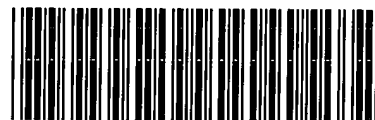


**ASITE LIMITED**  
**ANNUAL REPORT AND CONSOLIDATED**  
**FINANCIAL STATEMENTS**

**30 JUNE 2021**

**REGISTERED NUMBER: 02004015**

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**Asite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

**COMPANY INFORMATION**

<b>Directors</b>	R Tchenguiz N Doughty A Pickworth N Martin
<b>Company Secretary</b>	A Pickworth
<b>Registered number</b>	02004015
<b>Registered office</b>	7 <sup>th</sup> Floor Leconfield House Curzon Street London W1J 5JA United Kingdom
<b>Independent auditor</b>	Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditor Third Floor 10 South Parade Leeds LS1 5QS

**Asite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

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**Asite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**Introduction**

The directors present their strategic report for the year ended 30 June 2021.

**Review of the business**

I am pleased to report that the Group has continued its growth and increased its global footprint over the past 12 months. For the year ended 30 June 2021 revenue increased by 18% from £11,018,540 to £13,025,493 and operating profit decreased by 33% from £1,904,194 to £1,266,380.

Asite's vision is to connect people and help the world build better.

During this period, we have opened new offices in Houston, Texas to support our North American business, and in the Kingdom of Saudi Arabia and the United Arab Emirates to support growth in the GCC region. We've invested in staff worldwide, and continued to deliver successful new innovations in the Asite Platform.

Our Asite Platform continues to push the boundaries of research and innovation in the fields of digital engineering and data logistics on behalf of our customers. This positions us well to deliver on our strategic plan to become the world's leading data logistics platform for the built environment, providing the software to connect the physical, digital, and human.

**COVID Impact**

The COVID-19 pandemic and the governmental measures taken to contain it across the world were in place for the whole of Asite's fiscal year and continue today. Despite the resultant slowdowns associated with the lockdown measures in the geographies where Asite operates, the company is well placed for the future as a web-native and mobile-native platform to negotiate the unique set of conditions currently facing the global economy.

**Key Performance Indicators**

Asite continues to manage the business through both financial Key Performance Indicators (KPIs) as listed above, and non-financial KPIs such as numbers of users, number of clients and churn rate.

The Directors consider Earnings Before Interest, Tax, Depreciation, and Amortisation (EBITDA), Global Headcount, and Annual Recurring Revenue (ARR) to be strategically important KPIs for the business and we continuously monitor these KPIs in accordance with the key metrics of the business:

	<u>2021</u>	<u>2020</u>
Turnover (£)	13,025,493	11,018,540
EBITDA (£)	1,990,608	2,651,638
As a % of Turnover	15	24

The year on year decrease in EBITDA is largely attributable to the increased strategic investment into Sales & Marketing headcount in both new and existing regions.

**Asite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**Global Headcount KPI**

	<u>2021</u>	<u>2020</u>
Global Headcount (Average)	301	241

Average Headcount has increased by 25% year on year.

**Annual Recurring Revenue KPI**

	<u>2021</u>	<u>2020</u>
Annual Recurring Revenue (£m)	10.777	8.308

Annual Recurring Revenue has increased by 30% year on year.

**Principal risks and uncertainties**

We undertake a continuous risk review strategy of our operations and continue to implement appropriate mitigation strategies for those risks which we have assessed as critical to the ongoing operations of the Group. Significant risks identified cover recruitment and retention of key staff, system performance, technology obsolescence, client base plurality, product diversity and regulatory environment. The Group continues to monitor these risks and to update and amend mitigating strategies as appropriate.

This report was approved by the board and signed on its behalf by:



**Nathan R. Doughty**  
Chief Executive Officer  
Date:

29<sup>th</sup> March 2022

**Asite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

The directors present their report and the audited financial statements of Asite Limited (the 'Company') and its subsidiaries (together the 'Group') for the year ended 30 June 2021.

**Dividends**

No ordinary dividends were paid in either the current or the prior period.

The directors do not recommend the payment of a final dividend.

**Directors**

The directors who held office during the year were:

R Tchenguiz  
N Doughty  
T Pickworth  
N Martin

**Principal activity**

The principal activity of the Group is to provide a Software as a Service (SaaS) digital engineering platform to integrate supply chains for capital projects, infrastructure developments, and asset management.

**Political donations**

The company made no political donations or incurred any political expenditure during the year.

**Research and development**

The Group continues to invest in research and development in the field of digital engineering. Research and development costs incurred during the year to 30 June 2021 totalled £832,607 (2020: £784,730) all of which was capitalised. The directors regard investment in this area as a prerequisite for success in the medium to long term future.

**Financial instruments**

***Objectives and policies***

The Group is exposed to price risk, credit risk, liquidity risk, cash flow and foreign currency risk. The directors review risk management strategies regularly.

***Price risk, credit risk, liquidity risk, cash flow and foreign currency risk***

**Price**

The Group has minimal exposure to price risk as all prices are pre-set by management.

**Credit**

The Group is exposed to credit risk and management ensure credit checks are completed on all new customers and chase debts on a regular basis once they become overdue.

**Liquidity**

The Group's exposure to liquidity risk is minimal as the Group has adequate net current assets.

**Asite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**Cash flow**

The Group is exposed to cash flow risk as a result of the timing between paying suppliers and the receipt of money from customers and management manage this through regular review.

**Foreign currency**

The Group is exposed to foreign currency risk through its overseas investments and operations in various countries across the world. The group hedges against these currency risks.

Asite Limited has no borrowings, accordingly interest rate risk, in this regard is minimal. The Group's policies for mitigating these risks are outlined in the notes to the financial statements.

**Creditor payment policy**

The Group does not have a policy to follow any code or standard on payment practice. However, the Group will continue to settle the terms of payment with its suppliers and, when agreeing the terms of each transaction, will ensure that those suppliers are aware of the terms of payment and will abide by those terms of payment, unless subsequently renegotiated.

**Going concern**

Following the year end the company has secured funding of £7.2m to allow the group to invest in sales & marketing and research and development in order to facilitate the expansion plans of the directors. Forecasts prepared by the directors demonstrate that - while the additional cost of investment has a short to medium term impact on profitability - the group has sufficient cash to fund its expansion plans and allow the group to meet its liabilities as they fall due, for a period of at least 12 months from the date of these financial statements.

After consideration of all factors, the directors continue to adopt the going concern basis in preparing the financial statements.

**Directors liabilities**

Directors' and officers' liability insurance has been purchased by the Group during the year. The company's Articles of Association provide, subject to the provision of UK legislation, an indemnity for the directors and officers of the company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers. This includes any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted or alleged to have been done or omitted, by them as officers or employees of the company. Appropriate directors' and officers' liability insurance cover is in place in respect of all of the company's directors.

**Future developments**

The directors are not expecting to make any significant changes in the nature of the business in the near future but continued growth via investment in marketing, R&D and ecosystem partnerships remain a key focus for the Group's growth.

