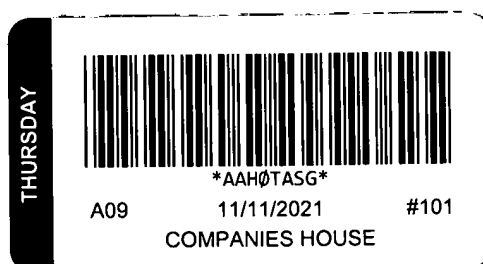


**OCTAGONAL LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**



## **OCTAGONAL LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	JW Gunn S Esquant NK Jagatia AHJ Binnie
<b>Company secretary</b>	N Jagatia
<b>Registered number</b>	06214926
<b>Registered office</b>	2nd Floor 2 London Wall Buildings London EC2M 5PP
<b>Independent auditors</b>	Ashings Limited Chartered Accountants & Statutory Auditors Northside House Mount Pleasant Cockfosters Herts EN4 9EB

## OCTAGONAL LIMITED

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## OCTAGONAL LIMITED

### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

#### Introduction

The principal activity of Octagonal is as a Financial Services group through its subsidiary Global Investment Strategy UK Ltd ("GIS") which provides global settlement and safe custody services to investors, hedge funds, institutions, family offices and high net worth individuals, along with other ancillary services. GIS is the trading entity of the Group, authorised and regulated by the Financial Conduct Authority, and is a member of The London Stock Exchange.

Global Investment Strategy HK Ltd was granted from the Securities and Futures Commission of Hong Kong ("SFC") in 2019 that it has approval to carry on Type 1 regulated activity(ies) for professional clients under the Securities and Futures Ordinance (SFO). Type 1 regulated activity(ies) include the provision of dealing in securities, stock options, and bonds, but also includes the provision of other additional GIS core services such as safe custody and trade settlement. Synergis Capital plc, which it is intended will provide commercial asset backed lending, financed by an investment bond which will be issued in tranches and distributed by GIS.

#### Business review

The business performed in line with expectations, and achieved steady growth during the year.

#### Principal risks and uncertainties

The business handles its risks by limiting principal risk. We do not see any material uncertainties.

#### Financial key performance indicators

The Group seeks to grow both the top and bottom lines through organic growth, the development of new business lines, cost controls and financial conservatism. These factors have enabled it to improve margins and seek higher margin revenues, while offering competitive services to its clients.

During the year, the Group turnover increased by 51.2% to £8,696,678 (2020: £5,751,539) and an increase in operating profit of 97.5% to £1,548,586 (2020: £784,003). Profit before taxation amounted to £1,159,046 (2020: £639,004).

#### Other key performance indicators

The Board has reduced operating costs during the year and will maintain focus on operational costs this year but has not determined targets.

At the end of the year under review the net assets of the group were £8,525,947 (2020: £8,313,043).

#### Directors' statement of compliance with duty to promote the success of the Group

The Group promotes the success for the business by placing considerable value on its clients by providing excellent operational services and by investment in its employees by providing training, systems and productive safe working environment.

This report was approved by the board on 2 November 2021 and signed on its behalf.



*S Esquant*  
Signed on 03/11/21 @ 14:08

**S Esquant**  
Director

## OCTAGONAL LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report and the financial statements for the year ended 31 March 2021.

#### 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 judgments 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;
- 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 and minority interests, amounted to £763,415 (2020 - £284,241).

The Directors will review the groups capital adequacy in terms of liquidity and will update the shareholders on any proposed dividends in due course. Dividends paid in 2020 £568,575 representing 0.1 pence per Ordinary Share to the shareholders of the company.

#### Directors

The directors who served during the year were:

JW Gunn  
S Esquant  
NK Jagatia  
AHJ Binnie

#### Future developments

*The Board is committed to making only long-term investments in core activities.*

#### Engagement with employees

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on various factors affecting the performance of the Group. This is achieved through formal and informal meetings. Equal opportunity is given to all employees regardless of their sex, age, colour, race, religion or ethnic origin.

## **OCTAGONAL LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

#### **Engagement with suppliers, customers and others**

It is the Company's payment policy to pay its suppliers in conformance with industry norms. Trade payables are paid in a timely manner within contractual terms agreed between the two parties.

#### **Greenhouse gas emissions, energy consumption and energy efficiency action**

The Group has not disclosed information in respect of greenhouse gas emissions, energy consumption and energy efficiency action as its energy consumption in the United Kingdom for the year is 40,000kWh or lower.

#### **Disclosure of information to auditors**

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

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are 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 auditors are aware of that information.

