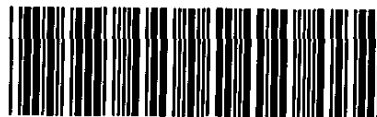


**Company registration number 07529895 (England and Wales)**

**LANTUM LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

TUESDAY



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**LANTUM LTD**

**COMPANY INFORMATION**

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<b>Directors</b>	M K A Morris I C Hamilton H J Farrar A Ghei W B J Vorstman	(Appointed 13 March 2023)
<b>Secretary</b>	R Clelland	
<b>Company number</b>	07529895	
<b>Registered office</b>	1 Mark Square 4th Floor London EC2A 4EG	
<b>Auditor</b>	Kingswood LLP 3 Coldbath Square London EC1R 5HL	
<b>Business address</b>	1 Mark Square 4th Floor London EC2A 4EG	

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# **LANTUM LTD**

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# **LANTUM LTD**

## **STRATEGIC REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2022***

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The directors present the strategic report for the year ended 31 December 2022.

#### **Business review**

The principal activities of the group continued to be the provision of workforce management software to the healthcare industry.

Overall revenue has increased 61% to £5,662,906 as the business continued its growth plan. The directors report an EBITDA loss of £3,360,102 compared with £2,272,325 in 2021. The increase in costs relates to increase in headcount and investment in growth.

The directors and management team work closely together to anticipate risks from economic factors and plan accordingly.

We remain confident in our business prospects as we continue to maintain and expand our dominant market share in our core healthcare sector and develop our products and intellectual property.

#### **Key Performance Indicators**

##### **Turnover**

For the year under review, turnover increased to £5,662,906 compared to £3,522,280 in the previous year due primarily to an increased volume across the core business.

##### **Operating loss**

For the year under review, the operating loss was £3,360,102 (2020: £2,272,325). This reflects the investment in future growth particularly in our Technology, Operations and Sales divisions.

##### **Headcount**

The headcount increased from an average of 61 in the previous year to 89 in the year under review, this is due to *the continued investment in our product.*

##### **Shareholders' funds**

Shareholders' funds have decreased from £3,823,330 from £5,131,318 in the previous year. This is a reflection of raising additional capital as an extension of a previous round less the movement in the P&L reserves.

#### **Principal risks and uncertainties**

The directors have assessed the main risks facing the group as being liquidity risk, employee retention and regulation / Industry changes.

##### **Liquidity risk**

Liquidity risk is managed on a day-to-day basis by the Finance Team who are regularly reviewing cash flow, financial performance and projections. This forms a key part of Board discussions, with the business looking at both short term and long term liquidity on an ongoing basis.

##### **Retention**

The Company's performance and growth is dependent on the ability to hire and retain the right people with the mix of skills and experience to serve our customers, attract new ones and develop our product.

##### **Regulation / Industry Changes**

The company operates within the Healthcare sector which is highly regulated. Any changes to regulations could impact the way in which we provide services.

# **LANTUM LTD**

## **STRATEGIC REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 DECEMBER 2022***

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#### **Future development and performance**

Lantum's vision is to be a leading provider of workforce management software in healthcare and radically improve how workforces connect to healthcare organisations via "Connected Scheduling".

For the year under review, turnover increased to £5,662,906 compared to £3,522,280 in the previous year, as Lantum grew its market share. Lantum will continue to grow its market share through expanding its product offering and entering new markets.

#### **Financial Instruments**

The group only has basic financial instruments and does not enter into any foreign currency forward contracts or formal hedging activities.

#### **Going concern**

The directors have prepared detailed budgets, cash flow forecasts and covenant forecasts having considered all available information and future strategies of the group. During September 2022 the business completed a refinance of its debt facilities, increasing its sales financing facility to £5m from the previous ceiling of £1.5m and drawing down a new loan facility of £4m, replacing the previous £2m facility.

The directors are currently undertaking a Series B funding round which is anticipated to close in Q3 2023 in order to secure financing for the business into the medium term.

