

Registered number: 04144304

PAUL MASON CONSULTING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022



PAUL MASON CONSULTING LIMITED

COMPANY INFORMATION

Directors

Paul Mason
Simon Curtis
Richard Lowe

Company secretary

Iris Mason

Registered number

04144304

Registered office

30-32 Blacklands Way
Abingdon Business Park
Abingdon
Oxfordshire
OX14 1DY

Independent auditor

Mazars LLP
Chartered Accountants & Statutory Auditor
30 Old Bailey
London
EC4M 7AU

PAUL MASON CONSULTING LIMITED

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PAUL MASON CONSULTING LIMITED

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Principal activity

The principal activity of the Group in the year under review was to provide technology services to the retail and B2C sectors.

Business review

The results for the period and financial position of the Company and Group ('PMC') are shown in these financial statements.

The Covid-19 pandemic has had a wide ranging impact to the society and markets in which we operate. Following the final UK lockdown which began in January 2021 we have seen the economic environment and trading levels within the sector recover substantially although with long lasting structural change to the markets in which PMC operates.

The Board and Management adopted a set of strategic objectives which safeguarded our people, protected our ongoing investments and continued to provide high quality services to our customers.

Following successive lockdowns many of PMC's customers commenced transformation projects and reviewed their IT service models triggering a significant uplift in demand for our professional and managed services.

This led to the delivery of revenue and EBITDA numbers in the twelve months to 31 March 2022 which materially surpassed the levels seen before the outbreak of the pandemic. Full year revenue increased by 58% from 2020/2021 and 13% from 2019/2020, while EBITDA increased by 17% from 2019/2020.

The Board is pleased with the progress in the following areas in the 12 months to 31 March 2022:

The following was delivered during the year:

- Full year revenue of £14.7m – growth of 58% on the prior year
- Gross Margin of £5.5m – growth of 88% on the prior year
- EBITDA of £1.6m (before restructuring and one-off costs) – compared to EBITDA of £0.012m in prior year
- Operating cashflow of £2.2m before intercompany items - growth of 69% on the prior year
- Sales order value of £17.4m

We increased the number of contracted customer relationships by nine during the year.

PMC's UK and India offices successfully reopened during the year. Our people in both the UK and India successfully adapted to a hybrid working model in line with the approach taken in the majority of comparable working environments.

We continue to invest in growing our highly skilled workforce with overall FTE growing from 368 as at 31 March 2021 to 416 as at 31 March 2022.

We successfully implemented and achieved accreditation for the ISO27001 Information Security Management Standard in November 2021 improving processes across the organisation.

Our key investments were accelerated with both portfolio and go to market expansion, including the launch of our Mobile Device Management proposition. We further expanded our Cloud Integration Enabler Platform (CIEP) capability, bringing integration and cloud based services to seven customers.

We have continued to grow in our focus areas of Program delivery services, Custom Software Development, Testing and Managed Services.

PAUL MASON CONSULTING LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Key developments during the year

Management

PMC has continued to invest in recruitment of expertise, skills and talent to support our ambition. During the year we have continued to increase focus on new business sales expansion with further new senior hires in this area including a Director of Consulting to further grow PMC's consultancy practice.

Staff Numbers

Staff numbers at year end were increased to 416 from 368 in 2020/21, with 100 employees in the UK and 316 in India, reflecting our ongoing investment in relevant skills to support the needs of our customers. In addition, the business is investing in internship programmes within the India based operation including growth of a number of relationships with local universities to develop the throughput of talent into the organisation.

During the year, offices were re-opened in line with national and local guidance. Hybrid working has been established following the pandemic with service to customers unaffected. This has been adopted flexibly with certain teams office based full time where it is most effective for our people and our customers.

We remain aware that Covid-19 has not been totally eliminated and therefore maintain policies which reduce personal and business risk from having a widespread outbreak across the organisation.

We remain confident that we can continue to recruit in both of our markets so as to support the high rate of growth we are now experiencing.

Customers

The business has continued to develop its customer relationships and partnerships during the year, with nine new customer logos won during the financial year and no material losses. This supports the business to focus on longer term growth while continuing to deliver growth from technology projects and services activity with existing customers.

Customer & Employee Satisfaction

Customer and employee satisfaction levels remain consistently above industry benchmarks and we continue to invest in the tools, skills and accreditations to support this on an ongoing basis. We undertake regular independent staff engagement surveys and our most recent survey was above industry benchmarks.