#### **Post balance sheet events**

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

#### **Auditors**

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

This report was approved by the board on 2 November 2021 and signed on its behalf.



*S Esquant*  
Signed on 03/11/21 @ 14:08

**S Esquant**  
Director

## OCTAGONAL LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OCTAGONAL LIMITED

#### Opinion

We have audited the financial statements of Octagonal Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2021, which comprise the Group Statement of Income and Retained Earnings, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows 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 2021 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 Auditors' 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.

#### Emphasis of matter

We draw your attention to note 2.11 where the board explains goodwill has not been amortised in accordance with the requirements of FRS102, the board stating that this is necessary to show a true and fair position of the group. If an economic life of ten years had been assumed from acquisition then an annual charge of £286,884 since 2015/16 would have arisen and cumulate amortisation would have totalled £1,649,583. Our opinion is not modified in this respect.

We draw your attention to note 6 of the financial statements, which describes the company's intangible assets which had a carrying value at 31 March 2021 of £824,793 (2020: £804,772). The Company have explained their assessment over the recoverability within the critical accounting estimates and conclude that there is no further impairment due. The financial statements do not include the adjustments that would result if the Company was unable to obtain FCA approval. Our opinion is not modified in this respect.

#### 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.

## **OCTAGONAL LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OCTAGONAL LIMITED (CONTINUED)**

#### **Other information**

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

We have nothing to report in this regard.

#### **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 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 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.



## OCTAGONAL LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OCTAGONAL LIMITED (CONTINUED)

#### Auditors' responsibilities for the audit of the financial statements

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for Directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and involving relevant internal specialists, including tax, real estate and pensions regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in management's incentive to overstate profit. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, pensions legislation and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. The key laws and regulations we considered in this context included the Financial Services and Markets Act and the Health and Safety Act.

#### Audit response to risks identified

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the

## OCTAGONAL LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OCTAGONAL LIMITED (CONTINUED)

financial statements

- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

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

#### Use of our report

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



*Darryl Ashing*  
Countersigned on 03/11/21 @ 17:30

Darryl Ashing FCA (Senior Statutory Auditor)

for and on behalf of  
**Ashings Limited**

Chartered Accountants  
Statutory Auditors

Northside House  
Mount Pleasant  
Cockfosters  
Herts  
EN4 9EB

2 November 2021

**OCTAGONAL LIMITED**

**CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Turnover	4	8,696,678	5,751,538
Cost of sales		(2,134,222)	(1,428,135)
<b>Gross profit</b>		<b>6,562,456</b>	<b>4,323,403</b>
Administrative expenses		(4,771,187)	(3,484,274)
Exceptional administrative expenses		-	(100,000)
Other operating income		(4,105)	44,874
Other operating charges		(238,308)	-
<b>Operating profit</b>	6	<b>1,548,856</b>	<b>784,003</b>
Amounts written off investments		(388,538)	(135,490)
Interest payable and similar expenses	10	-	(9,509)
<b>Profit before tax</b>		<b>1,160,318</b>	<b>639,004</b>
Tax on profit	11	(378,838)	(302,277)
<b>Profit after tax</b>		<b>781,480</b>	<b>336,727</b>
<b>Retained earnings</b>			
- as previously stated		7,023,788	7,252,120
- change in accounting policy		-	(43,998)
- correction of a prior period error		-	100,000
<b>At the beginning of the year as restated</b>		<b>7,023,788</b>	<b>7,308,122</b>
Profit for the year attributable to the owners of the parent		763,415	284,241
Dividends declared and paid		(568,575)	(568,575)
<b>Retained earnings at the end of the year</b>		<b>7,218,628</b>	<b>7,023,788</b>
Non-controlling interest at the beginning of the year		(6,514)	45,972
Non-controlling interests		(18,065)	(52,486)
<b>Non-controlling interest at the end of the year</b>		<b>(24,579)</b>	<b>(6,514)</b>

The notes on pages 14 to 39 form part of these financial statements.