On the basis of an expectation that the business manages its cash flow appropriately pending the completion of a successful Series B funding round in Q3 2023, the directors have a reasonable expectation that the group will have adequate resources to continue in operational existence for the foreseeable future, being a period of 12 months from the date of approval of these financial statements. Therefore, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The Board and management confidently look forward to a successful future for the benefit of all stakeholders.

On behalf of the board

M K A Morris  
**Director**

13 June 2023

# **LANTUM LTD**

## **DIRECTORS' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2022***

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

#### **Results and dividends**

The results for the year are set out on page 8.

No ordinary or preference dividends were paid in the year.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M K A Morris	
I C Hamilton	
A Bachmann	(Resigned 30 April 2022)
H J Farrar	
A Ghei	
K C R Setterwall	(Appointed 30 April 2022 and resigned 13 March 2023)
W B J Vorstman	(Appointed 13 March 2023)

#### **Qualifying third party indemnity provisions**

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

#### **Auditor**

Kingswood LLP were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

# **LANTUM LTD**

## **DIRECTORS' REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 DECEMBER 2022***

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#### **Strategic report**

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of financial instruments and future developments.

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

M K A Morris

**Director**

13 June 2023

# LANTUM LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LANTUM LTD

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### Opinion

We have audited the financial statements of Lantum Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including 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 the parent company's affairs as at 31 December 2022 and of the group's 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 group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material uncertainty related to going concern

We draw attention to Note 1.4 in the financial statements, which indicates that at the year ended 31 December 2022 the group's going concern assessment includes the reliance on the successful short term cash flow management in advance of a Series B funding round to be undertaken later in 2023. We therefore also highlight the short and medium term going concern status of the group as being dependent on raising further funding, Series B or otherwise, in the immediate foreseeable future. These conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Other information

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

We have nothing to report in this regard.

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

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



# **LANTUM LTD**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LANTUM LTD**

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### **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 their 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 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, 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 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 parent company or to cease operations, or have no realistic alternative but to do so.

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

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

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:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with directors and other management, and from our commercial knowledge and experience of the company's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, taxation legislation Covid-19 support legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

# **LANTUM LTD**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LANTUM LTD**

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To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the group's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 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.

**Richard Behan FCA (Senior Statutory Auditor)**  
**For and on behalf of Kingswood LLP**

13 June 2023

**Chartered Accountants**  
**Statutory Auditor**

3 Coldbath Square  
London  
EC1R 5HL

# LANTUM LTD

## GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

		2022	2021
	Notes	£	£
<b>Turnover</b>	<b>3</b>	5,662,906	3,522,280
Administrative expenses		(9,062,842)	(5,867,075)
Other operating income		39,834	72,470
<b>Operating loss</b>	<b>4</b>	(3,360,102)	(2,272,325)
Interest receivable and similar income	<b>8</b>	-	68
Interest payable and similar expenses	<b>9</b>	(261,171)	(248,607)
<b>Loss before taxation</b>		(3,621,273)	(2,520,864)
Tax on loss	<b>10</b>	1,059,351	547,055
<b>Loss for the financial year</b>	<b>22</b>	(2,561,922)	(1,973,809)

Loss for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The group Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

The notes on pages 14 to 28 form part of these financial statements.

# LANTUM LTD

## GROUP BALANCE SHEET

**AS AT 31 DECEMBER 2022**

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Goodwill	11	965,360		1,194,192	
Other intangible assets	11	4,549,083		2,996,766	
Total intangible assets		5,514,443		4,190,958	
Tangible assets	12	60,943		38,894	
		5,575,386		4,229,852	
<b>Current assets</b>					
Debtors	15	7,311,914		3,570,634	
Cash at bank and in hand		973,740		3,839,109	
		8,285,654		7,409,743	
<b>Creditors: amounts falling due within one year</b>	16	(6,627,434)		(6,473,277)	
<b>Net current assets</b>		1,658,220		936,466	
<b>Total assets less current liabilities</b>		7,233,606		5,166,318	
<b>Creditors: amounts falling due after more than one year</b>	17	(3,410,276)		(35,000)	
<b>Net assets</b>		3,823,330		5,131,318	
<b>Capital and reserves</b>					
Called up share capital	21	4,623		4,153	
Share premium account	22	20,317,588		19,064,124	
Profit and loss reserves	22	(16,498,881)		(13,936,959)	
<b>Total equity</b>		3,823,330		5,131,318	