**Asite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that each director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Directors' responsibilities statement**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the EU and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period and otherwise comply with the Companies Act 2006. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards as adopted by the EU have been followed for the financial statements, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Auditor**

The auditors, Armstrong Watson Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



**Nathan R. Doughty**  
Chief Executive

Date:

29<sup>th</sup> March 2022



**Asite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

To the members of Asite Limited

**Opinion**

We have audited the financial statements of Asite Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2021, which comprise the Group Statement of income and comprehensive income, the Group and Company Statement of Financial Position, the Group and Company Statement of Changes in Equity, the Group and Company Statement of Cash Flows and notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 June 2021 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standards and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Aslite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

**Asite Limited**

**Annual Report and Consolidated Financial Statements  
For the year ended 30 June 2021**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2021**

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the UK Companies Act, tax legislation and occupational health and employment legislation.
- We enquired of the directors, reviewed correspondence with HMRC and reviewed directors meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the directors have in place to ensure compliance.
- We gained an understanding of the controls that the directors have in place to prevent and detect fraud. We enquired of the directors about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: revenue recognition.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the directors and third-party advisors about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

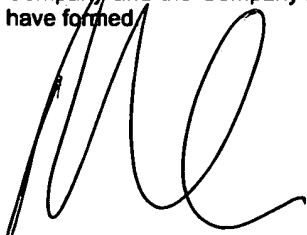
**Asite Limited**

**Annual Report and Consolidated Financial Statements  
For the year ended 30 June 2021**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2021**

**Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Matthew Osbourne (Senior Statutory Auditor)**  
For and on behalf of Armstrong Watson Audit Limited  
Chartered Accountants  
Statutory Auditors  
Leeds  
Date: 30 March 22

**Asite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

**CONSOLIDATED INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	Note	<u>2021</u> £	<u>2020</u> £
<b>Revenue</b>	4	13,025,493	11,018,540
<b>Cost of sales</b>		(2,945,640)	(2,257,031)
<b>Gross profit</b>		<u>10,079,853</u>	<u>8,761,509</u>
Distribution costs		(3,653,905)	(1,289,716)
Administrative expenses		(5,257,888)	(5,590,529)
Other operating income and expenses	5	98,320	22,930
<b>Operating profit</b>	7	<u>1,266,380</u>	<u>1,904,194</u>
Finance costs	6	(79,729)	(31,728)
Share of profit of associates		-	-
<b>Profit before taxation</b>		<u>1,186,651</u>	<u>1,872,466</u>
Income tax	12	553,792	(211,812)
<b>Profit for the year</b>		<u>1,740,443</u>	<u>1,660,654</u>
 <b>Profit for the year</b>			
Attributable to owners of the company		<u>1,740,443</u>	<u>1,660,654</u>

All amounts relate to continuing operations.

The notes on pages 19 to 48 form part of these financial statements.

**Asite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	<u><b>2021</b></u> <b>£</b>	<u><b>2020</b></u> <b>£</b>
Profit for the year	1,740,443	1,660,654
<b>Items that may be reclassified subsequently to profit or loss</b>		
Foreign currency translation losses	(268,323)	(7,080)
<b>Total comprehensive income for the year</b>	<u><b>1,472,120</b></u>	<u><b>1,653,574</b></u>
 <b>Total comprehensive income attributable to:</b>		
Owners of the company	<u><b>1,472,120</b></u>	<u><b>1,653,574</b></u>

The notes on pages 19 to 48 form part of these financial statements.

**Asite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2021**

	Note	<u>2021</u> £	<u>2020</u> £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13	443,476	271,256
Right-of-use assets	14	35,899	-
Intangible assets	15	2,530,447	2,270,436
Investments in associates	11	44,207	-
Deferred tax assets	12	3,117,696	2,269,186
		<u>6,171,725</u>	<u>4,810,878</u>
<b>Current assets</b>			
Trade and other receivables	17	5,139,914	3,099,353
Cash and cash equivalents		3,286,558	4,878,397
		<u>8,426,472</u>	<u>7,977,750</u>
<b>Total assets</b>		<u><b>14,598,197</b></u>	<u><b>12,788,628</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	22	(502,357)	(18,824,564)
Share premium		-	(2,441,592)
Retained earnings		(9,796,451)	11,823,397
Foreign exchange translation reserve		275,403	7,080
Equity attributable to owners of the company		<u>(10,023,405)</u>	<u>(9,435,679)</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities	12	(537,335)	(376,790)
		<u>(537,335)</u>	<u>(376,790)</u>
<b>Current liabilities</b>			
Trade and other payables	19	(1,923,333)	(1,396,685)
Deferred income		(2,078,050)	(1,579,474)
Lease liabilities		(36,074)	-
		<u>(4,037,457)</u>	<u>(2,976,159)</u>
<b>Total liabilities</b>		<u><b>(4,574,792)</b></u>	<u><b>(3,352,949)</b></u>
<b>Total equity and liabilities</b>		<u><b>(14,598,197)</b></u>	<u><b>(12,788,628)</b></u>

**Asite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**Nathan R. Doughty**  
Chief Executive

Date: *29th March 2022*  
Company registered number: 02004015

The notes on pages 19 to 48 form part of these financial statements.



**Asite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2021**

	Note	<u>2021</u> £	<u>2020</u> £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments in subsidiaries	11	65,094	65,094
Deferred tax assets	12	1,506	1,506
		<u>66,600</u>	<u>66,600</u>
<b>Current assets</b>			
Other current assets	17	518,524	-
Cash and cash equivalents		33,479	8,845
		<u>552,003</u>	<u>8,845</u>
<b>Total assets</b>		<u><u>618,603</u></u>	<u><u>75,445</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	22	(502,357)	(18,824,564)
Share premium		-	(2,441,592)
Retained earnings		(64,619)	21,876,238
Equity attributable to owners of the company		<u>(566,976)</u>	<u>610,082</u>
<b>Current liabilities</b>			
Trade and other payables	19	(51,627)	(25,285)
Other current financial liabilities	16	-	(660,242)
		<u>(51,627)</u>	<u>(685,527)</u>
<b>Total liabilities</b>		<u><u>(51,627)</u></u>	<u><u>(685,527)</u></u>
<b>Total equity and liabilities</b>		<u><u>(618,603)</u></u>	<u><u>(75,445)</u></u>

The profit for the financial year of the parent company was £2,061,452 (2020: loss of £114,063).

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**Nathan R. Doughty**  
Chief Executive

Date: 29<sup>th</sup> Mar 2022

Company registered number: 02004015

The notes on pages 19 to 48 form part of these financial statements.