**OCTAGONAL LIMITED**  
**REGISTERED NUMBER: 06214926**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	13	3,693,639	3,673,618
Tangible assets	14	45,968	40,449
Investments	15	226,508	78,769
		<u>3,966,115</u>	<u>3,792,836</u>
<b>Current assets</b>			
Debtors	16	524,765	401,836
Current asset investments	17	-	154,089
Cash at bank and in hand	18	7,558,324	5,461,270
		<u>8,083,089</u>	<u>6,017,195</u>
Creditors: amounts falling due within one year	19	(2,745,266)	(1,447,934)
<b>Net current assets</b>		<u>5,337,823</u>	<u>4,569,261</u>
<b>Total assets less current liabilities</b>		<u>9,303,938</u>	<u>8,362,097</u>
<b>Provisions for liabilities</b>			
Deferred taxation	21	(51,591)	(49,054)
Other provisions	22	(726,400)	-
		<u>(777,991)</u>	<u>(49,054)</u>
<b>Net assets excluding pension asset</b>		<u>8,525,947</u>	<u>8,313,043</u>
<b>Net assets</b>		<u><u>8,525,947</u></u>	<u><u>8,313,043</u></u>
<b>Capital and reserves</b>			
Called up share capital	23	284,288	284,288
Share premium account	24	171,285	171,285
Reverse acquisition reserve	24	678,282	678,282
Other reserves	24	161,913	161,913
Profit and loss account	24	7,218,627	7,023,789
<b>Equity attributable to owners of the parent Company</b>		<u>8,514,395</u>	<u>8,319,557</u>
Non-controlling interests		11,552	(6,514)
		<u><u>8,525,947</u></u>	<u><u>8,313,043</u></u>

**OCTAGONAL LIMITED**  
**REGISTERED NUMBER: 06214926**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 MARCH 2021**

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2 November 2021.



*S Esqulant*  
Signed on 03/11/21 @ 14:08

**S Esqulant**  
Director



*NK Jagatia*  
Signed on 03/11/21 @ 11:06

**NK Jagatia**  
Director

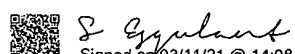
The notes on pages 14 to 39 form part of these financial statements.

**OCTAGONAL LIMITED**  
**REGISTERED NUMBER: 06214926**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	15	9,137,314	9,137,314
		<u>9,137,314</u>	<u>9,137,314</u>
<b>Current assets</b>			
Debtors	16	43,836	16,738
Cash at bank and in hand	18	88,880	1,423
		<u>132,716</u>	<u>18,161</u>
Creditors: amounts falling due within one year	19	(1,955,123)	(2,341,825)
<b>Net current liabilities</b>		(1,822,407)	(2,323,664)
<b>Total assets less current liabilities</b>		<u>7,314,907</u>	<u>6,813,650</u>
<b>Net assets excluding pension asset</b>		<u>7,314,907</u>	<u>6,813,650</u>
<b>Net assets</b>		<u><u>7,314,907</u></u>	<u><u>6,813,650</u></u>
<b>Capital and reserves</b>			
Called up share capital	23	284,288	284,288
Share premium account	24	171,285	171,285
Foreign exchange reserve	24	(40,769)	(44,874)
Other reserves	24	272,504	272,504
Merger reserve	24	6,554,665	6,554,665
Profit and loss account brought forward		(424,218)	356,233
Profit for the year		1,065,727	356,699
Other changes in the profit and loss account		(568,575)	(1,137,150)
<b>Profit and loss account carried forward</b>		<u>72,934</u>	<u>(424,218)</u>
		<u><u>7,314,907</u></u>	<u><u>6,813,650</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2 November 2021.

  
 Signed on 03/11/21 @ 14:08  
**S Esquiant**  
 Director

  
 Signed on 03/11/21 @ 11:06  
**NK Jagatia**  
 Director

The notes on pages 14 to 39 form part of these financial statements.

**OCTAGONAL LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	781,480	336,727
<b>Adjustments for:</b>		
Amortisation of intangible assets	30,804	27,248
Depreciation of tangible assets	15,975	13,109
Impairments of fixed assets	(60,256)	135,490
Interest paid	-	9,509
Taxation charge	378,838	302,277
(Increase)/decrease in debtors	(122,930)	44,369
Increase in creditors	1,236,888	407,812
Increase in provisions	726,400	22,000
Unrealised foreign exchange losses/(gains) recognised in P&L	4,105	(44,874)
Corporation tax (paid)	(315,856)	(191,405)
<b>Net cash generated from operating activities</b>	<b>2,675,448</b>	<b>1,062,262</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(50,825)	(174,987)
Purchase of tangible fixed assets	(21,494)	(12,853)
New loans to associates	-	(9,626)
Sale of unlisted and other investments	62,500	-
Purchase of share in associates	-	(302,780)
<b>Net cash from investing activities</b>	<b>(9,819)</b>	<b>(500,246)</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(568,575)	(568,575)
Non-controlling interest investment	-	14,000
Interest paid	-	(9,509)
<b>Net cash used in financing activities</b>	<b>(568,575)</b>	<b>(564,084)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,097,054</b>	<b>(2,068)</b>
Cash and cash equivalents at beginning of year	5,461,263	5,463,331
<b>Cash and cash equivalents at the end of year</b>	<b>7,558,317</b>	<b>5,461,263</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	7,558,324	5,461,270
Bank overdrafts	(7)	(7)
	<b>7,558,317</b>	<b>5,461,263</b>

