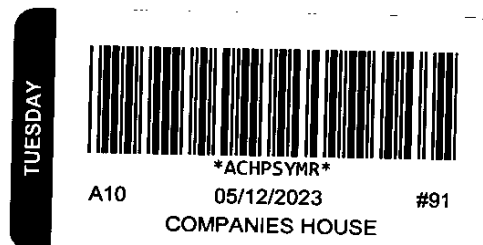


Registered number: 11560281

SQW GROUP NEWCO 2018 LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023



SQW GROUP NEWCO 2018 LIMITED

COMPANY INFORMATION

Directors	D J L Crichton-Miller M H Hess Sir M T Lyons R E Quince K H Wright R M Burns
Company secretary	Pennsec Limited
Registered number	11560281
Registered office	Oxford Centre for Innovation New Road Oxford OX1 1BY
Independent auditor	James Cowper Kreston Audit Chartered Accountants and Statutory Auditor 2 Chawley Park Cumnor Hill Oxford Oxfordshire OX2 9GG
Bankers	HSBC UK Bank Plc 65 Cornmarket Street Oxford OX1 3HY
Solicitors	Penningtons Manches LLP 9400 Garsington Road Oxford Business Road Oxford OX4 2HN

SQW GROUP NEWCO 2018 LIMITED

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SQW GROUP NEWCO 2018 LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Introduction

The annual report and financial statements presented here are for SQW Group Newco 2018 Limited ('the Company') and its subsidiaries (together 'the Group').

The principal activity of the Company during the period was that of a holding company. The activities of the Group during the year were carried out via the Group's trading subsidiaries:

- the provision of economic and social development consultancy services (via SQW Limited);
- business coaching and support (via Oxford Innovation Services Limited and Oxford Innovation Limited);
- the management of innovation centres (via Oxford Innovation Limited); and
- the facilitation of investment into early-stage businesses (via Oxford Investment Opportunity Network Limited).

Business review

2022/23 was another busy year for the Group and one during which good progress was made towards achieving key strategic objectives in all parts of the Group. The Board were pleased that the financial results were above budget in all trading divisions and strong cash management continued. In a year of challenging macro-economic conditions, this was a particularly impressive result. The redemption one year ago of all remaining equity interests held by the previous shareholders of the Group has enabled the Group's current leadership to focus solely on the growth of value in its businesses, with attention now wholly focused on making judicious investment choices to realise the group's full potential.

The year saw the successful rebranding of the three 'Oxford' companies in the group; the clarification of each company's purpose and inter-connection has been energising internally and very helpful externally; we now have individual and connected brands for Oxford Innovation Space (trading name of Oxford Innovation Limited), Oxford Innovation Advice (trading name of Oxford Innovation Services Limited) and Oxford Innovation Finance (which houses the OION Angel Investment Network and the Oxford Innovation EIS Growth Fund).

The Group generated post-tax profit of £669,666 (2021/22: £565,098). The Board were pleased with the financial performance of the group overall, particularly the financial and operational effectiveness of Oxford Innovation Advice in delivery of both commercial and grant-funded contracts, and a second year of continued improvement in underlying trading patterns for Oxford Innovation Space, whose business was most significantly affected by the Covid pandemic. As we embark on a new financial year, the Group faces many opportunities but also notable uncertainty in its business support arm due to greater delays than anticipated in the flow of Shared Prosperity Funded contracts across the UK. Oxford Innovation Advice is well positioned to adapt and move from predominantly European funding and LEPs to the new Shared Prosperity Fund and new structures for commissioning business support programmes in 2023/24, but the delays experienced so far present a material disruption for the team, have been greater than hoped for and, sadly, can only be expected to have a negative effect on the more than 2,000 SMEs we supported in 2022/23 across the Country.

SQW Limited ('SQW')

2022/23 was a good year for SQW and the company continues to be well positioned and regarded in all its markets. The company generated turnover of £5,306,225 (2021/22: £5,789,218) and post-tax profit of £211,039 (2021/22: £480,184) was generated. Although the year-on-year financial results show a reduction in revenues and profit, the balance of work and busyness of the growing consultant team means this is not a cause for concern. Client disruption was again a feature during parts of the year as government attentions were diverted elsewhere and we foresee this continuing to be a pattern at certain points in the year.

As we begin 2023/24, the company's order book is very strong, the team's strategic ambitions are aligned and recruitment plans are on track, indicating solid foundations for the year ahead.