**Asite Limited**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 30 June 2021**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	Share capital	Share premium	Retained earnings	Foreign exchange translation reserve	Total equity
	£	£	£	£	£
<i>For the year ended 30 June 2021</i>					
<b>At 1 July 2020</b>	<b>18,824,564</b>	<b>2,441,592</b>	<b>(11,823,397)</b>	<b>(7,080)</b>	<b>9,435,679</b>
Profit for the year	-	-	1,740,443	-	1,740,443
Other comprehensive income/ (expense)	-	-	-	(268,323)	(268,323)
Total comprehensive income	-	-	1,740,443	(268,323)	10,907,799
Issue of share capital	73,207	-	-	-	73,207
Reduction in nominal value of share capital	(18,376,447)	(2,441,592)	20,818,039	-	-
Own shares acquired in the year	(18,967)	-	(938,634)	-	(957,601)
<b>At 30 June 2021</b>	<b>502,357</b>	<b>-</b>	<b>9,796,451</b>	<b>(275,403)</b>	<b>10,023,405</b>
<i>For the year ended 30 June 2020</i>					
<b>At 1 July 2019</b>	<b>18,824,564</b>	<b>2,441,592</b>	<b>(13,484,051)</b>	<b>-</b>	<b>7,782,105</b>
Profit for the year	-	-	1,660,654	-	1,660,654
Other comprehensive income/(expense)	-	-	-	(7,080)	(7,080)
Total comprehensive income	-	-	1,660,654	(7,080)	1,653,574
<b>At 30 June 2020</b>	<b>18,824,564</b>	<b>2,441,592</b>	<b>(11,823,397)</b>	<b>(7,080)</b>	<b>9,435,679</b>

The notes on pages 19 to 48 form part of these financial statements.

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**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	Share capital £	Share premium £	Retained earnings £	Total equity £
<i>For the year ended 30 June 2021</i>				
<b>At 1 July 2020</b>	18,824,564	2,441,592	(21,876,238)	(610,082)
Profit for the year	-	-	2,061,452	2,061,452
Total comprehensive income/(expense)	-	-	2,061,452	2,061,452
Issue of share capital	73,207	-	-	73,207
Reduction in nominal value of issued share capital	(18,376,447)	(2,441,592)	20,818,039	-
Own shares acquired in the year	(18,967)	-	(938,634)	(957,601)
<b>At 30 June 2021</b>	<b>502,357</b>	<b>-</b>	<b>64,619</b>	<b>566,976</b>

*For the year ended 30 June 2020*

<b>At 1 July 2019</b>	18,824,564	2,441,592	(21,762,175)	(496,019)
Loss for the year	-	-	(114,063)	(114,063)
Total comprehensive income/(expense)	-	-	(114,063)	(114,063)
Issue of share capital	-	-	-	-
<b>At 30 June 2020</b>	<b>18,824,564</b>	<b>2,441,592</b>	<b>(21,876,238)</b>	<b>(610,082)</b>

The notes on pages 19 to 48 form part of these financial statements.

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**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	Note	<u>2021</u> £	<u>2020</u> £
<b>Cash flows from operating activities</b>			
Profit for the year		1,740,443	1,660,654
<i>Adjustments to cash flows for non-cash items</i>			
Depreciation and amortisation	7	879,815	747,444
Depreciation on right-of-use assets	7	9,791	-
Finance costs	6	12,671	5,874
Income tax (credit)/charge	12	(553,792)	211,812
		<u>2,088,928</u>	<u>2,625,784</u>
(Increase)/decrease in trade and other receivables	17	(2,040,561)	80,409
Increase in trade and other payables	19	526,648	12,415
Increase in deferred income		498,576	280,260
<b>Net cash flow from operating activities</b>		<u>1,073,591</u>	<u>2,998,868</u>
<b>Cash flows from investing activities</b>			
Acquisitions of property, plant and equipment	13	(288,148)	(134,155)
Acquisition of intangible assets	15	(1,048,879)	(784,730)
Acquisition of investment in associate	11	(44,207)	-
<b>Net cash flows from investing activities</b>		<u>(1,381,234)</u>	<u>(918,885)</u>
<b>Cash flows from financing activities</b>			
Interest paid	6	(12,671)	(5,874)
Proceeds from share issues		73,207	-
Repayment of other borrowing		-	(490,000)
Lease liability payments		(9,615)	-
Share buy back scheme		(957,601)	-
Taxation paid		(99,689)	-
<b>Net cash flows from financing activities</b>		<u>(1,006,369)</u>	<u>(495,874)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<u>(1,314,012)</u>	<u>1,584,109</u>
Cash and cash equivalents at 1 July		4,878,397	3,434,058
Effect of exchange rate fluctuations on cash held		(277,827)	(139,770)
<b>Cash and cash equivalents at 30 June</b>		<u>3,286,558</u>	<u>4,878,397</u>

The notes on pages 19 to 48 form part of these financial statements.

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**COMPANY STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	Note	<u>2021</u> £	<u>2020</u> £
<b>Cash flows from operating activities</b>			
Profit/(Loss) for the year		2,061,452	(114,063)
<i>Adjustments to cash flows for non-cash items</i>			
Finance costs	6	-	14,761
Dividends received		(2,187,710)	-
		<u>(126,258)</u>	<u>(99,302)</u>
(Increase) in trade and other receivables	17	(518,524)	(32,972)
(Decrease)/increase in trade and other payables	16, 19	(633,900)	640,959
Net cash flow from operating activities		<u>(1,278,682)</u>	<u>508,685</u>
<b>Cash flows from investing activities</b>			
Dividends received		2,187,710	-
Net cash flows from investing activities		<u>2,187,710</u>	<u>-</u>
<b>Cash flows from financing activities</b>			
Interest paid	6	-	(14,761)
Repayment of other borrowing		-	(490,000)
Issue of shares		73,207	-
Repurchase of own shares		(957,601)	-
Net cash flows from financing activities		<u>(884,394)</u>	<u>(504,761)</u>
Net increase in cash and cash equivalents		24,634	3,924
Cash and cash equivalents at 1 July		8,845	4,921
Cash and cash equivalents at 30 June		<u>33,479</u>	<u>8,845</u>

The notes on pages 19 to 48 form part of these financial statements.

**Asite Limited**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**1. General Information**

Asite Limited (the "Company") is a company limited by shares, incorporated and domiciled in the UK. The address of its registered office is 7<sup>th</sup> Floor Leconfield House, Curzon Street, London, England, W1J 5JA. The registered number of the Company is 02004015.

The principal activity of the Company is that of a holding company.

The principal activity of the Group is to provide a Software as a Service (SaaS) digital engineering platform to integrate supply chains for capital projects, infrastructure developments, and asset management.

The accounting policies set out below have, unless otherwise stated, been applied consistently in these financial statements.

**2. Accounting policies**

***Statement of compliance***

The Group financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations adopted by the EU ("adopted IFRS's").

***Summary of significant accounting policies***

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

***Basis of Preparation***

The financial statements have been prepared in accordance with adopted IFRSs and under historical cost accounting rules.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The presentational currency used in this report is Pound Sterling (£).

***Going concern***

Following the year end the company has secured funding of £7.2m to allow the group to invest in sales & marketing and research and development in order to facilitate the expansion plans of the directors. Forecasts prepared by the directors demonstrate that - while the additional cost of investment has a short to medium term impact on profitability - the group has sufficient cash to fund its expansion plans and allow the group to meet its liabilities as they fall due, for a period of at least 12 months from the date of these financial statements.