**OCTAGONAL LIMITED**

**CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 MARCH 2021**

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	5,461,270	2,097,054	7,558,324
Bank overdrafts	(7)	-	(7)
Debt due within 1 year	(4,390)	847	(3,543)
Liquid investments	154,089	(154,089)	-
	<u>5,610,962</u>	<u>1,943,812</u>	<u>7,554,774</u>

The notes on pages 14 to 39 form part of these financial statements.



## OCTAGONAL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 1. General information

The company is a private company, limited by shares, incorporated in England and Wales with company number 06214926 and registered office situated at 2nd Floor, 2 London Wall Buildings, London, England, EC2M 5PP.

#### 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.

Information on the impact of first-time adoption of FRS 102 is given in note 32.

The financial statements have been rounded to the nearest £1.

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 judgment 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 Income and Retained Earnings in these financial statements.

The following principal accounting policies have been applied:

##### 2.2 Basis of consolidation

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

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

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 April 2021.

## **OCTAGONAL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **2. Accounting policies (continued)**

##### **2.3 Foreign currency translation**

###### **Functional and presentation currency**

The Company's functional and presentational 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 except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

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

##### **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.

## **OCTAGONAL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **2. Accounting policies (continued)**

##### **2.5 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

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

##### **2.6 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.

##### **2.7 Borrowing costs**

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

##### **2.8 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 Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

## **OCTAGONAL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **2. Accounting policies (continued)**

##### **2.9 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 reporting date in the countries where the Company and the Group operate and generate income.

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

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

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

##### **2.10 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

## OCTAGONAL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 2. Accounting policies (continued)

##### 2.11 Intangible assets

###### Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Income and Retained Earnings over its useful economic life.

###### Other 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognized where the carrying amount exceeds the recoverable amount.

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 board have reviewed the useful economic life of goodwill arising on the acquisition of its subsidiary and, having had reference to financial forecasts, market values and increasing activity within the subsidiary, are of the opinion that to present a true and fair position consistent with earlier reporting under IFRS that amortisation should not currently be charged.

If an economic life of ten years had been assumed from acquisition then an annual charge of £286,884 since 2015/16 would have arisen and cumulate amortisation would have totalled £1,649,583.

##### 2.12 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.

## OCTAGONAL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 2. Accounting policies (continued)

##### 2.12 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Short-term leasehold property	-	over the term of the lease
Fixtures and fittings	-	25% reducing balance
Office equipment	-	25% reducing balance
Computer equipment	-	25% reducing balance

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.

##### 2.13 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

##### 2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated Statement of Income and Retained Earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Statement of Financial Position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

## **OCTAGONAL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **2. Accounting policies (continued)**

##### **2.15 Associates and joint ventures**

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Statement of Income and Retained Earnings includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Statement of Financial Position, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

##### **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.

##### **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 Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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

## OCTAGONAL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 2. Accounting policies (continued)

##### 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.

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

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated Statement of Income and Retained Earnings if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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

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

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

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

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

##### 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.



## OCTAGONAL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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

The preparation of financial statements requires management and the Board of Directors to make estimates and judgements that affect reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. These estimates are based on historical experience and various other assumptions that management and the Board believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions, significantly impacting the group's earnings and financial position.

##### **Critical Judgment**

The general economy has been severely impacted by the lockdowns and other measures to combat the coronavirus pandemic. The board have considered if this has impacted the group's going concern and have a reasonable expectation that the company has adequate resources to continue in existence for the foreseeable future and at least for twelve months from the date of approving these financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Sources of estimation uncertainty**

As shown in note 12 amortisation has been charged on development costs incurred to date to the extent that the development projects have commenced being used in the business of the company. The directors believe the amount currently in use in the business represents 50% of the cost to date and have charged amortisation accordingly.

Amortisation has not been charged on the goodwill arising on acquisition of the company's subsidiary. Goodwill is tested annually, or more regularly should the need arise, for impairment and is carried at cost less accumulated impairment losses. Any impairment is recognised immediately in the income statement and is not subsequently reversed. The Group follows IAS36 and values goodwill at the lower of its carrying value or its recoverable amount, where the recoverable amount is the higher value if sold and its value in use.

# OCTAGONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 4. Turnover

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

	2021 £	2020 £
Commissions	6,242,278	4,000,150
Corporate finance and advisory	127,479	17,483
Special charges and recharges	2,326,922	1,733,906
	<u>8,696,679</u>	<u>5,751,539</u>

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	8,522,273	5,751,538
Rest of the world	174,405	-
	<u>8,696,678</u>	<u>5,751,538</u>

### 5. Other operating income

	2021 £	2020 £
Foreign exchange difference - gain	(4,105)	44,874
	<u>(4,105)</u>	<u>44,874</u>

### 6. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Exchange differences	214,849	(33,245)
	<u>214,849</u>	<u>(33,245)</u>

**OCTAGONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**7. Auditors' remuneration**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<b>35,480</b>	46,847
	<u><b>35,480</b></u>	<u>46,847</u>
<b>Fees payable to the Group's auditor and its associates in respect of:</b>		
All other services	<b>4,123</b>	4,020
	<u><b>4,123</b></u>	<u>4,020</u>

**8. Employees**

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

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

	<b>Group 2021 No.</b>	<i>Group 2020 No.</i>	<b>Company 2021 No.</b>	<i>Company 2020 No.</i>
Directors	4	4	4	4
Operations	11	12	-	-
	<u><b>15</b></u>	<u>16</u>	<u><b>4</b></u>	<u>4</u>

# OCTAGONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 9. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	371,672	326,595
Company contributions to defined contribution pension schemes	2,626	2,632
Amounts paid to third parties in respect of directors' services	540,000	470,000
	<u>914,298</u>	<u>799,227</u>

During the year retirement benefits were accruing to 2 directors (2020 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £554,317 (2020 - £432,118).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2020 - £NIL).

The total accrued pension provision of the highest paid director at 31 March 2021 amounted to £NIL (2020 - £NIL).

The amount of the accrued lump sum in respect of the highest paid director at 31 March 2021 amounted to £NIL (2020 - £NIL).

### 10. Interest payable and similar expenses

	2021 £	2020 £
Other interest payable	-	9,509
	<u>-</u>	<u>9,509</u>

**OCTAGONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**11. Taxation**

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on profits for the year	376,301	258,405
	<u>376,301</u>	<u>258,405</u>
<b>Total current tax</b>	<u>376,301</u>	<u>258,405</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	2,537	43,872
<b>Total deferred tax</b>	<u>2,537</u>	<u>43,872</u>
<b>Taxation on profit on ordinary activities</b>	<u>378,838</u>	<u>302,277</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	1,160,318	639,004
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	220,460	121,411
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	20,235	69,000
Capital allowances for year in excess of depreciation	8,303	-
Adjustments to tax charge in respect of prior periods	-	137,000
Short term timing difference leading to an increase (decrease) in taxation	55,238	37,568
Other timing differences leading to an increase (decrease) in taxation	-	29,024
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	780	(8,526)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	-	(83,200)
Changes in provisions leading to an increase (decrease) in the tax charge	73,822	-
<b>Total tax charge for the year</b>	<u>378,838</u>	<u>302,277</u>

**OCTAGONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**11. Taxation (continued)**

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**12. Exceptional items**

	2021 £	2020 £
Exceptional costs in respect of subsidiary	-	100,000
	<u>-</u>	<u>100,000</u>

**13. Intangible assets**

**Group and Company**

	Development expenditure £	Goodwill £	Total £
<b>Cost</b>			
At 1 April 2020	849,170	2,868,846	3,718,016
Additions - internal	50,825	-	50,825
At 31 March 2021	<u>899,995</u>	<u>2,868,846</u>	<u>3,768,841</u>
<b>Amortisation</b>			
At 1 April 2020	44,398	-	44,398
Charge for the year on owned assets	30,804	-	30,804
At 31 March 2021	<u>75,202</u>	<u>-</u>	<u>75,202</u>
<b>Net book value</b>			
At 31 March 2021	<u>824,793</u>	<u>2,868,846</u>	<u>3,693,639</u>
At 31 March 2020	<u>804,772</u>	<u>2,868,846</u>	<u>3,673,618</u>

**OCTAGONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**13. Intangible assets (continued)**

Intangible assets consist of the development of proprietary IT software that will enable the Group to undertake the on-boarding process of new clients online and allow them to manage their account through the online platform. The software is in the process of being completed and accordingly has not been amortised to date. The current year additions include £15,267 (2020: £72,111) of employee costs that relate directly to the development of the asset.

The parent company only holds goodwill arising on consolidation.