SQW GROUP NEWCO 2018 LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Oxford Innovation Advice (trading name of Oxford Innovation Services Ltd)

In spite of 2022/23 being the last full year of ERDF funding, and the uncertainties that have surrounded the move to the Shared Prosperity Fund, Oxford Innovation Advice had a strong year operationally, with the usual high standard of work delivered and recognised by clients and funders, all of which is accompanied by solid financial returns. As the business support organisation delivering programmes across more LEP regions than any other provider, delivering programmes of support aimed at SMEs accessing finance, enhancing innovation and growth and for SME manufacturers, 2022/23 was a year in which the Board were delighted with the quality, range and breadth of service delivery.

Although turnover reduced slightly from £9.93m in 2022 to £9.88m in 2023, the Board were very pleased with the company's performance this year. In addition to exemplary business support delivery, the experience and insight the team provided to the new holders of SPF funding allocations as they seek to deploy those funds to best support and grow their local economies, was notable.

Oxford Innovation Finance (trading name of Oxford Investment Opportunity Network Ltd)

OI Finance had another successful year which saw closure and deployment of its second EIS fund and continued active investment from our angel community into around half of the exciting young business that presented at this year's 7 showcase events.

Fundraising commenced for the third EIS Fund in December 2022; that fund closed during the first quarter of 2023/24 and deployment has already begun. We are seeing no reduction in the flow of promising tech companies for us to engage with, both for the growing fund management business and the core angel investment network arm of the division.

The Board were very pleased with the company's financial and operational delivery, especially in light of the challenging and uncertain economic climate which can impact investing decisions. Turnover totalling £331,608 (2021/22: £351,151) was generated in the year of which £159,098 (2021/22: £115,200) was attributable directly to the Fund's activities.

Oxford Innovation Space (trading name of Oxford Innovation Ltd)

2022/23 has been a transformative year for Oxford Innovation Space, the innovation centres division. The year saw the final recovery from Covid's disturbance, as occupancy continued to rise steadily each month for the second year in a row. In addition, two new centres were mobilised bringing the number of centres under management in the portfolio to 27 as at 31 March 2023. Following, in some cases, years of effective partnering and business development activity, mobilisation plans are on course to bring an additional 7 centres into the portfolio next year. Turnover of £7.1m was generated in 2022/23 (2021/22: £6.4m) which included like-for-like improvement of 15% (2021/22: 13%).

Operating profit of £98,746 was generated during the year (a notable improvement compared to a 2021/22 loss of £60,156). High inflation, growing interest rates, and volatile utility prices have been a feature of 2022/23; anticipating and mitigating these external risks as best as we can continues to be a top priority for our centre customers and clients, as well as the Company.

With evidence of a record-breaking number of mobilisations planned for 2023/24 and a strong pipeline of centres beyond that, the Board echo the management team's confidence that it is in a good position to deliver well for clients and continue to grow its profitability.

Looking ahead for the Group

Overall, the Board are positive about prospects for the Group in, and beyond, 2023/24. Although we are ever mindful and cautious about the impact that the current macro-economic environment and political decision-making has on key parts of our operations, grounds for optimism come from management's demonstration of agility and proactivity, in addition to recent trading experience and growth in many parts of the Group over the last few years.

SQW GROUP NEWCO 2018 LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Principal risks and uncertainties

The Group is exposed to a variety of financial risks resulting from its operating activities. The board is responsible for determining the group's financial risk management policy and focuses on securing the Group's cash flows.

The Group does not actively engage in the trading of financial assets and has no financial derivatives. The most significant risks to which the Group is exposed to are described below:

Credit Risk

The Group's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of any allowance for doubtful debts, as estimated by the directors. The Group has no significant concentration of credit risk, with exposure spread over a large number of customers.

Cash Flow Risk

The Group seeks to manage risks to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short term flexibility is achieved by Management actively monitoring future cash flow requirements on a regular basis.

Interest rate risk

Following final repayment during 2022/23 of the £0.5m debt facility that was put in place between the Company and HSBC in 2019, interest rate risk presents a much lower risk to the Group. However, we are alert to the pressure that inflation is having on interest rates, as we consider different funding options that may be available as we explore new investment opportunities in the near future.

People risk

The Group is at all times exposed to the risk that the most critical contributors among its people may decide to pursue other careers or paths. We would pay tribute to the establishment of a scheme for our leaders to become shareholders of the Group; this being a means of both aligning interests as well as ensuring a deepening of commitment by; and therefore retention of, our senior people. We pay careful attention through processes of salary adjustment, bonus awards, feedback and development in seeking to retain our key people. To date we feel satisfied with the outcomes achieved; however, this risk is one that requires constant attention most particularly in this period of high inflation and cost of living pressures.