After consideration of all factors, the directors continue to adopt the going concern basis in preparing the financial statements.

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**Accounting Policies (continued)**

***Basis of consolidation***

The consolidated financial statements incorporate the financial statements of the Company and its entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power over the investee, is exposed, or has right, to variable returns from its involvement with the investee and has the ability to use its power to affect its return. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies of the group. Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of loss of control, as applicable.

No profit or loss account is presented for the company as permitted by Section 408 of the Companies Act 2006.

***Business Combinations***

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair value of any assets transferred, liabilities incurred and the equity interest's issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration agreement. Acquisition costs are expensed as incurred. Assets acquired and liabilities assumed are generally measured at their acquisition date fair values.

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is initially measured at cost, being the excess of the consideration transferred over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. At each balance sheet date goodwill is reviewed for impairment using a discounted cash flow method applied to business forecasts. If the review demonstrates that impairment has occurred, this is expensed to the income statement.

***Foreign currency***

Transactions in foreign currencies are translated to the Group's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

**Asite Limited**

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**Accounting Policies (continued)**

**International Financial Reporting Standards in issue but not yet effective**

At the date of authorisation of the financial statements, the IASB and IFRS Interpretations Committee have issued standards, interpretations and amendments which are applicable to the Company.

Whilst these standards and interpretations are not effective for, and have not been applied in the preparation of, these financial statements, the following could have a material impact on the Company's financial statements going forward:

New/Revised International Financial Reporting Standards		Effective Date: Annual periods beginning on or after:	EU adopted
IAS 17	<i>Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)</i>	1 January 2022	No
IAS 1	<i>Classification of Liabilities as Current or Non-current - Amendments to IAS 1</i>	1 January 2022	No
IAS 8	<i>Definition of Accounting Estimate (Amendments to IAS 8)</i>	1 January 2023	No
IAS 12	<i>Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12 Income Taxes</i>	1 January 2023	No

New / revised International Financial Reporting Standards which are not considered to potentially have a material impact on the Company's financial statements going forwards have been excluded from the above.

Management anticipates that all relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments not listed below are not expected to have a material impact on the Company's financial statements.

There are no other standards and interpretations in issue but not yet adopted that the directors anticipate will have a material effect on the reported income or net assets of the Company.

**Revenue recognition**

In accordance with IFRS 15, Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer (i.e. when the Group delivers its performance obligation under the contract) at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group typically enters into multi-element arrangements which include software licence fees, software development consultancy and training services. Each element of revenue has contractually individual performance obligations, as such revenue is allocated to the elements of the arrangement based upon the fair value of each element.

The Group sells a licence for access to its products which are hosted from the Group's dedicated servers. The licence fees grant access to web space for the duration of the customer's project and include maintenance and support. The revenue for the licence is recognised on an accruals basis to match the period of use by the customer until the end of the contract. The unrecognised element is included within 'deferred income' and the amount recognised prior to billing is included within 'amounts recoverable on contracts'.



## **Asite Limited**

### **Annual Report and Consolidated Financial Statements For the year ended 30 June 2021**

#### **Accounting Policies (continued)**

Training revenue relates to customer training to use the product. Software development consultancy revenue relates to the initial tailoring of the product to match the needs of the project and on-going consultancy work provided to the customer post implementation. Revenue is recognised on the consulting and training fees based on fixed daily rates as the service is provided. The fixed daily rates are predetermined at the contract signing date.

#### **Taxation**

Tax on the profit and loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that effect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

#### **Property, plant and equipment**

Property, plant and equipment is recorded at acquisition cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of an asset. Depreciation is provided for annually on a straight-line basis using the following useful lives:

- Fixtures, fittings and equipment – 3 to 15 years straight line
- Other property, plant and equipment – 3 to 15 years straight line

Property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of income and comprehensive income when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which is considered to be 5 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

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**Accounting Policies (continued)**

***Intangible assets***

Intangible assets acquired by the company are stated at cost less accumulated impairment losses. Cost is defined as the amount of cash or cash equivalent paid or the fair value of other consideration given, to acquire these assets at the time of their acquisition.

***Amortisation***

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life are systematically tested for impairment at each balance sheet date.

Amortisation is calculated over the estimated useful lives of the assets as follows:

- Internally generated software development costs – 5 years straight line
- Software licences – 5 years straight line
- Website – 5 years straight line
- Other intangible assets – 3 years straight line

The residual values, useful lives and methods of amortisation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

***Investments***

Investments in subsidiaries are measured at cost less accumulated impairment.

***Associates***

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, an investment in an associate is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate.

***Cash and cash equivalents***

Cash and cash equivalents consist of cash on hand, deposits held, and other short-term liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash. Cash and cash equivalents are not subject to a risk of change in fair value.

***Financial Instruments***

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

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**Accounting Policies (continued)**

**[a] Initial recognition**

Appropriate classification of financial assets and financial liabilities is determined at the time of initial recognition or when reclassified on the consolidated statements of financial position using one of the following measurement categories:

- (i) Amortised cost;
- (ii) Fair value through other comprehensive income ["FVTOCI"]; or
- (iii) Fair value through profit or loss ["FVTPL"].

**Financial assets:**

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, FVTOCI, or FVTPL. The classification of financial assets are generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

Financial assets are subsequently measured at amortised cost if both the following conditions are met and they are not designated as FVTPL:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortised cost using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of income and other comprehensive income [loss] when the asset is derecognised, modified or impaired.

**Financial liability:**

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL. Financial liabilities are classified as FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination; (ii) held for trading; or (iii) it is designated as FVTPL.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as a FVTPL upon initial recognition if:

1. such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
2. the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis at a group level; or
3. it forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as FVTPL.

For financial liabilities that are designated as FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the consolidated statements of income and comprehensive income. The remaining amount of change in the fair value of liability is recognised in the consolidated statements of income and comprehensive income. The gain or loss recognised in the consolidated statements of income and comprehensive income incorporates any interest paid on the financial liability and is included in finance costs, net.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination; (ii) held for trading; or (iii) designated as FVTPL are subsequently measured at amortised cost using the effective interest rate method. Interest paid from these financial liabilities is included in finance costs, net using the effective interest rate method.

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**Accounting Policies (continued)**

Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities, other than financial assets and financial liabilities classified as FVTPL, are added to or deducted from the fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are recognised immediately in consolidated statements of income.

***Impairment of financial assets***

As the Company's financial assets are substantially made up of trade receivables, which are measured at amortised cost, the Company has elected to apply the simplified approach for measuring the loss allowance at an amount equal to lifetime expected credit losses ["ECL"]. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The Company measures expected credit loss by considering the risk of default over the contract period and incorporates forward-looking information into its measurement. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be objectively related to an event occurring after the initial impairment was recognised.

***Leases***

The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset.

***Provisions***

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statements of income and comprehensive income, net of any reimbursement.