**14. Tangible fixed assets**

**Group**

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 April 2020	5,900	15,339	86,505	12,284	120,028
Additions	-	-	21,494	-	21,494
At 31 March 2021	5,900	15,339	107,999	12,284	141,522
<b>Depreciation</b>					
At 1 April 2020	5,900	13,831	53,215	6,633	79,579
Charge for the year on owned assets	-	377	13,141	2,457	15,975
At 31 March 2021	5,900	14,208	66,356	9,090	95,554
<b>Net book value</b>					
At 31 March 2021	-	1,131	41,643	3,194	45,968
At 31 March 2020	-	1,508	33,290	5,651	40,449

**OCTAGONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**15. Fixed asset investments**

**Group**

	Investments in associates £	Loans to associates £	Total £
<b>Cost or valuation</b>			
At 1 April 2020	1,324,854	8,796	1,333,650
At 31 March 2021	<u>1,324,854</u>	<u>8,796</u>	<u>1,333,650</u>
<b>Impairment</b>			
At 1 April 2020	1,254,880	-	1,254,880
Charge for the period	(85,239)	-	(85,239)
Reversal of impairment losses	(62,500)	-	(62,500)
At 31 March 2021	<u>1,107,141</u>	<u>-</u>	<u>1,107,141</u>
<b>Net book value</b>			
At 31 March 2021	<u>217,713</u>	<u>8,796</u>	<u>226,509</u>
At 31 March 2020	<u>69,973</u>	<u>8,796</u>	<u>78,769</u>

**Company**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 April 2020	9,137,314
At 31 March 2021	<u>9,137,314</u>
<b>Net book value</b>	
At 31 March 2021	<u>9,137,314</u>
At 31 March 2020	<u>9,137,314</u>

**16. Debtors**



**OCTAGONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>	<b>Company 2021 £</b>	<b>Company 2020 £</b>
<b>Due after more than one year</b>				
Other debtors	<b>85,805</b>	<b>85,805</b>	-	-
	<b>85,805</b>	<b>85,805</b>	-	-
<b>Due within one year</b>				
Trade debtors	<b>179,202</b>	<b>59,988</b>	-	-
Other debtors	<b>148,650</b>	<b>136,405</b>	<b>33,358</b>	<b>6,260</b>
Called up share capital not paid	<b>36,532</b>	<b>36,532</b>	-	-
Prepayments and accrued income	<b>74,576</b>	<b>83,106</b>	<b>10,478</b>	<b>10,478</b>
	<b>524,765</b>	<b>401,836</b>	<b>43,836</b>	<b>16,738</b>

**17. Current asset investments**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>
Listed investments	-	154,089
	-	154,089

**18. Cash and cash equivalents**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>	<b>Company 2021 £</b>	<b>Company 2020 £</b>
Cash at bank and in hand	<b>7,558,324</b>	<b>5,461,270</b>	<b>88,880</b>	<b>1,423</b>
Less: bank overdrafts	<b>(7)</b>	<b>(7)</b>	<b>(7)</b>	<b>(7)</b>
	<b>7,558,317</b>	<b>5,461,263</b>	<b>88,873</b>	<b>1,416</b>

**OCTAGONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**19. Creditors: Amounts falling due within one year**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>	<b>Company 2021 £</b>	<b>Company 2020 £</b>
Bank overdrafts	7	7	7	7
Client segregated funds	695,973	-	-	-
Trade creditors	237,963	248,977	51,516	39,349
Amounts owed to group undertakings	-	-	1,887,600	2,267,469
Corporation tax	761,890	701,445	-	-
Other taxation and social security	232,593	94,229	-	-
Other creditors	560,662	178,845	-	-
Accruals and deferred income	256,178	224,431	16,000	35,000
	<b>2,745,266</b>	<b>1,447,934</b>	<b>1,955,123</b>	<b>2,341,825</b>

**20. Financial instruments**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>	<b>Company 2021 £</b>	<b>Company 2020 £</b>
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	7,558,324	5,615,359	88,880	1,423

Financial assets measured at fair value through profit or loss comprise cash at bank.