The financial statements were approved by the board of directors and authorised for issue on 13 June 2023 and are signed on its behalf by:

M K A Morris  
**Director**

Company registration number 07529895 (England and Wales)

**The notes on pages 14 to 28 form part of these financial statements.**

# LANTUM LTD

## COMPANY BALANCE SHEET

**AS AT 31 DECEMBER 2022**

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Goodwill	11	268,203		357,603	
Other intangible assets	11	4,549,083		2,996,766	
Total intangible assets		4,817,286		3,354,369	
Tangible assets	12	60,943		38,894	
Investments	13	799,409		958,222	
		5,677,638		4,351,485	
<b>Current assets</b>					
Debtors	15	7,351,746		3,615,645	
Cash at bank and in hand		939,303		3,675,829	
		8,291,049		7,291,474	
<b>Creditors: amounts falling due within one year</b>	16	(6,803,263)		(7,372,439)	
<b>Net current assets/(liabilities)</b>		1,487,786		(80,965)	
<b>Total assets less current liabilities</b>		7,165,424		4,270,520	
<b>Creditors: amounts falling due after more than one year</b>	17	(3,410,276)		(35,000)	
<b>Net assets</b>		3,755,148		4,235,520	
<b>Capital and reserves</b>					
Called up share capital	21	4,623		4,153	
Share premium account	22	20,317,588		19,064,124	
Profit and loss reserves	22	(16,567,063)		(14,832,757)	
<b>Total equity</b>		3,755,148		4,235,520	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £1,734,306 (2021 - £2,220,977 loss).

The financial statements were approved by the board of directors and authorised for issue on 13 June 2023 and are signed on its behalf by:

M K A Morris  
**Director**

Company registration number 07529895 (England and Wales)

**The notes on pages 14 to 28 form part of these financial statements.**

# LANTUM LTD

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

	Notes	Share capital £	Share premium account £	Equity reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2021</b>		1,541	12,002,743	54,242	(11,963,150)	95,376
<b>Year ended 31 December 2021:</b>						
Loss and total comprehensive income for the year		-	-	-	(1,973,809)	(1,973,809)
Issue of share capital	21	2,612	7,007,139	-	-	7,009,751
Other movements		-	54,242	(54,242)	-	-
<b>Balance at 31 December 2021</b>		4,153	19,064,124	-	(13,936,959)	5,131,318
<b>Year ended 31 December 2022:</b>						
Loss and total comprehensive income for the year		-	-	-	(2,561,922)	(2,561,922)
Issue of share capital	21	470	1,253,464	-	-	1,253,934
<b>Balance at 31 December 2022</b>		4,623	20,317,588	-	(16,498,881)	3,823,330

The notes on pages 14 to 28 form part of these financial statements.

# LANTUM LTD

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

	Notes	Share capital £	Share premium account £	Equity reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2021</b>		1,541	12,002,743	54,242	(12,611,780)	(553,254)
<b>Year ended 31 December 2021:</b>						
Loss and total comprehensive income for the year		-	-	-	(2,220,977)	(2,220,977)
Issue of share capital	<b>21</b>	2,612	7,007,139	-	-	7,009,751
Other movements		-	54,242	(54,242)	-	-
<b>Balance at 31 December 2021</b>		4,153	19,064,124	-	(14,832,757)	4,235,520
<b>Year ended 31 December 2022:</b>						
Loss and total comprehensive income for the year		-	-	-	(1,734,306)	(1,734,306)
Issue of share capital	<b>21</b>	470	1,253,464	-	-	1,253,934
<b>Balance at 31 December 2022</b>		4,623	20,317,588	-	(16,567,063)	3,755,148

The notes on pages 14 to 28 form part of these financial statements.