Financial key performance indicators

Group turnover for the year was £22,599,794 (2022: £22,479,877).
Group gross profit for the year was £4,868,704, (2022: £4,634,248).
Group operating profit for the year was £829,362 (2022: £727,811).
Group profit on ordinary activities before taxation for the period was £825,113 (2022: £721,370).
Earnings per share based on retained profit for the year (the standard method of calculation) was 0.21p (2022: 0.33p) and based on profits before tax 0.26p (2022: 0.42p).
Group cash at bank at 31 March 2023 was £2,899,244 (2022: £2,565,284).
Net Current Assets were £2,838,715 as at 31 March 2023 (2022: £2,315,192).
Dividends of £90,500 were paid during the year (2022: nil)

Other key performance indicators

The Group does not currently monitor any non-financial performance indicators.

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


.....
K H Wright
Director
Date: 29th August 2023

SQW GROUP NEWCO 2018 LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report and the financial statements for the year ended 31 March 2023.

Directors

The directors who served during the year were:

D J L Crichton-Miller
M H Hess
Sir M T Lyons
R E Quince
K H Wright
R M Burns

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;
- 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 £669,666 (2022 - £565,098).

No final dividend has been proposed to shareholders by the directors for the period ended 31 March 2023.

SQW GROUP NEWCO 2018 LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Future developments

As highlighted within the Strategic Report, the Group is enjoying periods of growth as well as uncertainty in its markets at this current time;

- Oxford Innovation Space's high growth remains a key focus for management as it seeks to maximize new centre opportunities whilst also ensuring that clients and occupants within the existing centre portfolio continue to receive first class service; delivering for both new and existing clients means management are investing in system and process improvements and deploying new tools to enhance collaboration for all occupants across its centres.
- OI Finance plan to continue raising, and growing, its EIS Fund whilst also maintaining focus on attracting and supporting entrepreneurs and its angel investor community. The team will be growing to enable delivery of these objectives.
- OI Advice continues to focus on finding opportunities to deliver outstanding business support for ambitious small businesses and will be adapting internal structures and processes to best deliver that support in an effective and efficient manner over the coming year.
- SQW have an outstanding reputation for quality and expertise, continuing to deliver for current clients, as well as expanding their reach in well-established and adjacent markets, will require continued investment in people, including recruitment, processes and technology.

Engagement with employees

Employee engagement

The Group's employees ('our people') are at the heart of our business. The engagement and motivation of our +260 people are not only important to us as an employer, but also matter to our customers and clients. The Group is employee-owned, with the current senior management team having led a Management Buyout in 2018, for which final payments to former shareholders were settled in March 2022. This management ownership structure puts our people at the heart of not only the management of the business, but also its ultimate financial success. We believe the Group is best driven by a motivated team and, as such, the Board is constantly looking to the next generation, via Employee Share Options awards, to motivate and retain its management talent for the good of the future of the business.

During 2022/23, employees continued to receive formal monthly updates on a company-by-company-basis via the mode of communication that best suits; whether via monthly call, email note, or newsletter, key information continues to be shared by each Divisional Managing Director (or Managing Partners in the case of SQW) with all their staff. These formal monthly touchpoints for all staff continue to be the most important way for management to engage and update employees on matters that affect them most – this includes financial performance, staff movements, contract wins and any notable impacts of external economic factors that may affect the business. In addition, other less formal company-wide updates, including company away-days which act as important events for communication as well as team and confidence-building, take place and groupwide updates are also made by the Group CEO, usually via email, when events suggest it would be helpful.

Feedback and two-way communication is an important part of the Group's approach to ensuring the engagement, well-being and motivation of our people. The Board considers the Employee Surveys undertaken by each trading division to be one of its principal tools to measure employee engagement, motivation, affiliation, and commitment to the Group. The new online engagement platform invested in by the Group's largest and most geographically spread division during 2022 has been very successful and well received; it has facilitated greater levels of communication and more frequent, real-time engagement data. Surveys are tailored to the activities of each division and the results are shared with staff; both feedback and any resulting actions to be taken in light of them are fed back via monthly updates. The surveys provide critical insights into employee views and all have a consistently high response rate.

It is important to the Board that employees are encouraged to not only receive updates, and provide feedback through monthly meetings, or Employee Surveys, but also be part of forums that enable consultation over key matters. Consultative forums are set up on particular topic areas from time to time in all parts of the Group – led at a divisional level. In addition, a number of formal team structures are in place across the group – from junior forums, middle management teams and senior Management Boards within each division, to the Executive Board at Group level – all have collaboration and consultation at their heart.

SQW GROUP NEWCO 2018 LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Equal opportunities

The Board firmly believes that a diverse workforce is an asset to the business and is key to our ability to respond to the needs of our clients and the wide range of small businesses we support. The Group takes, and will continue to take, active measures to maintain a diverse and inclusive culture. This forms part of our policy on Environmental, Social and Governance ('ESG').

