

# Hack The Box Ltd

Annual Report and Unaudited Financial Statements  
for the Period from 1 July 2020 to 31 December 2020

# Hack The Box Ltd

## Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Unaudited Financial Statements	<u>4</u> to <u>12</u>

# Hack The Box Ltd

## Company Information

<b>Directors</b>	James Hooker Charalampos Antonios Pularinos Gibbuda Emmett Witham Georgios Tziralis Aristomenis Zikopoulos
<b>Company secretary</b>	James Hooker
<b>Registered office</b>	38 Walton Road Folkestone Kent CT19 5QS
<b>Accountants</b>	OnTheGo Accountants 5 Chancery Lane London EC4A 1BL

## Hack The Box Ltd

### (Registration number: 10826193) Balance Sheet as at 31 December 2020

	Note	2020 £	2020 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	21,886	25,710
Investments	<u>5</u>	1,933,917	2,686
		1,955,803	28,396
<b>Current assets</b>			
Stocks	<u>6</u>	16,244	16,027
Debtors	<u>7</u>	315,711	591,841
Cash at bank and in hand		3,826,644	2,993,931
		4,158,599	3,601,799
<b>Creditors: Amounts falling due within one year</b>	<u>8</u>	(967,214)	(650,503)
<b>Net current assets</b>		3,191,385	2,951,296
<b>Total assets less current liabilities</b>		5,147,188	2,979,692
<b>Provisions for liabilities</b>		(4,159)	4,885
<b>Net assets</b>		5,143,029	2,984,577
<b>Capital and reserves</b>			
Called up share capital	<u>9</u>	1,490	1,375
Share premium reserve		5,237,578	2,943,700
Other reserves		12	-
Profit and loss account		(96,051)	39,502
Shareholders' funds		5,143,029	2,984,577

**Hack The Box Ltd**

**(Registration number: 10826193)  
Balance Sheet as at 31 December 2020**

For the financial period ending 31 December 2020 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 accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 26 July 2021 and signed on its behalf by:

.....

Charalampos Antonios Pularinos  
Director

## Hack The Box Ltd

### Notes to the Unaudited Financial Statements for the Period from 1 July 2020 to 31 December 2020

#### 1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

38 Walton Road  
Folkestone  
Kent  
CT19 5QS

These financial statements were authorised for issue by the Board on 26 July 2021.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

The financial statements have been prepared under the historical cost convention and in accordance with FRS 105 'The Financial Reporting Standard applicable to the Micro-entities Regime'.

##### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

##### Disclosure of long or short period

The financial period has been shortened from a yearended 30th June 2021 to 31st December 2020 as agreed by the Directors.

##### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

## Hack The Box Ltd

### Notes to the Unaudited Financial Statements for the Period from 1 July 2020 to 31 December 2020

#### Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

#### Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

#### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Office equipment	33% Straight line
Furniture and fittings	33% Straight line

## Hack The Box Ltd

### Notes to the Unaudited Financial Statements for the Period from 1 July 2020 to 31 December 2020

#### Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

#### Development costs

Costs directly attributable to the development of computer software are capitalised as intangible assets only when technical feasibility of the project is demonstrated, the company has an intention and ability to complete and use the software and the costs can be measured reliably. Such costs include purchases of materials and services and payroll-related costs of employees directly involved in the project. Research costs are recognised as an expense when incurred.

#### Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call 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.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

## Hack The Box Ltd

### Notes to the Unaudited Financial Statements for the Period from 1 July 2020 to 31 December 2020

#### Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Hack The Box Ltd

### Notes to the Unaudited Financial Statements for the Period from 1 July 2020 to 31 December 2020

#### Share based payments

The company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the nominal value of shares. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

#### 3 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 14 (2020 - 13).

## Hack The Box Ltd

### Notes to the Unaudited Financial Statements for the Period from 1 July 2020 to 31 December 2020

#### 4 Tangible assets

	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 July 2020	4,008	35,928	39,936
Additions	-	2,976	2,976
At 31 December 2020	4,008	38,904	42,912
<b>Depreciation</b>			
At 1 July 2020	1,089	13,137	14,226
Charge for the period	668	6,132	6,800
At 31 December 2020	1,757	19,269	21,026
<b>Carrying amount</b>			
At 31 December 2020	2,251	19,635	21,886
At 30 June 2020	2,919	22,791	25,710

#### 5 Investments

	2020 £	2020 £
Investments in subsidiaries	1,933,917	2,686
<b>Subsidiaries</b>		
<b>£</b>		
<b>Cost or valuation</b>		
At 1 July 2020		2,686
Additions		1,931,231
At 31 December 2020		1,933,917
<b>Provision</b>		
<b>Carrying amount</b>		
At 31 December 2020		1,933,917
At 30 June 2020		2,686

## Hack The Box Ltd

### Notes to the Unaudited Financial Statements for the Period from 1 July 2020 to 31 December 2020

#### 6 Stocks

	2020	2020
	£	£
Other inventories	16,244	16,027

#### 7 Debtors

	2020	2020
	£	£
Trade debtors	152,515	139,776
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>11</u> 9,081	-
Prepayments	-	440,609
Other debtors	154,115	11,456
	<u>315,711</u>	<u>591,841</u>

## Hack The Box Ltd

### Notes to the Unaudited Financial Statements for the Period from 1 July 2020 to 31 December 2020

#### 8 Creditors

##### Creditors: amounts falling due within one year

	2020	2020
	£	£
<b>Due within one year</b>		
Trade creditors	103,516	-
Taxation and social security	17,256	19,703
Accruals and deferred income	836,178	629,525
Other creditors	10,264	1,275
	967,214	650,503
	967,214	650,503

#### 9 Share capital

##### Allotted, called up and fully paid shares

	2020		2020	
	No.	£	No.	£
Ordinary shares of £0.01 each	149,000	1,490.00	94,206	942.06
	149,000	1,490.00	94,206	942.06
	149,000	1,490.00	94,206	942.06

#### 10 Dividends

	2020	2020
	£	£
Interim dividend of £1,345,625 (2020 - £Nil) per ordinary share	1,345,625	-
	1,345,625	-
	1,345,625	-

## Hack The Box Ltd

### Notes to the Unaudited Financial Statements for the Period from 1 July 2020 to 31 December 2020

#### 11 Related party transactions

##### Directors' remuneration

The directors' remuneration for the period was as follows:

	2020	2020
	£	£
Remuneration	<u>198,444</u>	<u>262,343</u>

##### Summary of transactions with entities with joint control or significant interest

Hack the box SMPC is an entity with related directors and bare inter-company transactions.

During the year Hack the Box Ltd made purchases totalling £924,728.

All transactions are made at arms length in line with market value.

##### Expenditure with and payables to related parties

	Entities with joint control or significant influence
	£
2020	
Rendering of services	<u>924,728</u>
2020	

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