PMC India

PMC India has continued to expand its capabilities during the year with a growing base of dedicated customer delivery teams supporting digital transformation. We have expanded the range of technologies our staff are trained in. Our skills in multiple development languages, methodologies, micro-services and platforms positions us well to grow these contracts and to continue to attract new customers.

Research and Development

In addition to investing in the skills of our people, we continue to invest in delivering tools and infrastructure to support the deployment of scalable and resilient microservices.

In particular, the launch of our Cloud and Microservices delivery capability during the year has already attracted three new logo customers and a solid set of new customer opportunities, as we can both support the development transformation needs of our customers, together with providing the tools and infrastructure to deliver and support it.

PAUL MASON CONSULTING LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Looking forwards

Following a successful recovery year in 2021/2022 where PMC has surpassed its previous trading levels there is growing confidence in the outlook based on current lead measures. Additionally, management feel that the Covid-19 pandemic has shown that the business has a high level of resilience to future challenges that may arise, for example a recession or broader impacts due to geo-political risks emerging in Eastern Europe.

Expectations for the current 2022/2023 financial year are that the business will deliver further revenue and EBITDA growth unless there is a significant further policy change to respond to any future outbreaks or a socio economic event which leads to similar lockdowns as seen in 2020 and 2021.

The Board is confident given the pace of change in the sector, particularly in Unified commerce and digital transformation, that PMC has an opportunity to expand particularly given its unique proposition and cost model.

Our investment approach remains focused upon strong growth in both revenue and cash generation with continued sales, marketing and proposition investment at the forefront of our longer term plans.

Risk management and financial controls

The principal risks and uncertainties facing the business are outlined below:

The Group's activities expose it to the risk of changes in foreign exchange rates and inflationary pressures.

The Group's principal financial instruments comprise bank balances, trade debtors and trade and other creditors, amounts owed by group undertakings, accrued income and accruals. The main purpose of these instruments is to finance the Group's operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the Group's cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors and accrued income are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors, other creditors and accruals' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

The Board regularly monitors the principal business risks to the Group and the Chief Executive provides a monthly report to the Board of the current operational risks and actions taken to manage them.

Going Concern

The Board frequently monitors the sales pipeline, costs and cash flow and is satisfied that there is strong future visibility in terms of revenue, profit and cash flow over the short and medium term and present financial statements on a going concern basis.

PAUL MASON CONSULTING LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

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

DocuSigned by:
Paul Mason
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Paul Mason
Director

Date: Aug 2, 2022

PAUL MASON CONSULTING LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

The Directors present their report and the financial statements for the year ended 31 March 2022.

Directors' responsibilities statement

The Directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £853,729 (2021 - loss £363,914).

An intercompany dividend was paid in September 2021 by Paul Mason Consulting Ltd of £1,092,764 to PMC Global Holdings Ltd.

Directors

The Directors who served during the year were:

Paul Mason
Simon Curtis
Richard Lowe

PAUL MASON CONSULTING LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Charitable contributions

During the year the Group made charitable donations totalling £16,818 (2021 - £13,046) which were as follows:

Charitable donations

	2022	2021
	£	£
Adoption UK (PMC UK)	2,500	-
Other (PMC UK)	300	-
Akshar Trust (PMC India Pvt Ltd)	13,851	13,046
Other (PMC India Pvt Ltd)	167	-
	<hr/>	<hr/>
	16,818	13,046
	<hr/>	<hr/>

Ownership structure

PMC Global Holdings Ltd owns all the shares in Paul Mason Consulting Ltd.

Future developments

PMC will continue to invest in our refreshed go to market approach, our India delivery centre, together with depth of retail skills and tools within our UK team, so as to support our customers' needs and meet the market demands that digital transformation is driving in the sector.

The flow through and recovery from the impact of Covid-19 is discussed in the Strategic Report.

Conflict in Europe

PMC monitors the economic climate carefully including any wider impacts of the war in the Ukraine. This includes economic impacts such as increases in inflation and the impact on customers, and any broader consequences in terms of trading relationships across the world.

Going Concern

The Board frequently monitors the sales pipeline, costs and cash flow and is satisfied that there is strong future visibility in terms of revenue, profit and cash flow over the short and medium term.

Engagement with employees

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. This is achieved through formal and informal meetings and mailings, together with regular engagement surveys and team action planning sessions. Employees are actively consulted regularly on a wide range of matters affecting their current and future interests.

PAUL MASON CONSULTING LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Disabled employees

The Group gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the Group's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

Matters covered in the Group Strategic Report

As permitted by section 414C(11) of The Companies Act 2006, certain matters which are required to be disclosed in the Directors' report have been omitted as they are included in the Strategic Report instead. These matters relate to; business review, principal risks and uncertainties, key performance indicators and impact of Covid-19.