The Group gives full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. We proactively ask all new staff to inform us if they have any specific needs with which we can support them, and if they consider themselves to be disabled. Staff are able to update HR at any time via the self-service HR portal should circumstances change during the course of someone's employment with the Group. Any additional support required is assessed and, where possible, provided in order to enable staff to continue in their role whether that be via making reasonable adjustments, training or emotional support. We have trained Mental Health First Aiders across the Group and provide an Employee Assistance Programme and access to digital medical appointments – or, in certain circumstances, financial support via Permanent Health Insurance offered to all staff. Any disabled person would receive the same training, career development and promotion opportunities as any other employee.

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 director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the 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 and the Group's auditor is aware of that information.

Post balance sheet events

After the year-end, Oxford Investment Opportunity Network Limited and their respective partnered nominee formally closed on a funding round valued at £1,740k.


Post year end, SQW Limited signed a lease renewal for the Stockport premises. The lease term is for a period of 5 years commencing 7 June 2023 and attracts annual rental payments of £31,000.

There have been no other material developments or events which have occurred after the balance sheet date.

Auditor

The auditor, James Cowper Kreston Audit, 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.


.....
K H Wright
Director
Date: 29th August 2023

SQW GROUP NEWCO 2018 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SQW GROUP NEWCO 2018 LIMITED

Opinion

We have audited the financial statements of SQW Group Newco 2018 Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2023, which comprise the Group Statement of comprehensive income, the Group and Company Balance sheets, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, 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 Financial Reporting Standard 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 of the parent Company's affairs as at 31 March 2023 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 or 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.

SQW GROUP NEWCO 2018 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SQW GROUP NEWCO 2018 LIMITED (CONTINUED)

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.

Opinion 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 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 4, 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.

SQW GROUP NEWCO 2018 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SQW GROUP NEWCO 2018 LIMITED (CONTINUED)

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 Group financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of 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. This description forms part of our Auditor's report.

SQW GROUP NEWCO 2018 LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SQW GROUP NEWCO 2018 LIMITED
(CONTINUED)**

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 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.



Sue Staunton FCA CF (Senior statutory auditor)
for and on behalf of

James Cowper Kreston Audit
Chartered Accountants and Statutory Auditor
2 Chawley Park
Cumnor Hill
Oxford
Oxfordshire
OX2 9GG
Date: 29 August 2023

SQW GROUP NEWCO 2018 LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Turnover	5	22,599,794	22,479,877
Cost of sales		(17,731,090)	(17,845,629)
Gross profit		4,868,704	4,634,248
Administrative expenses		(4,039,342)	(4,005,988)
Other operating income	6	-	99,551
Operating profit	7	829,362	727,811
Interest receivable and similar income		101	36
Interest payable and similar expenses	10	(4,350)	(6,477)
Profit before taxation		825,113	721,370
Tax on profit	11	(155,447)	(156,272)
Profit for the financial year		669,666	565,098
Profit for the year attributable to:			
Owners of the parent Company		669,666	565,098
		669,666	565,098


The notes on pages 17 to 35 form part of these financial statements.

SQW GROUP NEWCO 2018 LIMITED
REGISTERED NUMBER: 11560281

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	13	10,454	-
Tangible assets	14	361,156	462,577
		<u>371,610</u>	<u>462,577</u>
Current assets			
Debtors: amounts falling due within one year	16	5,278,577	5,099,992
Cash at bank and in hand	17	2,899,244	2,565,284
		<u>8,177,821</u>	<u>7,665,276</u>
Current liabilities			
Creditors: amounts falling due within one year	18	(5,339,106)	(5,350,084)
Net current assets		<u>2,838,715</u>	<u>2,315,192</u>
Total assets less current liabilities		<u>3,210,325</u>	<u>2,777,769</u>
Provisions for liabilities			
Deferred tax	20	(62,671)	(80,620)
Other provisions	21	(1,226,203)	(1,393,564)
		<u>(1,288,874)</u>	<u>(1,474,184)</u>
Net assets		<u>1,921,451</u>	<u>1,303,585</u>
Capital and reserves			
Called up share capital	22	181,000	172,000
Share premium account	23	31,800	2,100
Profit and loss account	23	1,708,651	1,129,485
		<u>1,921,451</u>	<u>1,303,585</u>

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


.....
K H Wright
Director
Date: 29th August 2023

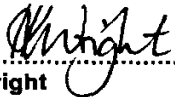
The notes on pages 17 to 35 form part of these financial statements.