***Employee benefits***

The Company has certain pension plans, which consist of defined contribution plans. These plans take different forms depending on the legal, financial and tax regime of each country. The cost of defined contribution pension plans is charged to expense as the contributions become payable and cease when an employee leaves the Company.

***Share capital***

Share capital represents the nominal value of the shares that have been issued.

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**Accounting Policies (continued)**

***Share premium***

Share premium includes any premiums received on the issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3. Key sources of estimation, uncertainty and significant accounting judgements**

The preparation of the Group's consolidated financial statements require management to make judgements, estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The directors consider the key accounting estimates to be valuation and capitalisation of development costs, residual values of intangible fixed assets and provision for trade debtors.

At the start of an internally developed project management assess if it will generate probable future economic benefits and meet the criteria for the costs to be capitalised. Once management conclude it meets the criteria they then use their judgement to assess the allocation of costs that specifically relate to the project.

The residual values of intangible fixed assets are reviewed on an ongoing basis by the directors.

Provisions for trade debtors are reviewed by the directors on an ongoing basis who use their specific industry knowledge and experience to ensure the correct judgements.

**4. Revenue**

The analysis of the Group's revenue for the year from continuing operations is as follows:

	2021 £	2020 £
Software licence fees	9,422,455	7,491,445
Software development consultancy	1,984,872	1,669,305
Training services	1,618,166	1,857,790
	<u>13,025,493</u>	<u>11,018,540</u>

Revenue by geographical location is as follows:

	2021 £	2020 £
Sales – UK and Europe	10,123,095	8,624,364
Sales – Australasia	1,252,472	1,108,259
Sales – India	214,255	186,347
Sales – North America	1,159,516	1,099,570
Sales – Middle East	276,155	-
	<u>13,025,493</u>	<u>11,018,540</u>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**Contract balances**

The following table provides information about receivables and contract liabilities from contracts with customers.

	2021 £	2020 £
Trade receivables from customers (see note 17)	3,731,716	2,369,765
Contract assets (accrued income) (see note 17)	159,115	185,158
Contract liabilities (deferred income)	2,078,050	1,579,474

Contract assets represent revenue recognised but not yet invoiced. All contract assets as of 30 June 2020 (£185,158) were invoiced during the year ended 30 June 2021. The same is expected to be true for all contract assets at the year ended 30 June 2021.

Contract liabilities represent the Group's obligation to transfer goods or services to customers, for which the Group has already received consideration from the customer. All of the contract liability balance as of 30 June 2020 (£1,579,474) has been recognised as revenue during the year ended 30 June 2021. The same is expected to be true for all contract liabilities at the year ended 30 June 2021.

**5. Other gains, losses and Operating Income**

The analysis of the Group's other gains and losses for the year is as follows:

	2021 £	2020 £
JRS Furlough reclaim	-	10,430
Cash flow boost	91,056	-
Other sundry income	42,184	12,500
Write off bad debts	(58,120)	-
Research and development	23,200	-
	<u>98,320</u>	<u>22,930</u>

**6. Finance income and costs**

	2021 £	2020 £
Interest expense and other financing liabilities	(12,675)	(16,378)
Interest receivable	4	10,504
Foreign exchange losses	(67,058)	(25,854)
	<u>(79,729)</u>	<u>(31,728)</u>

**Asite Limited**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**7. Operating profit**

Arrived at after charging

	2021 £	2020 £
Depreciation expense	100,738	74,758
Amortisation expense	788,868	672,686
Foreign exchange expense	67,058	25,854
Operating lease expense – property	<u>622,348</u>	<u>579,025</u>

**8. Staff numbers and costs**

The aggregate payroll costs (including directors' remuneration) were as follows:

	2021 £	2020 £
Wages and salaries	5,982,480	4,726,105
Social security costs	400,319	337,105
Other pension costs	<u>217,547</u>	<u>139,379</u>
	<u>6,600,346</u>	<u>5,202,589</u>

The average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows:

	2021 No.	2020 No.
Executive staff	7	4
Professional services	31	17
Sales and account managers	31	16
Marketing	7	5
Technical	218	195
Finance and administration	<u>7</u>	<u>4</u>
	<u>301</u>	<u>241</u>



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**9. Directors' remuneration**

The directors' remuneration for the year was as follows:

	2021 £	2020 £
Remuneration	634,500	661,458
Employer pension contribution	<u>11,985</u>	<u>7,969</u>

In respect of the highest paid director:

	2021 £	2020 £
Remuneration	437,500	309,375
Employer pension contribution	<u>7,875</u>	<u>6,282</u>

Three (2020 – Two) directors are receiving pension benefits that total to £11,985 for the current year (2020: £7,969).

**10. Auditors' remuneration**

	2021 £	2020 £
Audit of these financial statements	19,650	18,750
Other services related to taxation	<u>8,600</u>	<u>8,200</u>

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**11. Investments**

**Group subsidiaries**

Details of the group subsidiaries as at 30 June 2021 are as follows:

Name of subsidiary	Principal activity	Registered office address	Proportion of ownership and voting rights held by the group	
			2021	2020
Asite Solutions Limited*	Web based portal and services	7 <sup>th</sup> Floor Leconfield House, Curzon Street, London, England, W1J 5JA	99.4%	99.4%
Asite Solutions Private Limited	Web based portal and services	A4, Shivalik Business Center, Bh. Rajpath Club, Bodakdev, Ahmedabad 380015, Gujarat, India	99.7%	99.7%
Asite LLC	Web based portal and services	245 W. 29 <sup>th</sup> Street, Unit 1601, New York City, New York 10001. United States	100.0%	100.0%
Asite Solutions PTY Ltd	Web based portal and services	Suite 1, Level 32, 1 Market Street, Sydney NSW 2000 Australia	100.0%	100.0%
Asite Solutions (HK) Ltd	Web based portal and services	21/f, 14 Taikoo Wan Road, City plaza Phase 3, Taikoo Shing, Hong Kong	100.0%	100.0%
Asite Solutions DMCC	Web based portal and services	Unit No:1506, Saba Tower 1, Jumeirah Lakes Towers, Cluster E, Dubai, United Arab Emirates	100.0%	100.0%
Saudi Asite Company for Communications and Info Technology	Web based portal and services	3141Anas Lbn Malik – Almalqa Dist., Unit No. 4608, Riyadh 13521 – 8292, Kingdom of Saudi Arabia	100.0%	-

\*indicates direct investment of the company

**Composition of the Group**

Country of incorporation for all subsidiaries is the same as per the above address.

**Summary of the company investments**

	2021	2020
	£	£
Investments in subsidiaries	65,094	65,094
Investments in associates	44,207	-
	<u>109,301</u>	<u>65,094</u>

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**Investments (continued)**

**Subsidiaries**

	£
<b>Cost or valuation and carrying amount</b>	
At 1 July 2019 and 30 <sup>th</sup> June 2020	<u>65,094</u>
<b>At 1 July 2020 and 30<sup>th</sup> June 2021</b>	<u><b>65,094</b></u>

**Immaterial associates**

The following is summarised financial information for the Group's interest in immaterial associates, based on the amounts reported in the Group's consolidated financial statements:

	2021 £	2020 £
<b>Carrying amount of interest in immaterial associates</b>	<u><b>44,207</b></u>	<u><b>-</b></u>

Immaterial associates have not been included in the consolidated financial statements for reasons of materiality and not impacting the true and fair view.

