
that reflects current market assessments of the time value of money and the risks specific to the asset for
which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying
amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.
An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a
revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have
ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or
cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the
increased carrying amount does not exceed the carrying amount that would have been determined had
no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of
an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a
revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents
Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with
banks, other short-term liquid investments with original maturities of three months or less, and bank
overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments
The company has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and
Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet 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.

Basic financial assets
Basic financial assets, which include debtors and cash and bank balances, are initially measured at
transaction price including transaction costs and are subsequently carried at amortised cost using the
effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.
Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets
Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of
impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities continued...

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NOTES TO THE FINANCIAL STATEMENTS - continued
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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.

Basic financial liabilities
Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax
Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the

which
case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the
company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax
assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those
costs are required to be recognised as part of the cost of stock or fixed assets.
The cost of any unused holiday entitlement is recognised in the period in which the employee's services
are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably
committed to terminate the employment of an employee or to provide termination benefits.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income
on a straight line basis over the term of the relevant lease except where another more systematic basis is
more representative of the time pattern in which economic benefits from the lease asset are consumed.

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1.14 Foreign exchange
Transactions in currencies other than US dollars are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

Investments in subsidiaries
Investments in subsidiary undertakings are recognised at cost.

2. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 8 (2020 - 7) .

3. **INTANGIBLE FIXED ASSETS**

	Other intangible assets $
COST	
At 1 November 2020	
and 31 October 2021	10,201
AMORTISATION	
At 1 November 2020	5,100
Charge for year	1,020
At 31 October 2021	6,120
NET BOOK VALUE	
At 31 October 2021	4,081
At 31 October 2020	5,101

4. **TANGIBLE FIXED ASSETS**

	Plant and machinery etc $
COST	
At 1 November 2020	15,981
Additions	2,463
At 31 October 2021	18,444
DEPRECIATION	
At 1 November 2020	9,521
Charge for year	3,054
At 31 October 2021	12,575
NET BOOK VALUE	
At 31 October 2021	5,869
At 31 October 2020	6,460

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2021

5. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings $
COST	
At 1 November 2020 and 31 October 2021	29,082
NET BOOK VALUE	
At 31 October 2021	29,082
At 31 October 2020	29,082

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 $	2020 $
Trade debtors	37,211	164,257
Other debtors	147,543	159,427
	184,754	323,684

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

	2021 $	2020 $
Trade creditors	908,648	516,647
Taxation and social security	582,667	382,213
Other creditors	795,127	710,915
	2,286,442	1,609,775

8. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 $	2020 $
200	Ordinary	£1	309	309

9. **RELATED PARTY DISCLOSURES**

During the year the Company bought services from it's 100% subsidiary Afflow Monetizer GmbH. The cost of these services was $97,519 (2020: $107,103).