**21. Deferred taxation**

**Group**

	<b>2021 £</b>
At beginning of year	(49,054)
Charged to profit or loss	(2,537)
<b>At end of year</b>	<b>(51,591)</b>

**OCTAGONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**21. Deferred taxation (continued)**

	<b>Group 2021 £</b>	<i>Group 2020 £</i>
Accelerated capital allowances	<b>(51,591)</b>	<i>(49,054)</i>
	<u><b>(51,591)</b></u>	<u><i>(49,054)</i></u>

**22. Provisions**

**Group**

	<b>Provision for legal costs £</b>
Charged to profit or loss	<b>726,400</b>
<b>At 31 March 2021</b>	<u><b>726,400</b></u>

**23. Share capital**

	<b>2021 £</b>	<i>2020 £</i>
<b>Allotted, called up and fully paid</b>		
568,576,886 (2020 - 568,576,880) Ordinary shares of £0.0005 each	<b>284,288</b>	<i>284,288</i>
	<u><b>284,288</b></u>	<u><i>284,288</i></u>

## **OCTAGONAL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **24. Reserves**

##### **Share premium account**

The share premium account represents the cumulative surplus received on issuing shares over the nominal value of the shares issued.

##### **Reverse acquisition reserve**

The acquisition of Golbal Investment Strategy UK Limited on 30 June 2015 was accounted for using the reverse acquisition method. The amount recognised as issued equity instruments in the consolidated financial statements is determined by adding the fair value of the legal parent (which is based on the number of equity interests deemed to have been issued by the legal subsidiary) to the legal subsidiary's issued equity immediately before the business combination. However, the equity structure (that is, the number and type of equity instruments issued) shown in the consolidated financial statements reflects the legal parent's equity structure, including the equity instruments issued by the legal parent to affect the combination. The equity structure of the legal subsidiary (accounting acquirer) is restated using the exchange ratio established in the acquisition agreement to reflect the number of shares issued by the legal parent (the accounting acquiree) in the reverse acquisition.

##### **Other reserves**

Represent amounts arising in respect of investments, share options and warrants issued.

##### **Merger Reserve**

The merger reserve represents the amount arising when accounting for an acquisition under merger accounting principles.

##### **Profit and loss account**

The profit and loss account represents the cumulative profits and losses since trading commenced.

# OCTAGONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 25. Share based payments

On 6 September 2017 a total of 12,000,000 options were granted to three directors of the Company, exercisable at 3p per share. Half of the options vested immediately and the half vested on the 1st anniversary of the date of grant. The options expired on the fourth anniversary of the date of grant.

on 28 September 2017, 1,750,000 options were granted on the same terms to a fourth director.

The fair value of the options was determined using the Black-Scholes option pricing model.

The total share based payment expense recognised on the income statement for the year ended 31 March 2021 in respect of the share options granted was £Nil (2019: £nil).

	<b>Weighted average exercise price (pence) 2021</b>	<b>Number 2021</b>	<i>Weighted average exercise price (pence) 2020</i>	<i>Number 2020</i>
Outstanding at the beginning of the year	<b>92</b>	<b>13,750,000</b>	92	13,750,000
<b>Outstanding at the end of the year</b>	<b>92</b>	<b>13,750,000</b>	92	13,750,000

	<b>2021 Black - Scholes</b>	<i>2020 Black - Scholes</i>
Option pricing model used		
Weighted average share price (pence)	<b>92</b>	92
Exercise price (pence)	<b>3</b>	3
Weighted average contractual life (days)	<b>1460</b>	1460
Expected volatility	<b>50%</b>	50%
Risk-free interest rate	<b>1%</b>	1%

### 26. Contingent liabilities

In November 2018 the company's subsidiaries Global Investment Strategy UK Limited and Synergis Capital PLC entered into a settlement agreement that would result in payments being made to a third party in respect of the proposed bond issuance by Synergis Capital PLC. These payments would have totalled £300,000 on the issuance of the Synergis bonds. However, the issuance has been delayed and the board believe that conditions no longer exist that will merit payment. This has not been formally confirmed but the board believe the possibility of any payment beyond that accrued in the accounts is now remote. The board believe that any further disclosure would be prejudicial to the company.

In December 2020 the Securities and Exchange Commission ("SEC") in the USA started an action against the company and others in respect of alleged infringements of US securities legislation. The Board have resisted this action. The board have made a provision of \$1,000,000 and have provided for such legal costs. There is a possibility that the SEC will seek further amounts but the Board do not consider that they will be considerably higher than the provision made in these financial statements.

## OCTAGONAL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 27. Pension commitments

The group makes contributions to employee pension schemes in accordance with the auto-enrolment rules.

#### 28. Commitments under operating leases

The Group and the Company had no commitments under non-cancellable operating leases at the reporting date.

#### 29. Related party transactions

During the year under review the group paid £170,698 (2020 - £430,000) and £369,302 (2020 - £Nil) to National Trading Limited and National Consulting Ltd respectively in respect of Mr. J. Gunn's service as a director.