SQW GROUP NEWCO 2018 LIMITED
REGISTERED NUMBER: 11560281

COMPANY BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	15	3,971,259	3,971,259
		<u>3,971,259</u>	<u>3,971,259</u>
Current assets			
Debtors: amounts falling due within one year	16	337	428
Cash at bank and in hand	17	848	13,970
		<u>1,185</u>	<u>14,398</u>
Current liabilities			
Creditors: amounts falling due within one year	18	(3,749,216)	(3,810,261)
		<u>(3,748,031)</u>	<u>(3,795,863)</u>
Net current liabilities			
		<u>223,228</u>	<u>175,396</u>
Total assets less current liabilities			
		<u>223,228</u>	<u>175,396</u>
Net assets		<u>223,228</u>	<u>175,396</u>
Capital and reserves			
Called up share capital	22	181,000	172,000
Share premium account	23	31,800	2,100
Profit and loss account brought forward		1,296	(27,797)
Profit for the year		99,632	418,202
Other changes in the profit and loss account		(90,500)	(389,109)
		<u>10,428</u>	<u>1,296</u>
Profit and loss account carried forward		<u>223,228</u>	<u>175,396</u>

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


.....
K H Wright
Director
Date: 29th August 2023

The notes on pages 17 to 35 form part of these financial statements.

SQW GROUP NEWCO 2018 LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 April 2021	172,000	1,951,830	953,496	3,077,326	3,077,326
Profit for the year	-	-	565,098	565,098	565,098
Distribution to shareholders	-	-	(389,109)	(389,109)	(389,109)
Capital reduction	-	(1,949,730)	-	(1,949,730)	(1,949,730)
At 1 April 2022	172,000	2,100	1,129,485	1,303,585	1,303,585
Profit for the year	-	-	669,666	669,666	669,666
Dividends: Equity capital	-	-	(90,500)	(90,500)	(90,500)
Shares issued during the year	9,000	29,700	-	38,700	38,700
At 31 March 2023	181,000	31,800	1,708,651	1,921,451	1,921,451

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 April 2021	172,000	1,951,830	(27,797)	2,096,033
Profit for the year	-	-	418,202	418,202
Distribution to shareholders	-	-	(389,109)	(389,109)
Capital reduction	-	(1,949,730)	-	(1,949,730)
At 1 April 2022	172,000	2,100	1,296	175,396
Profit for the year	-	-	99,632	99,632
Dividends: Equity capital	-	-	(90,500)	(90,500)
Shares issued in the year	9,000	29,700	-	38,700
At 31 March 2023	181,000	31,800	10,428	223,228

The notes on pages 17 to 35 form part of these financial statements.

SQW GROUP NEWCO 2018 LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	669,666	565,098
Adjustments for:		
Amortisation of intangible assets	2,056	-
Depreciation of tangible assets	171,099	216,441
Loss on disposal of tangible assets	-	41,145
Interest paid	4,350	6,477
Interest received	(101)	(36)
Taxation charge	155,447	156,272
(Increase)/decrease in debtors	(178,585)	153,615
Increase in creditors	117,195	141,765
(Decrease) in provisions	(104,690)	(249,043)
Corporation tax (paid)	(171,931)	(203,194)
Net cash generated from operating activities	664,506	828,540
Cash flows from investing activities		
Purchase of intangible fixed assets	(12,510)	-
Purchase of tangible fixed assets	(69,678)	(177,747)
Sale of tangible fixed assets	-	5,946
Interest received	101	36
Net cash from investing activities	(82,087)	(171,765)
Cash flows from financing activities		
Issue of ordinary shares	38,700	-
Share redemption	-	(2,354,824)
Repayment of loans	(192,308)	(123,077)
Dividends paid	(90,500)	-
Interest paid	(4,350)	(6,477)
Net cash used in financing activities	(248,458)	(2,484,378)
Net increase/(decrease) in cash and cash equivalents	333,961	(1,827,603)
Cash and cash equivalents at beginning of year	2,565,283	4,392,886
Cash and cash equivalents at the end of year	2,899,244	2,565,283
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,899,244	2,565,283
	2,899,244	2,565,283

SQW GROUP NEWCO 2018 LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2023**

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	2,565,284	333,960	2,899,244
Debt due within 1 year	(192,308)	192,308	-
	<hr/> 2,372,976 <hr/>	<hr/> 526,268 <hr/>	<hr/> 2,899,244 <hr/>

The notes on pages 17 to 35 form part of these financial statements.

SQW GROUP NEWCO 2018 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

SQW Group Newco 2018 Limited is a limited liability company incorporated in the United Kingdom and registered in England & Wales. The Company's registered office is Oxford Centre for Innovation, New Road, Oxford OX1 1BY.

The principal activity of the Company is that of a holding company. The activities of the Group during the year were the provision of economic and social development consultancy services, business coaching and support, the management of innovation centres and the facilitation of investment into early stage businesses.

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 Group 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 Balance sheet, 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.

