

AVM Limited

Registered number: 05659631

Annual report

For the year ended 31 December 2022

AVM LIMITED

COMPANY INFORMATION

| | |
|----------------------------|--|
| Directors | T S Ghere T M Martin |
| Registered number | 05659631 |
| Registered office | Europe House Windmill Road Sunbury-On-Thames Middlesex TW16 7HB |
| Independent auditor | Mazars LLP Chartered Accountants & Statutory Auditor 30 Old Bailey London EC4M 7AU |

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

Introduction

The directors present their Strategic report and the audited financial statements of the Company for the year ended 31 December 2022.

Business review

The Company continued its principal activities of holding investments in subsidiary undertakings during the year. The Company will continue in its present form during the period ending 31 December 2023 and beyond.

Principal risks and uncertainties

As an intermediate holding and financing Company, the principal risk the Company faces is that the carrying value of its investments in its trading subsidiaries may not be fully recoverable or that the trading activities do not generate sufficient free cash flow to settle loan payments as they fall due. To mitigate this risk, the directors monitor the performance of the subsidiaries to determine whether there are any indicators for potential impairment.

Financial key performance indicators

Given the nature of the Company's activity as an intermediate holding and financing Company, the directors do not consider that analysis using KPIs is necessary to understand the Company's development, performance, or position. KPIs for the principal trading subsidiary AVMI Kinly Limited are disclosed in its strategic report. The Group's consolidated financial statements disclose KPIs for the Group.

Future development and outlook

The Company expects its trading subsidiaries to continue to be cash generative and capable of delivering long-term profitable growth.

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

T S Ghere

Director

Date: 23 November 2023

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

The directors present their report and the audited financial statements for the year ended 31 December 2022.

Results and dividends

The loss for the year, after taxation, amounted to £37,000 (2021: loss of £16,000).

The directors do not recommend the payment of a dividend for the year (2021: £nil).

Directors

The directors who served during the year and to the date of this report were:

E C Foxwell (resigned 30 June 2022)
T S Ghere
O Krap (resigned 14 October 2022)
T M Martin

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial 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 of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company'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 Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Going Concern

The Company is funded through cash generation by its subsidiaries. This, together with the receipt of a letter of support from its ultimate parent company, shows the Company will be able to continue as a going concern for at least a period of twelve months from the date of balance sheet approval.

The directors have reviewed the financial position and forecasts of the Company's subsidiaries for the forthcoming financial year in making their assessment of the Company's going concern. The directors believe, after due and careful enquiry, and taking into account forecast cash generation by its subsidiaries, that the Company has sufficient resources for its present requirements and will be able to meet its liabilities as they fall due for the foreseeable future. For these purposes, the foreseeable future is taken to mean a period of at least 12 months from the date of approval of these financial statements. A 5-year forward-looking forecast model was created based on market trends and Company growth assumptions in line with the historical trends of the subsidiary companies. This included a cash flow analysis. The model was stress tested based on significant reductions in trading activity. This analysis underpins the Directors' conclusion that there are no material uncertainties in the Group's ability to continue as a going concern.

Streamlined Energy and Carbon Reporting

The Company is not required to report its energy and carbon information under the Streamlined Energy and Carbon Reporting requirements by virtue of the fact that relevant information pertaining to the Company is included within the consolidated financial information of the parent Kinly Bidco Limited.

Matters covered in the Strategic report

As permitted by paragraph 1A of schedule 7 to the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008, certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the Strategic report on page 1. These matters relate to risk management and future developments.

Provision of information to the 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'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's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

AVM LIMITED

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

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

T S Ghere

Director

Date: 23 November 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVM LIMITED

Opinion

We have audited the financial statements of AVM Limited (the 'Company') for the year ended 31 December 2022 which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity 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 Company's affairs as at 31 December 2022 and of its loss 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 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 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVM LIMITED

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 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 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 2, 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 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 Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVM LIMITED

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 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 and anti-money laundering regulation.

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 and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to impairment of investment in subsidiaries, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVM LIMITED

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.