Also, during the year the company paid £45,284 (2020 - £40,000) to NKJ associates Limited in respect of Nilesh Jagatia's service as a director.

Mr. J. Gunn's current account decreased to £40,080 (2020 - £71,268).

Key management of the company is the same as the board of directors.

#### 30. Controlling party

The directors regard Mr. J. Gunn, a director, as being the ultimate controlling party.

#### 31. Subsidiary undertakings

##### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Global Investment Strategy UK Limited	2nd Floor, Solar House, 915 High Road, London, England, N12 8QJ	Ordinary	100%
Synergis Capital PLC	2nd Floor, Solar House, 915 High Road, London, England, N12 8QJ	Ordinary	77.5%
Global Investment Strategy Nominees UK Limited	C/O Niren Blake Llp 2nd Floor, Solar House, 915 High Road, London, England, N12 8QJ	Ordinary	100%
Global Investment Strategy HK Limited	Room 4469, 44/F, Champion Tower, 3 Garden Road, Central, Hong Kong	Ordinary	100%

**OCTAGONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**31. Subsidiary undertakings (continued)**

**Subsidiary undertakings (continued)**

The aggregate of the share capital and reserves as at 31 March 2021 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

<b>Name</b>	<b>Aggregate of share capital and reserves</b>	<b>Profit/(Loss)</b>
	<b>£</b>	<b>£</b>
Global Investment Strategy UK Limited	<b>8,385,168</b>	<b>1,096,771</b>
Synergis Capital PLC	<b>210,647</b>	<b>(80,290)</b>
Global Investment Strategy Nominees UK Limited	<b>1</b>	<b>-</b>
Global Investment Strategy HK Limited	<b>483,064</b>	<b>(125,520)</b>

OCTAGONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

32. First time adoption of FRS 102

The Group and Company transitioned to FRS 102 from previously extant International Financial Reporting Standards ("IFRS") as at 1 April 2019. The impact of the transition to FRS 102 is as follows:

Group

Note	As previously stated 1 April 2019 £	Effect of transition 1 April 2019 £	FRS 102 (as restated) 1 April 2019 £	As previously stated 31 March 2020 £	Effect of transition 31 March 2020 £	FRS 102 (as restated) 31 March 2020 £
Fixed assets	1,077,266	-	1,077,266	3,792,836	-	3,792,836
Current assets	8,663,350	-	8,663,350	6,017,195	-	6,017,195
Creditors: amounts falling due within one year	(1,124,044)	-	(1,124,044)	(1,447,934)	-	(1,447,934)
<b>Net current assets</b>	<b>7,539,306</b>	<b>-</b>	<b>7,539,306</b>	<b>4,569,261</b>	<b>-</b>	<b>4,569,261</b>
<b>Total assets less current liabilities</b>	<b>8,616,572</b>	<b>-</b>	<b>8,616,572</b>	<b>8,362,097</b>	<b>-</b>	<b>8,362,097</b>
Provisions for liabilities	(5,182)	-	(5,182)	(49,054)	-	(49,054)
<b>Net assets</b>	<b>8,611,390</b>	<b>-</b>	<b>8,611,390</b>	<b>8,313,043</b>	<b>-</b>	<b>8,313,043</b>
Capital and reserves	8,611,390	-	8,611,390	8,268,169	44,874	8,313,043



OCTAGONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

32. First time adoption of FRS 102 (continued)

	Note	As previously stated 31 March 2020 £	Effect of transition 31 March 2020 £	FRS 102 (as restated) 31 March 2020 £
Turnover		5,751,538	-	5,751,538
Cost of sales		(1,428,135)	-	(1,428,135)
		<hr/>	<hr/>	<hr/>
		4,323,403	-	4,323,403
Administrative expenses		(3,584,274)	-	(3,584,274)
Other operating income		-	44,874	44,874
		<hr/>	<hr/>	<hr/>
<b>Operating profit</b>		739,129	44,874	784,003
Amounts written off investments		(135,490)	-	(135,490)
Interest payable and similar charges		(9,509)	-	(9,509)
Taxation		(302,277)	-	(302,277)
		<hr/>	<hr/>	<hr/>
<b>Profit on ordinary activities after taxation and for the financial year</b>		<u>291,853</u>	<u>44,874</u>	<u>336,727</u>

Explanation of changes to previously reported profit and equity:

- 1 FRS102 does not recognise the creation of foreign exchange reserves on unrealised gains through reserve movements.

**OCTAGONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**32. First time adoption of FRS 102 (continued)**

The change of financial reporting framework does not affect the company.