Disclosure of information to auditor

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

- so far as the Directors are aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the Directors have 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 and the Group's auditor is aware of that information.

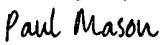
Post balance sheet events

There are no post balance sheet events affecting the Group at the year end.

Auditor

The auditor, Mazars LLP, 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.

DocuSigned by:

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Paul Mason
Director

Date: Aug 2, 2022

PAUL MASON CONSULTING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PAUL MASON CONSULTING LIMITED

Opinion

We have audited the financial statements of Paul Mason Consulting Limited (the 'Parent Company') and its subsidiary (the 'Group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Positions, the Consolidated and Company Statement of Changes in Equity, the Consolidated 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 United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and the Parent Company's affairs as at 31 March 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Group and the Parent 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 Standard 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 Group's and the Parent 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.

PAUL MASON CONSULTING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PAUL MASON CONSULTING LIMITED

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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 year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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.

PAUL MASON CONSULTING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PAUL MASON CONSULTING LIMITED

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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 intend either to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

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 auditor's 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the Group and the Parent Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

PAUL MASON CONSULTING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PAUL MASON CONSULTING LIMITED

In addition, we evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the cutoff assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

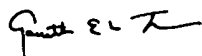
- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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. This description forms part of our auditor's report.

Use of the audit 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 auditor's 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.



Gareth Jones (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
30 Old Bailey

London
EC4M 7AU

Date: Aug 2, 2022

PAUL MASON CONSULTING LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
Turnover	4	14,702,908	9,273,785
Cost of sales		(9,185,807)	(6,336,459)
Gross profit		<u>5,517,101</u>	<u>2,937,326</u>
Administrative expenses		(4,425,102)	(3,857,620)
Other operating income	5	22,203	396,003
Restructuring cost		(38,472)	(34,228)
Operating profit/(loss)	6	<u>1,075,730</u>	<u>(558,519)</u>
Interest receivable and similar income	10	7,058	4,925
Interest payable and expenses	11	(31,642)	(7,185)
Profit/(loss) before tax		<u>1,051,146</u>	<u>(560,779)</u>
Tax on profit/(loss)	12	(197,417)	196,865
Profit/(loss) for the financial year		<u>853,729</u>	<u>(363,914)</u>
Currency revaluation on consolidation		52,119	(80,290)
Other comprehensive income/(loss) for the year		<u>52,119</u>	<u>(80,290)</u>
Total comprehensive income/(loss) for the year		<u>905,848</u>	<u>(444,204)</u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the Consolidated Statement of Comprehensive Income.

The notes on pages 23 to 45 form part of these financial statements.

All amounts relate to continuing operations.

PAUL MASON CONSULTING LIMITED
REGISTERED NUMBER: 04144304

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible fixed assets	15	866,868	908,939
Tangible fixed assets	16	394,482	307,433
		<u>1,261,350</u>	<u>1,216,372</u>
Current assets			
Debtors: amounts falling due within one year	18	3,754,750	3,549,358
Cash and cash equivalents	19	1,210,450	731,027
		<u>4,965,200</u>	<u>4,280,385</u>
Creditors: amounts falling due within one year	20	(3,290,830)	(2,223,529)
Net current assets		<u>1,674,370</u>	<u>2,056,856</u>
Total assets less current liabilities		<u>2,935,720</u>	<u>3,273,228</u>
Creditors: amounts falling due after more than one year	21	(630,699)	(898,604)
Provisions for liabilities			
Deferred tax	24	(117,313)	-
		<u>(117,313)</u>	<u>-</u>
Net assets		<u><u>2,187,708</u></u>	<u><u>2,374,624</u></u>
Capital and reserves			
Called up share capital		3,432	3,432
Share premium account	26	337,166	337,166
Capital redemption reserve	26	326	326
Profit and loss account	26	1,846,784	2,033,700
		<u>2,187,708</u>	<u>2,374,624</u>

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

Paul Mason

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Paul Mason

Director

Date: Aug 2, 2022

The notes on pages 23 to 45 form part of these financial statements.