SQW GROUP NEWCO 2018 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP, rounded to the nearest pound.

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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Rendering of services

Revenue 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 revenue 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.

When losses are anticipated on projects, the loss is recognised in full during the year in which it is first foreseen.

2.5 Operating leases: the Group as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

SQW GROUP NEWCO 2018 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.6 Government grants

Grants of a revenue nature are recognised in the Consolidated statement of comprehensive income in the same period as the related expenditure.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Finance costs

Finance costs are charged to profit or loss 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.

2.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.10 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.11 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

SQW GROUP NEWCO 2018 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 balance sheet 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 balance sheet 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 balance sheet date.

2.13 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.

The estimated useful lives range as follows:

Website	-	3	years straight line
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SQW GROUP NEWCO 2018 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.14 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 bases:

Leasehold improvements	- Over the life of the lease
Fixtures & fittings	- 2 to 7 years
Computer & office equipment	- 2 to 7 years

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 profit or loss.

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.16 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.

2.17 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.

2.18 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.

SQW GROUP NEWCO 2018 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.19 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 profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet 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 Balance sheet.

2.20 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.

2.21 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.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amount reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effects on amounts recognised in the financial statements.

Revenue recognition (note 5)

Revenue and costs have been recognised based on management's assessment of the stage of completion for each project, taking into account the amounts repayable to customers.

Taxation (note 11)

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and the level of future taxable profits, together with future planning strategies.

Contract obligations (note 21)

The directors have considered the obligations arising from contracts and have provided for liabilities where costs can be reliably estimated.

SQW GROUP NEWCO 2018 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

4. Change in accounting policies

The Directors of the Group have assessed the revenue recognition policy around the timing of recognition of revenue for success fees, to ensure that recognition is in line with FRS102 in respect of Oxford Investment Opportunity Network Limited.

As a result of this, management have modified the revenue recognition policy for success fees. Previously this was recognised upon the invoice. Following the review, revenue for success fees will be recognised according to the stage of completion of the contract, in line with the company's recognition policy for rendering of services.

No restatement has been included in the accounts relating to this change in policy, as there is no impact on profits or net assets for either the 2022 or 2023 financial year.

5. Turnover

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Economic and social development consultancy	5,306,225	5,789,218
Business coaching and support	9,879,568	9,933,000
Innovation centre management	7,082,393	6,406,508
Management of investment networks and Fund	331,608	351,151
	<u>22,599,794</u>	<u>22,479,877</u>

Analysis of turnover by country of destination:

	2023 £	2022 £
United Kingdom	22,599,794	22,479,877
	<u>22,599,794</u>	<u>22,479,877</u>

6. Other operating income

	2023 £	2022 £
Government grants receivable	-	99,551
	<u>-</u>	<u>99,551</u>

SQW GROUP NEWCO 2018 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Operating profit

The operating profit is stated after charging:

	2023	2022
	£	£
Depreciation of tangible fixed assets and amortisation of intangibles	173,155	216,441
Exchange differences	(9,167)	4,237
Other operating lease rentals	721,954	858,757
	<u>721,954</u>	<u>858,757</u>

8. Auditor's remuneration

	2023	2022
	£	£
Fees payable to the Group's auditors and its associates for the audit of the Group's annual financial statements	47,382	41,750
	<u>47,382</u>	<u>41,750</u>
Fees payable to the Group's auditor and its associates in respect of:		
Taxation compliance services	8,010	7,450
All other services	12,365	11,500
	<u>12,365</u>	<u>11,500</u>

SQW GROUP NEWCO 2018 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Employees

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

	Group 2023 £	Group 2022 £
Wages and salaries	11,993,658	12,079,169
Social security costs	821,239	703,593
Cost of defined contribution scheme	346,907	323,721
	<u>13,161,804</u>	<u>13,106,483</u>

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

	2023 No.	2022 No.
Direct staff	232	233
Administrative staff	34	36
	<u>266</u>	<u>269</u>

There are no directors remunerated through the parent company.