**Group associates**

Details of the group subsidiaries as at 30 June 2021 are as follows:

Name of associate	Registered office address	Class of shares held	Proportion of ownership and voting rights held by the group	
			2021	2020
Openwage Limited	Leconfield House, Curzon Street, London, England, W1J 5JA	Ordinary and Ordinary A	27.18%	-

\*indicates direct investment of the company

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**12. Taxation**

	2021 £	2020 £
<b>Current taxation</b>		
UK Corporation tax	-	-
Foreign tax	118,600	139,119
<b>Total current tax</b>	<u>118,600</u>	<u>139,119</u>
<b>Deferred tax</b>		
Movement in tax losses	(54,446)	72,693
Changes to tax rates	(621,030)	-
Other movements	3,084	-
<b>Deferred tax charge</b>	<u>(672,392)</u>	<u>72,693</u>
<b>Total tax (credit)/charge in income statement</b>	<b>553,792</b>	<b>211,812</b>

The tax on profit before tax for the year is the lower than corporation tax in the UK (2020 – lower than the standard rate of corporation tax in the UK) of 19% (2020 – 19%).

The differences are reconciled below:

	2021 £	2020 £
<b>Profit before tax</b>	<b>1,186,651</b>	<b>1,872,466</b>
Corporation tax at standard rate of 19% (2020 – 19%)	225,464	355,769
Losses not recognised	23,989	36,734
Other movements	(7,791)	(40,732)
Increase from effect of foreign tax rates	53,563	58,462
Deduction for R&D expenditure	(205,654)	(193,828)
Adjustment for super deduction expenditure	(6,597)	-
Utilisation of losses	(15,736)	(4,593)
Differences due to change in future tax rates	(621,030)	-
<b>Total tax (credit)/charge</b>	<u><b>(553,792)</b></u>	<u><b>211,812</b></u>

An increase in the UK corporate tax from 19% to 25% was announced in the 2021 budget, this is scheduled to take effect from April 2023. The rate for small profits under £50,000 will remain at 19%, and there will be taper relief for businesses with profits between £50,000 and £250,000. Since the proposal to increase the rate to 25% had been substantively enacted at the balance sheet date, its effects are included in these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**12. Taxation (continued)**  
**Deferred tax**

**Group**

**Deferred tax assets and liabilities**

	<b>Asset</b>	<b>Liability</b>	<b>Net deferred tax</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>2021</b>			
Accelerated tax depreciation	-	(537,335)	(537,335)
Recognised losses	3,117,696	-	3,117,696
	<u>3,117,696</u>	<u>(537,335)</u>	<u>2,580,361</u>
	<b>Asset</b>	<b>Liability</b>	<b>Net deferred tax</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>2020</b>			
Accelerated tax depreciation	-	(376,790)	(376,790)
Recognised losses	2,269,186	-	2,269,186
	<u>2,269,186</u>	<u>(376,790)</u>	<u>1,892,396</u>
<b>Deferred tax movement during year:</b>	<b>At 1 July 2020</b>	<b>Recognised in income</b>	<b>At 30 June 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Depreciation in excess of capital allowances	(376,790)	(160,545)	(537,335)
Recognised losses	2,269,186	848,510	3,117,696
<b>Total</b>	<u>1,892,396</u>	<u>831,280</u>	<u>2,723,696</u>
<b>Deferred tax movement during the prior year:</b>	<b>At 1 July 2019</b>	<b>Recognised in income</b>	<b>At 30 June 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Depreciation in excess of capital allowances	(161,894)	(214,896)	(376,790)
Recognised losses	2,133,410	135,776	2,269,186
<b>Total</b>	<u>1,971,516</u>	<u>(79,120)</u>	<u>1,892,396</u>

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**12. Taxation (continued)**

**Company**

	<b>Asset £</b>
<b>2021</b>	
Tax losses carry-forward	<u>1,506</u>

	<b>Asset £</b>
<b>2020</b>	
Tax losses carry-forward	<u>1,506</u>

Deferred tax movement during year:

	<b>At 1 July 2020 £</b>	<b>Recognised in income £</b>	<b>At 30 June 2021 £</b>
Tax losses carry-forward	<u>1,506</u>	<u>-</u>	<u>1,506</u>

Deferred tax movement during the prior year:

	<b>At 1 July 2019 £</b>	<b>Recognised in income £</b>	<b>At 30 June 2020 £</b>
Tax losses carry-forward	<u>1,506</u>	<u>-</u>	<u>1,506</u>

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**13. Property, plant and equipment**

	<b>Furniture, fittings and equipment</b>	<b>Other property, plant and equipment</b>	<b>Total</b>
<b>Group</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>			
<b>At 1 July 2019</b>	197,552	334,953	532,505
Additions	28,629	105,526	134,155
Disposals	-	-	-
<b>At 30 June 2020</b>	<u>226,181</u>	<u>440,479</u>	<u>666,660</u>
Additions	26,838	261,310	288,148
Disposals	-	-	-
Foreign exchange differences	(33,061)	14,006	(19,055)
<b>At 30 June 2021</b>	<u>219,958</u>	<u>715,795</u>	<u>935,753</u>
<b>Depreciation</b>			
<b>At 1 July 2019</b>	101,588	219,058	320,646
Charge for the year	17,018	57,740	74,758
Eliminated on disposal	-	-	-
<b>At 30 June 2020</b>	<u>118,606</u>	<u>276,798</u>	<u>395,404</u>
Charge for the year	17,892	70,783	88,675
Eliminated on disposal	-	-	-
Foreign exchange differences	(17,255)	25,453	8,198
<b>At 30 June 2021</b>	<u>119,243</u>	<u>373,034</u>	<u>492,277</u>
<b>Carrying amount</b>			
<b>At 30 June 2020</b>	<u>107,575</u>	<u>163,681</u>	<u>271,256</u>
<b>At 30 June 2021</b>	<u>100,715</u>	<u>342,761</u>	<u>443,476</u>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**14. Leases (Group as a lessee)**  
***Right-of-use assets***

	Office £
<b>Group</b>	
<b>Cost or valuation</b>	
At 30 June 2020	-
Additions	45,690
Disposals	-
At 30 June 2021	<u>45,690</u>
<b>Depreciation</b>	
At 30 June 2020	-
Charge for the year	9,791
Eliminated on disposal	-
At 30 June 2021	<u>9,791</u>
<b>Carrying amount</b>	
At 30 June 2020	-
At 30 June 2021	<u>35,899</u>

The Group entered into a new lease in the year for an office space. In accordance with IFRS 16 Leases, the company has reviewed the underlying lease arrangement and concluded this new lease arrangement meets the recognition criteria for capitalisation as a right of use asset. The term of this lease is 13 months.