PAUL MASON CONSULTING LIMITED
REGISTERED NUMBER: 04144304

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible fixed assets	15	839,978	907,453
Tangible fixed assets	16	74,640	28,837
Investments	17	110,197	110,197
		<u>1,024,815</u>	<u>1,046,487</u>
Current assets			
Debtors: amounts falling due within one year	18	3,441,996	3,371,174
Cash and cash equivalents	19	1,062,373	583,472
		<u>4,504,369</u>	<u>3,954,646</u>
Creditors: amounts falling due within one year	20	(3,956,346)	(2,743,555)
Net current assets		<u>548,023</u>	<u>1,211,091</u>
Total assets less current liabilities		<u>1,572,838</u>	<u>2,257,578</u>
Creditors: amounts falling due after more than one year	21	(630,699)	(898,604)
Provisions for liabilities			
Deferred taxation	24	(152,475)	(6,307)
		<u>(152,475)</u>	<u>(6,307)</u>
Net assets		<u><u>789,664</u></u>	<u><u>1,352,667</u></u>

PAUL MASON CONSULTING LIMITED
REGISTERED NUMBER: 04144304

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Capital and reserves			
Called up share capital		3,432	3,432
Share premium account	26	337,166	337,166
Capital redemption reserve	26	326	326
Profit and loss account		448,740	1,011,743
		789,664	1,352,667

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

Paul Mason
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Paul Mason
 Director

Date: Aug 2, 2022

The notes on pages 23 to 45 form part of these financial statements.

PAUL MASON CONSULTING LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2021	3,432	337,166	326	2,033,700	2,374,624
Comprehensive income for the year					
Profit for the year	-	-	-	853,729	853,729
Exchange differences on retranslation	-	-	-	52,119	52,119
Total comprehensive income for the year	-	-	-	905,848	905,848
Dividends	-	-	-	(1,092,764)	(1,092,764)
Total transactions with owners	-	-	-	(1,092,764)	(1,092,764)
At 31 March 2022	3,432	337,166	326	1,846,784	2,187,708

The notes on pages 23 to 45 form part of these financial statements.

PAUL MASON CONSULTING LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2020	3,297	309,742	326	2,477,904	2,791,269
Comprehensive loss for the year					
Loss for the year	-	-	-	(363,914)	(363,914)
Exchange differences on retranslation	-	-	-	(80,290)	(80,290)
Total comprehensive loss for the year	-	-	-	(444,204)	(444,204)
Exercise of share options	135	27,424	-	-	27,559
Total transactions with owners	135	27,424	-	-	27,559
At 31 March 2021	3,432	337,166	326	2,033,700	2,374,624

The notes on pages 23 to 45 form part of these financial statements.

PAUL MASON CONSULTING LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2021	3,432	337,166	326	1,011,743	1,352,667
Comprehensive income for the year					
Profit for the year	-	-	-	527,262	527,262
Currency translation differences	-	-	-	2,499	2,499
	<u>-</u>	<u>-</u>	<u>-</u>	<u>529,761</u>	<u>529,761</u>
Total comprehensive income for the year					
Dividends	-	-	-	(1,092,764)	(1,092,764)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,092,764)</u>	<u>(1,092,764)</u>
Total transactions with owners					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,092,764)</u>	<u>(1,092,764)</u>
At 31 March 2022	<u>3,432</u>	<u>337,166</u>	<u>326</u>	<u>448,740</u>	<u>789,664</u>

The notes on pages 23 to 45 form part of these financial statements.

PAUL MASON CONSULTING LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 April 2020	3,297	309,742	326	1,623,632	1,936,997
Comprehensive loss for the year					
Loss for the year	-	-	-	(612,854)	(612,854)
Currency translation differences	-	-	-	1,162	1,162
Other profit and loss movement	-	-	-	(197)	(197)
Total comprehensive loss for the year	-	-	-	(611,889)	(611,889)
Contributions by and distributions to owners					
Exercise of share options	135	27,424	-	-	27,559
Total transactions with owners	135	27,424	-	-	27,559
At 31 March 2021	3,432	337,166	326	1,011,743	1,352,667

The notes on pages 23 to 45 form part of these financial statements.

