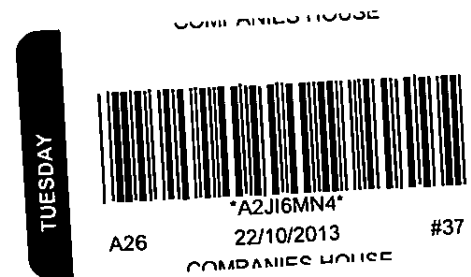




Unaudited Abbreviated Accounts DeepMind Technologies Limited

For the period from 1 October 2011 to 31 December 2012



Registered number: 7386350

Abbreviated accounts

Company Information

Directors	David R Gammon (resigned 23 December 2011) Demis Hassabis Luke Nosek Shane Legg (appointed 23 December 2011) Mustafa Suleyman (appointed 23 December 2011) Jaan Tallinn (appointed 23 December 2011) Bart Swanson (appointed 11 June 2013)
Company secretary	Mustafa Suleyman
Registered number	7386350
Registered office	Fountain House 130 Fenchurch Street London EC3M 5DJ
Accountants	Grant Thornton UK LLP Chartered Accountants 101 Cambridge Science Park Milton Road Cambridge Cambridgeshire CB4 0FY
Bankers	National Westminster Bank 252 Regent Street Mayfair London W1B 3BP

DeepMind Technologies Limited

Contents

	Page
Accountant's report	1
Balance sheet	2
Notes to the abbreviated accounts	3 - 5



Report to the directors on the preparation of the unaudited abbreviated accounts of DeepMind Technologies Limited for the period ended 31 December 2012

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the abbreviated accounts of DeepMind Technologies Limited for the period from 1 October 2011 to 31 December 2012 which comprise the Abbreviated Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given to us

As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at www.icaew.com

This report is made solely to the Board of Directors of DeepMind Technologies Limited, as a body, in accordance with the terms of our engagement letter dated 31 October 2011. Our work has been undertaken solely to prepare for your approval the abbreviated accounts of DeepMind Technologies Limited and state those matters that we have agreed to state to the Board of Directors of DeepMind Technologies Limited, as a body, in this report in accordance with the requirements of the Institute of Chartered Accountants in England and Wales, as detailed at www.icaew.com. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than DeepMind Technologies Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that DeepMind Technologies Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of DeepMind Technologies Limited. You consider that DeepMind Technologies Limited is exempt from the statutory audit requirement for the period from 1 October 2011 to 31 December 2012.

We have not been instructed to carry out an audit or review of the abbreviated accounts of DeepMind Technologies Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the abbreviated accounts.

Grant Thornton UK LLP

Grant Thornton UK LLP
Chartered Accountants
Cambridge

Date 16th October 2013

Abbreviated balance sheet

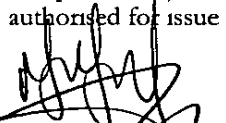
As at 31 December 2012

	Note	31 December 2012		30 September 2011	
		£	£	£	£
Fixed assets					
Tangible assets	2		375,084		58,669
Current assets					
Debtors		532,752		99,869	
Cash at bank and in hand		13,735,999		1,851,390	
		14,268,751		1,951,259	
Creditors: amounts falling due within one year		(227,791)		(46,042)	
Net current assets			14,040,960		1,905,217
Total assets less current liabilities			14,416,044		1,963,886
Creditors: amounts falling due after more than one year			-		(270,445)
Net assets			14,416,044		1,693,441
Capital and reserves					
Called up share capital	3		1,058		638
Share premium account			16,715,682		1,986,176
Profit and loss account			(2,300,696)		(293,373)
Shareholders' funds			14,416,044		1,693,441

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the period in question in accordance with section 476 of the Act

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2012 and of its loss for the period in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

The abbreviated accounts, which 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, were approved and authorised for issue by the board and were signed on its behalf on 15 OCTOBER 2013


Mustafa Sulayman
Director

The notes on pages 3 to 5 form part of these financial statements

Notes to the abbreviated accounts

For the period from 1 October 2011 to 31 December 2012

1. Accounting policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the company will continue trading for the foreseeable future

During the period the company incurred a loss of £2,007,323. At 31 December 2012 the company had cash balances of £13,735,999 from shares issued in the year. Based on forecasts and budgets prepared by management, the board considers the company has sufficient liquidity for the foreseeable future. Further funding was secured subsequent to the year end (note 14)

1.3 Cash flow

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Fixtures & fittings	-	2 years straight line
Office equipment	-	2 years straight line
Computer equipment	-	2 years straight line

1.5 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Notes to the abbreviated accounts

For the period from 1 October 2011 to 31 December 2012

2. Tangible fixed assets

	£
Cost	
At 1 October 2011	70,576
Additions	449,991
At 31 December 2012	<u>520,567</u>
Depreciation	
At 1 October 2011	11,907
Charge for the period	133,576
At 31 December 2012	<u>145,483</u>
Net book value	
At 31 December 2012	<u>375,084</u>
At 30 September 2011	<u>58,669</u>

3. Share capital

	31 December 2012 £	30 September 2011 £
Allotted, called up and fully paid		
3,386,754 (2011 - 3,386,754) Ordinary shares of £0 0001 each	338.675	338 675
2,996,998 (2011 - 2,996,998) Series A preferred shares of £0 0001 each	299.700	299 700
4,198,594 Series B preferred shares of £0 0001 each	419.859	-
	<u>1,058</u>	<u>638</u>

Between 23 December 2011 and 12 March 2012, 4,102,030 Series B preferred shares of £0 0001 each were issued for £3 540 per share. On 23 December 2011, the outstanding loan balance of £273,470 was converted into 96,564 Series B preferred shares, in accordance with the terms of the loan agreement.

Share issue expenses of £64,730 have been charged against share premium.

Rights of shares

Each Series A and Series B preferred share carries one vote for each ordinary share into which it may convert and is not redeemable. Each Series A and Series B preferred share shall be convertible, at the option of the holder, at any time after the date of issue into that number of fully paid ordinary shares. The Series A and Series B preferred shareholders may receive dividends, when and if decided by the board, at a rate of 8% of the subscription price in priority to any other distribution, and have a prior entitlement on a liquidation event.

Notes to the abbreviated accounts

For the period from 1 October 2011 to 31 December 2012

4. Post balance sheet events

Subsequent to the year end the company has completed the Series C funding round issuing a total of 2,509,233 Series C Preferred shares