Rachel Lawton (Senior statutory auditor)
For and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor

30 Old Bailey
London
EC4M 7AU

24 November 2023

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

| | Note | 2022 £000 | 2021 £000 |
|--|-------------|----------------------|----------------------|
| Administrative expenses | | (37) | (16) |
| Operating loss | | <u>(37)</u> | <u>(16)</u> |
| Tax on loss | 6 | - | - |
| Loss for the financial year | | <u><u>(37)</u></u> | <u><u>(16)</u></u> |
| Other comprehensive income | | - | - |
| Total comprehensive loss for the year | | <u><u>(37)</u></u> | <u><u>(16)</u></u> |

The Statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 12 to 20 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

| | Note | 2022 £000 | 2021 £000 |
|--|------|----------------|----------------|
| Fixed assets | | | |
| Investments | 7 | 3,492 | 3,492 |
| | | <u>3,492</u> | <u>3,492</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 8 | 142 | 108 |
| | | <u>142</u> | <u>108</u> |
| Creditors: amounts falling due within one year | 9 | (2,342) | (2,271) |
| | | <u>(2,200)</u> | <u>(2,163)</u> |
| Net current liabilities | | | |
| | | (2,200) | (2,163) |
| Total assets less current liabilities | | <u>1,292</u> | <u>1,329</u> |
| Net assets | | <u>1,292</u> | <u>1,329</u> |
| Capital and reserves | | | |
| Called up share capital | 10 | 588 | 588 |
| Share premium account | 11 | 51 | 51 |
| Profit and loss account | 11 | 653 | 690 |
| | | <u>1,292</u> | <u>1,329</u> |
| Total equity | | <u>1,292</u> | <u>1,329</u> |

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

T S Ghare
Director

Date: 23 November 2023

The notes on pages 12 to 20 form part of these financial statements.

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

| | Called up share capital | Share premium account | Profit and loss account | Total equity |
|--|----------------------------|--------------------------|----------------------------|--------------|
| | £000 | £000 | £000 | £000 |
| At 1 January 2021 | 588 | 51 | 706 | 1,345 |
| Comprehensive loss for the year | | | | |
| Loss for the year | - | - | (16) | (16) |
| Other comprehensive income for the year | - | - | - | - |
| Total comprehensive loss for the year | - | - | (16) | (16) |
| At 1 January 2022 | 588 | 51 | 690 | 1,329 |
| Comprehensive loss for the year | | | | |
| Loss for the year | - | - | (37) | (37) |
| Other comprehensive income for the year | - | - | - | - |
| Total comprehensive loss for the year | - | - | (37) | (37) |
| At 31 December 2022 | <u>588</u> | <u>51</u> | <u>653</u> | <u>1,292</u> |

The notes on pages 12 to 20 form part of these financial statements.

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

1. General information

AVM Limited is a private company limited by shares and incorporated in England and Wales. The Company's registered number is 05659631. The address of its registered office is Europe House, Windmill Road, Sunbury-On-Thames, Middlesex, TW16 7HB.

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 Company's accounting policies (see note 3).

The Company is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

The financial statements have been presented in Pounds Sterling as this is the currency of the primary economic environment in which the Company operates and are rounded to the nearest thousand pounds.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Kinly BidCo Limited as at 31 December 2022 and these financial statements may be obtained from Companies House.

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

2. Accounting policies (continued)

2.3 Going concern

The Company is funded through cash generation by its subsidiaries. This, together with receipt of a letter of support from its parent company, show the Company will be able to continue as a going concern for at least a period of twelve months from the date of balance sheet approval.

The directors have reviewed the financial position and forecasts of the Company's subsidiaries for the forthcoming financial year in making their assessment of the Company's going concern. The directors believe, after due and careful enquiry, and taking into account forecast cash generation by its subsidiaries, that the Company has sufficient resources for its present requirements and will be able to meet its liabilities as they fall due for the foreseeable future. For these purposes the foreseeable future is taken to mean a period of at least 12 months from the date of approval of these financial statements. A 5 year forward looking forecast model was created based on market trends and company growth assumptions in line with historic trends of the subsidiary companies. This included a cashflow analysis. The model was stress tested based on significant reductions in trading activity. This analysis underpins the directors conclusion that there are no material uncertainties in the Group's ability to continue as a going concern.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentation currency is GBP.

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.

All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'administrative expenses'.

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

2. Accounting policies (continued)

2.5 Taxation

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 reporting date in the countries where the Company operates and generates 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Debtors

Debtors due within one year are measured at transaction price, less any impairment.

2.8 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.

2.9 Creditors

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

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

2. Accounting policies (continued)

2.10 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Financial assets

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 identified, an impairment loss is recognised in profit or loss.

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.

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

Financial liabilities

Basic financial liabilities, including trade and other payables are initially recognised at transaction price, unless the arrangement constitute a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a rate of interest.