PAUL MASON CONSULTING LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Cash flows from operating activities		
Profit/(loss) for the financial year	853,729	(363,914)
Adjustments for:		
Amortisation of intangible assets	308,287	345,138
Depreciation of tangible assets	144,985	163,530
(Profit)/loss on disposal of tangible assets	(2,921)	5,767
Interest paid	31,642	7,185
Interest received	(7,058)	(4,925)
Taxation charge	197,417	(196,865)
(Increase)/decrease in debtors	(442,029)	1,797,839
Increase/(decrease) in creditors	15,943	(319,777)
Corporation tax received/(paid)	65,544	(55,283)
Exchange differences	47,701	(49,808)
Net cash generated from operating activities	<u>1,213,240</u>	<u>1,328,887</u>
Cash flows from investing activities		
Purchase of intangible fixed assets	(227,762)	(358,799)
Purchase of tangible fixed assets	(263,149)	(57,780)
Interest received	7,058	4,925
Net cash used in investing activities	<u>(483,853)</u>	<u>(411,654)</u>
Cash flows from financing activities		
Proceeds from share issue	-	27,559
New secured loans	-	950,000
Repayment of loans	(218,322)	(73,983)
Interest paid	(31,642)	(7,185)
Intercompany loan to parent	-	(1,000,420)
Net cash used in financing activities	<u>(249,964)</u>	<u>(104,029)</u>
Net increase in cash and cash equivalents	<u>479,423</u>	<u>813,204</u>
Cash and cash equivalents at beginning of year	731,027	(82,177)
Cash and cash equivalents at the end of year	<u><u>1,210,450</u></u>	<u><u>731,027</u></u>

PAUL MASON CONSULTING LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,210,450	731,027
	<u>1,210,450</u>	<u>731,027</u>

The notes on pages 23 to 45 form part of these financial statements.

PAUL MASON CONSULTING LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

(i) Analysis of net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	731,027	479,423	1,210,450
Debt due after 1 year	(898,604)	267,905	(630,699)
Debt due within 1 year	(218,522)	(49,583)	(268,105)
	<u>(386,099)</u>	<u>697,745</u>	<u>311,646</u>

The notes on pages 23 to 45 form part of these financial statements.

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. General information

Paul Mason Consulting Limited (the 'Company') is a private company, limited by shares, registered and incorporated in England and Wales. The address of its registered office is 30-32 Blacklands Way, Abingdon Business Park, Abingdon, Oxfordshire, OX14 1DY. Company number 04144304.

The principal activity of the Company is discussed on page 1.

These financial statements have been prepared in Pounds Sterling (£), this being the Company's functional currency and currency of the primary economic environment in which the Company operates.

Monetary amounts included in these financial statements have been rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.3 Going concern

Having reviewed forecasts for a period of at least twelve months from the date of approval of the financial statements and the pipeline of secured contracts, the Directors have prepared the financial statements on the going concern basis as they believe that the Group headed by Paul Mason Consulting Limited can continue to meet its liabilities as they fall due.

At the date of signing the financial statements, the Directors conclude that they can continue to adopt the going concern basis of preparation for the financial statements.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Turnover is calculated on a time basis of work done by consultants during the period and the sales value of software licences supplied.

Support services and upgrades invoiced in advance are included in deferred income and released to the Consolidated Statement of Comprehensive Income on a straight line basis over the life of the contract.

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project when its future recoverability can be reasonably regarded as assured and is capitalised as an intangible asset. Any expenditure carried forward is amortised in line with the expected future sales from the related project.

Amortisation is provided on intangible fixed assets so as to write off the cost, less the estimated residual value, over their expected useful economic life. Development costs are written off over five years and computer software over two years, straight line.

Computer software developed in house, for sale (CIEP (Cloud Integration Enabler Platform)) is written off over five years, straight line.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 9 years
Fixtures and fittings	- 3 years
Office equipment	- 3 years
Capital Work in Progress	- Not depreciated

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

2.7 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Pounds Sterling (£).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

On consolidation, the results of overseas operations are translated into Pounds Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.13 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.15 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.16 Interest income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

2.17 Borrowing costs

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)**2.19 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.20 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 range from 3 to 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.

2.21 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Consolidated Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.22 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The critical judgements that the Director has made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the Director has considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Estimating value in use

Where an indication of impairment exists the Director will carry out an impairment review to determine the recoverable amount, which is the higher of fair value less cost to sell and value in use. The value in use calculation requires the Director to estimate the future cash flows expected to arise from the asset or the cash generating unit and a suitable discount rate in order to calculate present value.

(ii) Recoverability of receivables

The Company establishes a provision for receivables that are considered not to be recoverable. When assessing recoverability, the Director considers factors such as the aging of the receivables, past experience of recoverability and the credit profile of customers.

(iii) Determining residual values and useful economic lives of property, plant and equipment

The Company depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by management when determining the residual values for property, plant and equipment. When determining the residual value management aim to assess the amount that the Company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Turnover

The whole of the turnover is attributable to the principal activity of the Company.