Directors are employed and remunerated in subsidiary companies in respect of their services to those entities. The remuneration for the year totals £990,587 (2022: £788,907)

10. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	4,165	6,352
Other loan interest payable	185	125
	<u>4,350</u>	<u>6,477</u>

SQW GROUP NEWCO 2018 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Taxation

	2023	2022
	£	£
Corporation tax		
Current tax on profits for the year	172,670	131,124
Adjustments in respect of previous periods	726	-
	<hr/> 173,396 <hr/>	<hr/> 131,124 <hr/>
Total current tax	<hr/> 173,396 <hr/>	<hr/> 131,124 <hr/>
Deferred tax		
Origination and reversal of timing differences	(16,994)	25,148
Adjustment in respect of prior periods	(955)	-
	<hr/> (17,949) <hr/>	<hr/> 25,148 <hr/>
Taxation on profit on ordinary activities	<hr/> 155,447 <hr/>	<hr/> 156,272 <hr/>

SQW GROUP NEWCO 2018 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022 - higher than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023	2022
	£	£
Profit on ordinary activities before tax	825,113	721,370
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	156,771	137,060
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,500	10,999
Capital allowances for year in excess of depreciation	(412)	(12,102)
Income not taxable	-	15
Adjustments in respect of prior periods	726	-
Adjustments to tax charge in respect of previous periods - deferred tax	985	-
Remeasurement of deferred tax in respect of prior periods	(4,123)	-
Other differences leading to an increase (decrease) in the tax charge	-	20,300
Total tax charge for the year	155,447	156,272

Factors that may affect future tax charges

The main rate of corporation tax will rise from 19% to 25% from 1 April 2023. On this basis deferred tax is provided at the future rate of 25%.

12. Dividends

	2023	2022
	£	£
Dividends paid	90,500	-
	90,500	-

SQW GROUP NEWCO 2018 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Intangible assets

Group and Company

	Website £
Cost	
Additions	12,510
At 31 March 2023	<u>12,510</u>
Amortisation	
Charge for the year	2,056
At 31 March 2023	<u>2,056</u>
Net book value	
At 31 March 2023	<u><u>10,454</u></u>
At 31 March 2022	<u><u>-</u></u>

SQW GROUP NEWCO 2018 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Tangible fixed assets

Group

	Leasehold improvements £	Fixtures and fittings £	Computer & office equipment £	Total £
Cost or valuation				
At 1 April 2022	407,824	288,871	1,141,574	1,838,269
Additions	-	19,704	49,974	69,678
Disposals	(76,673)	(63,170)	(643,569)	(783,412)
At 31 March 2023	<u>331,151</u>	<u>245,405</u>	<u>547,979</u>	<u>1,124,535</u>
Depreciation				
At 1 April 2022	225,109	182,889	967,694	1,375,692
Charge for the year	38,951	46,908	85,240	171,099
Disposals	(76,673)	(63,170)	(643,569)	(783,412)
At 31 March 2023	<u>187,387</u>	<u>166,627</u>	<u>409,365</u>	<u>763,379</u>
Net book value				
At 31 March 2023	<u><u>143,764</u></u>	<u><u>78,778</u></u>	<u><u>138,614</u></u>	<u><u>361,156</u></u>

SQW GROUP NEWCO 2018 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Fixed asset investments

Group

**Investments
in
associates
£**

Cost or valuation

At 1 April 2022

13

At 31 March 2023

13

Impairment

At 1 April 2022

13

At 31 March 2023

13

Net book value

At 31 March 2023

-

Company

**Investments
in
subsidiary
companies
£**

Cost or valuation

At 1 April 2022

3,971,259

At 31 March 2023

3,971,259

Net book value

At 31 March 2023

3,971,259

SQW GROUP NEWCO 2018 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
SQW Group Limited	Holding company	Ordinary	100%
SQW Limited	Consultancy services	Ordinary	100%
Oxford Innovation Limited	Innovation centres	Ordinary	100%
Oxford Innovation Services Limited	Coaching services	Ordinary	100%
Oxford Investment Opportunity Network Limited	Investment network and Fund manager	Ordinary	100%
Intelligent Connections Limited	SME Support	Ordinary	100%

Parent company guarantee

The following subsidiary companies are exempt from the requirements under the Companies Act 2006 relating to the audit of financial statements under section 479A of that Act. SQW Group Newco 2018 Limited has provided a parent company guarantee over the liabilities of each of these subsidiary companies, pursuant to section 479C of the Companies Act 2006.

Company name	Company number
Intelligent Connections Limited	12017109
SQW Group Limited	04947276

16. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade debtors	2,928,652	2,659,034	-	-
Other debtors	171,279	206,489	-	-
Prepayments and accrued income	2,178,646	2,234,379	337	338
Tax recoverable	-	90	-	90
	<u>5,278,577</u>	<u>5,099,992</u>	<u>337</u>	<u>428</u>

17. Cash and cash equivalents

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Cash at bank and in hand	2,899,244	2,565,284	848	13,970
	<u>2,899,244</u>	<u>2,565,284</u>	<u>848</u>	<u>13,970</u>

SQW GROUP NEWCO 2018 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank loan	-	192,308	-	192,308
Trade creditors	575,289	465,394	-	-
Amounts owed to group undertakings	-	-	3,748,848	3,615,622
Corporation tax	141,229	77,093	368	2,331
Other taxation and social security	1,013,476	909,552	-	-
Other creditors	451,809	309,004	-	-
Accruals and deferred income	3,157,303	3,396,733	-	-
	<u>5,339,106</u>	<u>5,350,084</u>	<u>3,749,216</u>	<u>3,810,261</u>

Amounts owed to group undertakings are non-interest bearing and repayable on demand.