**Amounts recognised in profit and loss**

Depreciation expense on right-of-use assets

Interest expense on lease liability



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**15. Intangible assets**

<b>Group</b>	<b>Internally generated software development costs</b>	<b>Other intangible assets</b>	<b>Website</b>	<b>Software licences</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>					
<b>At 1 July 2019</b>	3,363,428	63,660	-	-	3,427,088
Additions	784,730	-	-	-	784,730
Disposals	-	-	-	-	-
<b>At 30 June 2020</b>	4,148,158	63,660	-	-	4,211,818
Additions	832,607	-	137,530	78,742	1,048,879
Disposals	-	(63,660)	-	-	(63,660)
<b>At 30 June 2021</b>	4,980,765	-	137,530	78,742	5,197,037
<b>Amortisation</b>					
<b>At 1 July 2019</b>	1,205,036	63,660	-	-	1,268,696
Charge for the year	672,686	-	-	-	672,686
Eliminated on disposal	-	-	-	-	-
<b>At 30 June 2020</b>	1,877,722	63,660	-	-	1,941,382
Charge for the year	776,704	-	2,185	9,979	788,868
Eliminated on disposal	-	(63,660)	-	-	(63,660)
<b>At 30 June 2021</b>	2,654,426	-	2,185	9,979	2,666,590
<b>Carrying amount</b>					
<b>At 30 June 2020</b>	2,270,436	-	-	-	2,270,436
<b>At 30 June 2021</b>	2,326,339	-	135,345	68,763	2,530,447

Amortisation is charged to administration expenses in the income statement.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**16. Other current financial liabilities**

<b>Company</b>	<b>2021</b>	<b>2020</b>
<b>Other current financial liabilities</b>		
Loan from subsidiaries	<u>-</u>	<u>660,242</u>

Amounts due to subsidiaries are repayable on demand. There is no interest charged on loans to group undertakings.

**17. Trade and other receivables**

	<b>2021 Group</b>	<b>2020 Group</b>	<b>2021 Company</b>	<b>2020 Company</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade receivables	3,763,974	2,478,375	-	-
Provision for impairment of trade receivables	(32,258)	(108,610)	-	-
Net trade receivables	<u>3,731,716</u>	<u>2,369,765</u>	<u>-</u>	<u>-</u>
Prepayments	702,081	330,386	-	-
Other receivables	547,002	176,752	-	-
Accrued income	159,115	185,158	-	-
Income tax asset	-	37,292	-	-
Total current trade and other receivables	<u>5,139,914</u>	<u>3,099,353</u>	<u>-</u>	<u>-</u>

The fair value of those trade and other receivables are not materially different from the carrying value.

The Group's exposure to credit and market risks, including impairments and allowances for credit losses, relating to trade and other receivables is disclosed in the financial risk management and impairment note.

Trade receivables above include amounts (detailed below) that are past due at the end of the reporting period and which an allowance for doubtful debts has not been recognised as the amounts are still considered recoverable and there hasn't been a significant change in credit quality. Receivables over 365 days are considered to be past due as per the below.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**Trade and other receivables (*continued*)**

**Age of trade receivables that are past due but not impaired**

	<b>2021 Group</b>	<b>2020 Group</b>	<b>2021 Company</b>	<b>2020 Company</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
91 to 120 days	<b>216,778</b>	<b>127,465</b>	-	-
4 to 6 months	<b>470,924</b>	<b>165,066</b>	-	-
6 months to 1 year	<b>2,110</b>	<b>73,612</b>	-	-
Over 1 year	<b>1,120</b>	<b>143,508</b>	-	-
	<b>690,932</b>	<b>509,651</b>	-	-

As at 30 June 2021, trade receivables were considered for impairment under IFRS 9 with no additional expected losses for 2021 trade receivables.

During the period, the company made £32,258 provisions against specific trade receivables (2020: £108,610) with all remaining amount expected to be fully recoverable. The individual impaired receivables mainly relate to customers who are in difficult economic situations. The creation and release of any provisions for impaired receivables have been included in general expense within 'operating costs' in the consolidated income statement. The Group is not exposed to significant foreign exchange risk as the majority of trade and other receivables are denominated in Sterling. Additional disclosure on credit risk management is included in note 23.

**Company**

**2021                      2020**

**Other current financial assets**

**Loan to subsidiaries**

**518,524                      -**

Amounts due from subsidiaries are repayable on demand. There is no interest charged on loans to group undertakings.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**18. Commitments under leases and hire purchase contracts**

**Group**

**Operating leases**

The total future value of minimum lease payments is as follows:

	2021	2020
	£	£
Within one year	534,675	459,833
In two to five years	291,702	169,733
Greater than five years	181,973	-
	<u>1,008,350</u>	<u>629,566</u>

**19. Trade and other payables**

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade payables	1,029,472	281,317	45,393	14,174
Accrued expenses	183,864	504,107	6,234	11,111
Other taxes and social security	683,955	592,317	-	-
Other payables	26,042	18,944	-	-
	<u>1,923,333</u>	<u>1,396,685</u>	<u>51,627</u>	<u>25,285</u>

The fair value of the trade and other payables classified as financial instruments are disclosed in the financial instruments note.

The Group's exposure to market and liquidity risks, including maturity analysis, related to trade and other payables is disclosed in the financial risk management and impairment note.

**20. Pensions and other schemes**

***Defined contribution plan***

The Group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £217,547 (2020: £139,379).

There were £17,903 outstanding contributions within the creditors balance at the 30 June 2021 in relation to the pension scheme (2020: £10,389).

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**21. Share based payments**

**Enterprise Management Incentive Scheme (EMI)**

**Scheme details and movements**

Under the Group's Enterprise Management Incentive Scheme (EMI), share options are granted to executive directors and selected employees. The exercise price of granted options is 1p per ordinary share. Options are exercisable on disposal or flotation of the company or upon board approval. There is a ten year option exercise period from the grant dates of 2011 and 2018. The group has no legal or constructive obligation to repurchase or settle the options in cash. In calculating the fair value of these options no other market related performance conditions have been used. The fair value of the share based payment expense was £Nil (2020: £Nil).

The movements in the number of share options during the year were as follows:

	2021 No.	2020 No.
Outstanding, start of period	7,620,711	10,120,711
Exercised in the year	(400,000)	-
Lapsed in the year	(4,420,711)	(2,500,000)
New issues	-	-
Outstanding, end of period	<u>2,800,000</u>	<u>7,620,711</u>

The movements in the weighted average exercise price of share options during the year were as follows:

The weighted average share price at date of exercise of share options exercised during the year was £0.01 (2020: £0.01).

**Outstanding share options**

Details of share options outstanding at the end of the year are as follows:

	2021	2020
Number of share options outstanding	<u>2,800,000</u>	<u>7,620,711</u>
Expected weighted average remaining life (years)	<u>7</u>	<u>2.50</u>

The option pricing model used was the Black-Scholes model.