Analysis of turnover by country of destination:

	2022	2021
	£	£
United Kingdom	11,298,397	6,942,647
Rest of Europe	3,290,850	2,285,040
Rest of the world	113,661	46,098
	<u>14,702,908</u>	<u>9,273,785</u>

5. Other operating income

	2022	2021
	£	£
Other operating income	9,867	69
Furlough grant	12,336	395,934
	<u>22,203</u>	<u>396,003</u>

6. Operating profit/(loss)

The operating profit/(loss) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	144,985	163,530
Amortisation of intangible fixed assets	308,287	345,138
Exchange differences	4,117	896
Research and development qualifying expenditure	341,924	198,335
Other operating lease rentals	184,743	198,571
Defined pension contribution	<u>547,629</u>	<u>460,353</u>

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. Auditor's remuneration

	2022	2021
	£	£
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	19,050	14,500
	<u> </u>	<u> </u>
Fees payable to the Group's auditor in respect of:		
Accounts preparation services	2,233	950
iXBRL tagging	855	450
Other services relating to taxation	13,525	3,505
	<u>16,613</u>	<u>4,905</u>
	<u> </u>	<u> </u>

8. Employees

Staff costs, including Directors' remuneration, were as follows:

	Group	Group
	2022	2021
	£	£
Wages and salaries	7,857,251	6,613,027
Social security costs	687,166	562,807
Cost of defined contribution scheme	547,629	460,353
	<u>9,092,046</u>	<u>7,636,187</u>
	<u> </u>	<u> </u>

The average monthly number of employees, including the Directors, during the year was as follows:

	2022	2021
	No.	No.
Technical	344	309
Administration	45	40
	<u>389</u>	<u>349</u>
	<u> </u>	<u> </u>

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Directors' remuneration

	2022	2021
	£	£
Directors' emoluments	490,260	98,928
Company contributions to defined contribution pension schemes	18,946	1,562
	<u>509,206</u>	<u>100,490</u>

During the year retirement benefits were accruing to 2 Directors (2021 - 2) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £246,869 (2021 - £58,532).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £9,996 (2021 - £Nil).

10. Interest receivable

	2022	2021
	£	£
Other interest receivable	7,058	4,925
	<u>7,058</u>	<u>4,925</u>

11. Interest payable and similar expenses

	2022	2021
	£	£
Bank interest payable	31,642	7,185
	<u>31,642</u>	<u>7,185</u>

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	-	(144,153)
Adjustments in respect of previous periods	(57,297)	(49,471)
	<u>(57,297)</u>	<u>(193,624)</u>
Foreign tax		
Foreign tax	112,774	96,563
Total current tax charge/(credit)	<u>55,477</u>	<u>(97,061)</u>
Deferred tax		
Origination and reversal of timing differences	48,076	(155,207)
Adjustments in respect of prior periods	69,823	55,403
Effect of tax rate change on opening balance	24,041	-
Total deferred tax charge/(credit)	<u>141,940</u>	<u>(99,804)</u>
Taxation on profit/(loss) on ordinary activities	<u>197,417</u>	<u>(196,865)</u>

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit/(loss) on ordinary activities before tax	1,051,146	(560,779)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	199,718	(106,548)
Effects of:		
Fixed asset timing differences	(4,418)	-
Expenses not deductible for tax purposes	8,460	10,545
Adjustments to tax charge in respect of prior periods - deferred tax	69,823	-
Adjustments to tax charge in respect of prior periods	(57,297)	5,747
Deduction for R&D expenditure	(84,455)	(106,764)
Remeasurement of deferred tax for changes in tax rates	36,594	-
Overseas tax differences	25,469	(116,491)
Deferred tax not recognised	-	146,541
R&D expenditure credits	2,991	-
Surrender of tax losses for R&D tax credit refund	-	44,737
Other permanent differences	532	(74,632)
Total tax charge for the year	197,417	(196,865)

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

13. Dividends

	2022 £	2021 £
Dividends paid	1,092,764	-

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the Parent Company for the year was £527,262 (2021 - loss £612,854).