19. Loans

The loan (which was repaid during 2023) attracted interest at 2.3% per annum over base rate and was repayable in equal monthly installments over 4 years with a bullet payment of £100,000 at the end of the loan term. At the start of the 2020/21 financial year, a six month repayment holiday was agreed with the bank. When repayments recommenced they were, consequentially, at a slightly higher monthly amount. The term and bullet payment remained unchanged. The loan was secured via a debenture in relation to the company including a fixed charge over all present freehold and leasehold property, first fixed charge over book and other debts, chattels, goodwill and uncalled capital both present and future and first floating charge over all assets and undertaking both present and future. All indebtedness to the bank is cross guaranteed by the other group companies including SQW Group Limited, SQW Limited, Oxford Innovation Limited and Oxford Innovation Services Limited.

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Amounts falling due within one year				
Bank loan	-	192,308	-	192,308
	<u>-</u>	<u>192,308</u>	<u>-</u>	<u>192,308</u>

SQW GROUP NEWCO 2018 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Deferred taxation

Group

	2023 £	2022 £
At beginning of year	(80,620)	(55,472)
Charged to profit or loss	17,949	(25,148)
At end of year	(62,671)	(80,620)
	Group 2023 £	Group 2022 £
Accelerated capital allowances	(73,636)	(84,956)
Short term timing differences	10,965	4,336
	(62,671)	(80,620)

21. Provisions

Group

	Contract obligations provision £	Dilapidation provision £	Total £
At 1 April 2022	1,154,855	238,709	1,393,564
Charged to profit or loss	94,409	3,959	98,368
Utilised in year	(219,934)	(45,795)	(265,729)
At 31 March 2023	1,029,330	196,873	1,226,203

There is uncertainty regarding the exact costs of the contract obligations and, therefore, the directors have included their best estimate in the financial statements in accordance with FRS102.

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FOR THE YEAR ENDED 31 MARCH 2023**

22. Share capital

	2023	2022
	£	£
Allotted, called up and fully paid		
181,000,000 (2022 - 172,000,000) A Ordinary Shares shares of £0.001 each	181,000	172,000

During the year, the Group issued 9,000,000 Ordinary shares of £0.001 for a total value of £38,700.

23. Reserves

Share premium account

Share premium is the amount which the Company receive for a share issue in excess of its nominal value less any directly attributable share issue costs.

Profit and loss account

The profit & loss accounts is the Group's accumulated profits or losses since acquisition at the year end date.

24. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £303,428 (2022: £323,721). Contributions totalling £90,223 (2022: £81,474) were payable to the fund at the balance sheet date and are included in creditors.

25. Commitments under operating leases

At 31 March 2023 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2023	Group 2022
	£	£
Not later than 1 year	731,134	606,490
Later than 1 year and not later than 5 years	2,254,702	1,321,396
Later than 5 years	1,238,705	2,070,532
	4,224,541	3,998,418

SQW GROUP NEWCO 2018 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

26. Other financial commitments

There is a Group guarantee in favour of HSBC plc ("the Bank") from SQW Group Limited, SQW Group Newco 2018 Limited, Oxford Innovation Limited, SQW Limited and Oxford Innovation Services Limited guaranteeing the obligations of each other to the Bank. The outstanding amount due to the Bank at 31 March 2023 across the Group was Nil (2022: £192,308).

There is also a debenture comprising fixed and floating charges over all the assets and undertakings of SQW Group Newco 2018 Limited including all present and future freehold and leasehold property, book and other debts, chattels, goodwill and uncalled capital, both present and future.

27. Related party transactions

The Group has taken advantage of the exemption under section 33 of FRS 102 not to disclose transactions with wholly owned Group companies.

During the year the Company paid membership fees of £1,500 (2022: £8,640) to entities with common directorships. An additional £3,708 (2022: £Nil) relating to the period was outstanding at the year end, and paid after the balance sheet date.

28. Post balance sheet events

After the year-end, Oxford Investment Opportunity Network Limited and their respective partnered nominee formally closed on a funding round valued at £1,740k.

Post year end, SQW Limited signed a lease renewal for the Stockport premises. The lease term is for a period of 5 years commencing 7 June 2023 and attracts annual rental payments of £31,000.

There have been no other material developments or events which have occurred after the balance sheet date.

29. Controlling party

In the opinion of the directors there is not one ultimate controlling party.