In line with IFRS 2 and for the purpose of estimating the charge for share based payments, the following assumptions were used in valuing the 2011 share options awarded under the Black-Scholes option pricing model:

- Share price at grant of £0.01
- Exercise price, under the option contracts of £0.01 per share
- 10 year option exercise period
- An expected share price volatility of 70% based on the average volatility of the FTSE techMARK listed companies and the likelihood of a disposal of the company in the next ten years
- An expected dividend yield of £Nil
- A risk free interest rate of 4.5% based on the implied yield on zero coupon government bonds

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**22. Share capital**

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

The Company has authorised, issued and fully paid share capital of £502,357 which is comprised of 32,373,276 new ordinary shares of £0.01 each and 18,042,814 deferred shares of £0.0099 each.

**Rights, preferences and restrictions**

New ordinary shares have the following rights, preferences and restrictions:

New ordinary shares have one voting right per share, equal rights to dividend entitlements and the priority to receive funds on the winding up of the company

Deferred shares have the following right, preferences and restrictions:

Deferred shares have no voting or attendance rights. Deferred shares have no right to receive dividends. On return of capital or winding up of the company, each deferred share is entitled to its par value after each new ordinary share and new B share has received repayment of capital plus £1,000,000.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**23. Financial instruments**

Investments, financial assets and liabilities, cash and cash equivalents and other interest-bearing loans and borrowings are measured at amortised costs and the Directors believe their present value is reasonable approximation of their fair value.

**Risk management**

**Group**

The board is charged with managing the various risk exposures.

The group is exposed to the following financial risks

- Credit Risk
- Foreign exchange risk
- Liquidity risk

**Accounting Classification**

The following table shows the carrying amounts and fair values of financial assets of financial liabilities. It does not include the fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of the fair value.

Carrying amount	2021 £	2020 £
<b><i>Financial assets not measured at fair value</i></b>		
Trade and other receivables (note 17)	4,437,833	2,768,967
Cash and cash equivalents	3,286,558	4,878,397
<b><i>Financial liabilities measured at amortised cost</i></b>		
Trade and other creditors (note 19)	1,923,333	1,396,685

**Credit risk**

Financial assets past due but not impaired are disclosed in note 17 'Trade and other receivables'.

The maximum exposure to credit risk as at 30 June 2021 was £3,731,716 (2020: £2,369,765).

The Group believes that its maximum credit risk at any one time is represented by the value of its trade receivables. In relation to credit to financial institutions, the group does have significant cash deposits, however the Board believes this risk to be minimal.

The Group applies IFRS 9 for recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

The group manages customer credit risk through the use of credit reports and appropriate contractual documentation. Collections are tracked monthly and where payments are overdue appropriate action is taken on a timely basis.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***Financial Instruments (continued)***

**Foreign exchange risk**

The Group's revenue is substantially Sterling based, accordingly, foreign currency exposure risk to this is minimal. Costs incurred in the group's operations overseas mean currency exposures arise. The group hedges against these currency risks through having foreign operations in which revenue and expenditure are incurred in the same currency acting as a natural hedge. Accordingly the board believes that the currency exposure on translation is minimal.

**Liquidity risk**

The Group's approach to liquidity risk is to ensure that sufficient liquidity is available to meet foreseeable requirements and to invest funds securely and profitably. To achieve this aim, it seeks to maintain cash balances to meet expected cash requirements.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross, not discounted and include contractual interest payments and exclude the impact of netting agreements.

	Carrying amount	1 year or less	1 to < 2 years	2 to < 5 years	5 years and over	Carrying amount
<b>Non-derivative financial liabilities</b>						
Trade and other creditors (note 19)	1,923,333	1,923,333	-	-	-	-

**Capital management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell to reduce debt.

Consistent with other in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings including "current and non-current borrowing" less cash and cash equivalents. Total capital is calculated as "equity" as shown in the Consolidated Statement of Financial Position plus net debt.

**24. Contingent liabilities**

**Group and company**

The Group does not have any contingent liabilities (2020: £Nil).



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**25. Related party transactions**

**Group**

**Key management personnel**  
**Directors.**

**Transaction with key management personnel**

Key management compensation has been disclosed in note 9 Directors' remuneration.

Other transactions with key management personnel are detailed below.

	2021 £	2020 £
Key management purchase of share options	25,000	-
Rentals payable	21,600	21,600
Commercial trade receivable	-	12,960
Write off of commercial trade receivable	<u>(12,960)</u>	<u>-</u>

**Summary of transactions with other related parties**

Transactions with companies in which the directors of Asite Ltd are shareholders and directors are detailed below:

	<b>Sales to</b>		<b>Administrative expenses incurred from</b>	
	2021 £	2020 £	2021 £	2020 £
Leconfield House Ltd	-	-	37,717	-
R20 Advisory Limited	8,725	-	-	-
	<u>8,725</u>	<u>-</u>	<u>-</u>	<u>-</u>

	<b>Receivables outstanding</b>		<b>Payables outstanding</b>	
	2021 £	2020 £	2021 £	2020 £
Leconfield House Ltd	-	-	-	-
R20 Advisory Limited	8,725	-	-	-
	<u>8,725</u>	<u>-</u>	<u>-</u>	<u>-</u>

Transactions with associates are detailed below:

	<b>Sales to</b>		<b>Administrative expenses incurred from</b>	
	2021 £	2020 £	2021 £	2021 £
Openwage Limited	168,393	-	-	-

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***Related party transactions (continued)***

	Receivables outstanding		Payables outstanding	
	2021	2020	2021	2020
	£	£	£	£
Openwage Limited	<u>168,393</u>	<u>-</u>	<u>-</u>	<u>-</u>

***Related party transactions (continued)***

**Loans from related parties**

Loans from related parties are amounts outstanding with R20 Limited as detailed below:

	R20 Limited £
<b>2021</b>	
At start of period	-
Repaid	-
Interest charged	-
At end of period	<u>-</u>
	R20 Limited £
<b>2020</b>	
At start of period	490,000
Repaid	(504,761)
Interest charged	14,761
At end of period	<u>-</u>

**Loans to related parties**

Loans to related parties are amounts outstanding from Openwage Limited as detailed below:

	Openwage Limited £
<b>2021</b>	
At the start of period	-
Loaned	435,580
Interest charged	-
At end of period	<u>435,580</u>
	Openwage Limited £
<b>2020</b>	
At the start of the period	-
Loaned	-
Interest charged	-
At end of period	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***Related party transactions (continued)***

<b>Company</b>		
<b>Loans to/(from) related parties</b>		
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Asite Solutions Limited	<b>483,044</b>	<b>(695,722)</b>
Asite Solutions Private Limited	<b>35,480</b>	<b>35,480</b>
	<b><u>518,524</u></b>	<b><u>(660,242)</u></b>

**26. Capital Commitments**

**Group and company**

The total amount contracted for but not provided in the financial statements was £Nil (2020: £Nil).

**27. Parent and ultimate parent undertaking**

The Directors have determined that there is no intermediate or ultimate controlling party as no individual shareholder is considered to hold a controlling interest in the Company.