15. Intangible assets

Group

	Development £	Computer software £	Total £
Cost			
At 1 April 2021	1,812,735	881,942	2,694,677
Additions	250,365	12,784	263,149
Disposals	(238,914)	(10,846)	(249,760)
Foreign exchange movement	884	-	884
At 31 March 2022	<u>1,825,070</u>	<u>883,880</u>	<u>2,708,950</u>
Amortisation			
At 1 April 2021	927,212	858,526	1,785,738
Charge for the year	297,946	10,341	308,287
Disposals	(243,403)	(9,301)	(252,704)
Foreign exchange movement	761	-	761
At 31 March 2022	<u>982,516</u>	<u>859,566</u>	<u>1,842,082</u>
Net book value			
At 31 March 2022	<u><u>842,554</u></u>	<u><u>24,314</u></u>	<u><u>866,868</u></u>
At 31 March 2021	<u><u>885,523</u></u>	<u><u>23,416</u></u>	<u><u>908,939</u></u>

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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15. Intangible assets (continued)**Company**

	Development £	Computer software £	Total £
Cost			
At 1 April 2021	1,797,184	872,597	2,669,781
Additions	222,660	12,784	235,444
Disposals	(238,914)	(10,846)	(249,760)
At 31 March 2022	<u>1,780,930</u>	<u>874,535</u>	<u>2,655,465</u>
Amortisation			
At 1 April 2021	902,142	860,186	1,762,328
Charge for the year	292,580	10,338	302,918
Disposals	(238,914)	(10,845)	(249,759)
At 31 March 2022	<u>955,808</u>	<u>859,679</u>	<u>1,815,487</u>
Net book value			
At 31 March 2022	<u>825,122</u>	<u>14,856</u>	<u>839,978</u>
At 31 March 2021	<u>895,042</u>	<u>12,411</u>	<u>907,453</u>

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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16. Tangible fixed assets**Group**

	Leasehold improvements £	Fixtures and fittings £	Office equipment £	Capital Work in Progress £	Total £
Cost or valuation					
At 1 April 2021	238,047	409,922	803,055	-	1,451,024
Additions	-	26,650	175,102	26,010	227,762
Disposals	-	-	(469)	-	(469)
Exchange adjustments	3,670	1,723	6,204	-	11,597
At 31 March 2022	<u>241,717</u>	<u>438,295</u>	<u>983,892</u>	<u>26,010</u>	<u>1,689,914</u>
Depreciation					
At 1 April 2021	130,175	344,265	669,151	-	1,143,591
Charge for the year	28,065	18,816	98,104	-	144,985
Disposals	-	-	(446)	-	(446)
Exchange adjustments	2,008	813	4,481	-	7,302
At 31 March 2022	<u>160,248</u>	<u>363,894</u>	<u>771,290</u>	<u>-</u>	<u>1,295,432</u>
Net book value					
At 31 March 2022	<u>81,469</u>	<u>74,401</u>	<u>212,602</u>	<u>26,010</u>	<u>394,482</u>
At 31 March 2021	<u>107,872</u>	<u>65,657</u>	<u>133,904</u>	<u>-</u>	<u>307,433</u>

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. Tangible fixed assets (continued)**Company**

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2021	298,129	400,615	698,744
Additions	10,515	79,420	89,935
At 31 March 2022	<u>308,644</u>	<u>480,035</u>	<u>788,679</u>
Depreciation			
At 1 April 2021	291,507	378,400	669,907
Charge for the year on owned assets	8,563	35,569	44,132
At 31 March 2022	<u>300,070</u>	<u>413,969</u>	<u>714,039</u>
Net book value			
At 31 March 2022	<u>8,574</u>	<u>66,066</u>	<u>74,640</u>
At 31 March 2021	<u>6,622</u>	<u>22,215</u>	<u>28,837</u>

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Fixed asset investments**Company**

**Investments
in
subsidiary
companies
£**

Cost or valuation

At 1 April 2021

110,197

At 31 March 2022

110,197

Net book value

At 31 March 2022

110,197

At 31 March 2021

110,197

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Paul Mason Consulting (India) Pvt. Ltd	6th/5th Floor, Corner Heights, Old Padra - Vadsar Ring Road, Adjoining DPS School Vadodara GJ 390012 IN	Ordinary	100%

The results of the investment in subsidiary are included in the consolidation of this set of financial statements.

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	1,612,100	1,709,903	1,612,100	1,709,903
Amounts owed by group undertakings (note 31)	500,000	1,000,421	500,000	1,000,420
Other debtors	295,255	415,154	10,510	292,372
Prepayments and accrued income	1,347,395	396,643	1,319,386	368,479
Deferred taxation (note 24)	-	27,237	-	-
	<u>3,754,750</u>	<u>3,549,358</u>	<u>3,441,996</u>	<u>3,371,174</u>

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

19. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	<u>1,210,450</u>	<u>731,027</u>	<u>1,062,373</u>	<u>583,472</u>

20. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans (note 23)	268,105	218,522	268,105	218,522
Trade creditors	511,931	356,727	465,626	305,130
Amounts owed to group undertakings (note 31)	-	-	959,619	659,907
Corporation tax	26,324	-	26,324	-
Other taxation and social security	858,477	774,104	858,477	745,706
Other creditors	66,152	76,153	66,153	70,218
Accruals and deferred income	1,559,841	798,023	1,312,042	744,072
	<u>3,290,830</u>	<u>2,223,529</u>	<u>3,956,346</u>	<u>2,743,555</u>

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

21. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans (note 23)	630,699	898,604	630,699	898,604

22. Loans

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Amounts falling due within one year				
Bank loans	268,105	218,522	268,105	218,522
Amounts falling due 1-2 years				
Bank loans	630,699	898,604	630,699	898,604
	<u>898,804</u>	<u>1,117,126</u>	<u>898,804</u>	<u>1,117,126</u>

The Group started to repay it's CBILS loan in July 2021 at £15,833 plus interest per month. The interest on the loan is charged at 3.99% per annum over the Bank of England Base Rate. HSBC have a floating charge over all the assets for the bank loan

23. Financial instruments

Group financial assets measured at amortised cost amount to £3,378,555 (2021 - £3,694,701). This consists of cash, trade debtors, amounts owed by group undertakings, other debtors and accrued income.

Group financial liabilities measured at amortised cost amount to £2,084,774 (2021 - £1,791,630). This consists of the bank loan, overdraft facility, trade creditors, other creditors and accruals.

The Company's financial assets measured at amortised cost amount to £3,093,811 (2021 - £3,424,364). This consists of cash, trade debtors, amounts owed by group undertakings, other debtors and accrued income.

The Company's financial liabilities measured at amortised cost amount to £2,740,288 (2021 - £2,340,055). This consists of the bank loan, overdraft facility, trade creditors, amounts owed to group undertakings, other creditors and accruals.

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

24. Deferred taxation**Group****2022
£**

At beginning of year	27,237
Credit to the Statement of Comprehensive Income	(144,550)
At end of year	(117,313)

Company**2022
£**

At beginning of year	(6,307)
Credit to the Statement of Comprehensive Income	(146,168)
At end of year	(152,475)

The deferred taxation balance is made up as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Accelerated capital allowances	(155,349)	(74,760)	(190,511)	(103,568)
Short term timing differences	11,306	101,997	11,306	97,261
Losses and other deductions	26,730	-	26,730	-
	(117,313)	27,237	(152,475)	(6,307)

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

25. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
0 (2021 - 225,000) Ordinary A shares of £0.01 each	-	2,250
0 (2021 - 77,400) Ordinary B shares of £0.01 each	-	774
0 (2021 - 9,000) Ordinary C shares of £0.01 each	-	90
0 (2021 - 18,330) Ordinary D shares of £0.01 each	-	318
0 (2021 - 7) Ordinary G shares of £0.01 each	-	-
343,217 (2021 - 0) Ordinary shares of £0.01 each	3,432	-
	<u>3,432</u>	<u>3,432</u>

On 21 June 2021 the existing shares were designated Ordinary Shares.

Rights and preferences of each share class:

Ordinary A, B and C shares have full voting rights.

Ordinary B and C shares can be fully redeemed.

Ordinary D and G shares have no voting rights, no rights to dividends and no pre-emption rights.

Ordinary Shares have full voting and dividend rights.

26. Reserves

Share premium account

The Share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Capital redemption reserve

The Capital redemption reserve represents the redemption of shares previously issued.

Profit and loss account

The Profit and loss account includes all current and prior period retained profits and losses.

27. Pension commitments

The Group operates a defined contributions pension scheme. The pension cost charge represents contributions payable by the Group to the fund amounted to £547,629 (2021 - £460,353). Contributions totalling £45,225 (2021 - £35,589) were payable to the fund at the reporting date and are included in creditors.

PAUL MASON CONSULTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

28. Commitments under operating leases

At 31 March 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Not later than 1 year	96,558	95,585	80,896	80,896
Later than 1 year and not later than 5 years	204,348	300,022	161,792	242,688
	<u>300,906</u>	<u>395,607</u>	<u>242,688</u>	<u>323,584</u>

29. Related party transactions

The Group has taken advantage of the exemption conferred by Section 33 of FRS 102 not to disclose transactions with fellow members where 100% of the voting rights are controlled within the Group.

30. Controlling party

Paul Mason Consulting Ltd is owned wholly by PMC Global Holdings Ltd following a purchase of 100% of the share capital on 26th February 2021.

The ultimate controlling party of the parent company is Paul and Iris Mason by virtue of their majority shareholding.