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.

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

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

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Critical judgements in applying the Company's accounting policies

In preparing these financial statements, the directors have made the following judgements:

- Investments (see note 7)

The most critical estimates, assumptions and judgements relate to the determination of carrying value of unlisted investments at fair value through the Statement of comprehensive income. In determining this amount, the Company applies the overriding concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstance of the investment drives the valuation methodology.

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2021: £).

5. Auditor's remuneration

| | 2022 | 2021 |
|---|-------------|-------------|
| | £000 | £000 |
| Fees payable to the Company's auditor for the audit of the Company's financial statements | <u>6</u> | <u>3</u> |

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

6. Taxation

| | 2022 | 2021 |
|------------------------------------|-------------|-------------|
| | £000 | £000 |
| Current tax on losses for the year | - | - |
| Total current tax | <u>-</u> | <u>-</u> |

Factors affecting tax charge for the year

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

| | 2022 | 2021 |
|---|-------------|-------------|
| | £000 | £000 |
| Loss on ordinary activities before tax | <u>(37)</u> | <u>(16)</u> |
| Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%) | (7) | (3) |
| Effects of: | | |
| Group relief | - | 3 |
| Deferred tax not recognised | 7 | - |
| Total tax charge for the year | <u>-</u> | <u>-</u> |

Factors that may affect future tax charges

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

7. Fixed asset investments

| | Investments in subsidiary companies £000 |
|-----------------------|---|
| Cost | |
| At 1 January 2022 | 3,492 |
| At 31 December 2022 | 3,492 |
| Net book value | |
| At 31 December 2022 | 3,492 |
| At 31 December 2021 | 3,492 |

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

| Name | Principal activity | Class of shares | Holding |
|----------------|--|--------------------|----------|
| AVMI Kinly Ltd | AV and VC system integration and services | Ordinary | 100 % |

AVMI Kinly Ltd shares the same registered office as the Company which is shown on the Company information page.

During the prior year, the company's indirect subsidiary undertakings, Focus 21 Holdings Limited (100% indirect holding) and Focus 21 Visual Communications Limited (100% indirect holding), entered liquidation. The investments in these companies were fully impaired during the period ended 31 December 2020, therefore the company no longer holds investments in these indirect subsidiary undertakings.

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

8. Debtors: amounts falling due within one year

| | 2022 | 2021 |
|------------------------------------|-------------|-------------|
| | £000 | £000 |
| Amounts owed by group undertakings | 137 | 108 |
| Other debtors | 5 | - |
| | <u>142</u> | <u>108</u> |

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

9. Creditors: Amounts falling due within one year

| | 2022 | 2021 |
|------------------------------------|--------------|--------------|
| | £000 | £000 |
| Amounts owed to group undertakings | 2,333 | 2,265 |
| Accruals | 9 | 6 |
| | <u>2,342</u> | <u>2,271</u> |

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

10. Called up share capital

| | 2022 | 2021 |
|--|-------------|-------------|
| | £000 | £000 |
| Allotted, called up and fully paid | | |
| 255,133 (2021: 255,133) 'A' Ordinary shares of £1 each | 255 | 255 |
| 332,400 (2021: 332,400) Ordinary shares of £1 each | 333 | 333 |
| | <u>588</u> | <u>588</u> |

The two different classes of shares rank pari passu.

11. Reserves

Share premium account

The share premium account includes the premium on issue of equity shares, net of any issue costs.

Profit and loss account

The profit and loss account represents cumulative profits and losses, net of dividends paid and other adjustments of the Company.

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

12. Related party transactions

The Company has taken advantage of the exemption conferred by Financial Reporting Standard 102 Section 33 'Related Party Disclosures' paragraph 33.1A not to disclose transactions with certain group companies on the grounds that 100% of the voting rights in the Company are controlled by the Group.

13. Post balance sheet events

There have been no significant events affecting the Company since the year end.

14. Controlling party

The Company's immediate parent company is AVM Vision Investments Ltd, a company incorporated in England and Wales. The ultimate parent company is Kinly BidCo Limited, a company incorporated in the England and Wales.

The smallest group in which the results of the company are consolidated is that headed by Kinly BidCo Limited. The consolidated accounts of this company are available to the public and may be obtained from Companies House.

The largest group in which the results of the Company are consolidated is that headed by Kinly Top Holding B.V. The consolidated accounts of this company are not available to the public.

The Company's ultimate controlling party is Kinly Top Holding B.V.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.