# LANTUM LTD

## GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	27	(6,610,377)		(495,415)	
Interest paid		(261,171)		(177,682)	
Income taxes refunded		201,038		1,100,041	
<b>Net cash (outflow)/inflow from operating activities</b>		(6,670,510)		426,944	
<b>Investing activities</b>					
Purchase of intangible assets		(3,176,464)		(1,643,068)	
Purchase of tangible fixed assets		(51,797)		(27,125)	
Proceeds from disposal of tangible fixed assets		1,406		1,401	
Interest received		-		68	
<b>Net cash used in investing activities</b>		(3,226,855)		(1,668,724)	
<b>Financing activities</b>					
Proceeds from issue of shares		1,253,934		4,999,148	
New/(repayment of) bank loans		5,778,062		(255,000)	
<b>Net cash generated from financing activities</b>		7,031,996		4,744,148	
<b>Net (decrease)/increase in cash and cash equivalents</b>		(2,865,369)		3,502,368	
Cash and cash equivalents at beginning of year		3,839,109		336,741	
<b>Cash and cash equivalents at end of year</b>		973,740		3,839,109	

The notes on pages 14 to 28 form part of these financial statements.



# **LANTUM LTD**

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

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### **1 Accounting policies**

#### **Company information**

Lantum Ltd ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 1 Mark Square, 4th Floor, London, EC2A 4EG.

The group consists of Lantum Ltd and all of its subsidiaries.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Business combinations**

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries are accounted for at cost less impairment.

#### **1.3 Basis of consolidation**

The consolidated group financial statements consist of the financial statements of the parent company Lantum Ltd together with all entities controlled by the parent company (its subsidiaries).

All financial statements are made up to 31 December 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

# LANTUM LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.4 Going concern

The directors have prepared detailed budgets, cash flow forecasts and covenant forecasts having considered all available information and future strategies of the group. During September 2022 the business completed a refinance of its debt facilities, increasing its sales financing facility to £5m from the previous ceiling of £1.5m and drawing down a new loan facility of £4m, replacing the previous £2m facility.

The directors are currently undertaking a Series B funding round which is anticipated to close in Q3 2023 in order to secure financing for the business into the medium term.

On the basis of an expectation that the business manages its cash flow appropriately pending the completion of a successful Series B funding round in Q3 2023, the directors have a reasonable expectation that the group will have adequate resources to continue in operational existence for the foreseeable future, being a period of 12 months from the date of approval of these financial statements. Therefore, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for the services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

#### 1.6 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### 1.7 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Goodwill is amortised to the Group Statement of Comprehensive Income over its estimated economic life of ten years, subject to any impairment review.

#### 1.8 Intangible fixed assets other than goodwill

Intangible assets are stated at cost less accumulated amortisation and are tested annually for impairment with any impairment being immediately recognised in the Group Statement of Comprehensive Income.

Development expenditure is capitalised and amortised over 5 years during which the company is expected to benefit as the directors are satisfied as to the technical, commercial and financial viability of individual projects.

#### 1.9 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	Straight line over 3 years
Fixtures and fittings	Straight line over 4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

# **LANTUM LTD**

## **NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **1 Accounting policies**

**(Continued)**

#### **1.10 Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### **1.11 Impairment of fixed assets**

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### **1.12 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **1.13 Financial instruments**

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

##### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### ***Impairment of financial assets***

Financial assets are assessed for indicators of impairment at each reporting end date. If an asset is impaired, the impairment loss is recognised in profit or loss. The impairment reversal is recognised in profit or loss.

# LANTUM LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

### 1.14 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs.

### 1.15 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# LANTUM LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.16 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.17 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.18 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

#### 1.19 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

#### Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### *Useful economic life and residual value of intangible fixed assets*

The assessment of the useful economic life and residual value of the group's intangible fixed assets involves a significant amount of judgement based on historical experience with similar assets as well as anticipation of future events which may impact their useful life, such as changes in technology. The group undertakes a review of the remaining useful lives of each class of intangible fixed assets at the end of each reporting period and will adjust the remaining useful lives, or impairment where necessary.

### 3 Turnover

The group's turnover is wholly generated in the United Kingdom.

# LANTUM LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 4 Operating loss

	2022 £	2021 £
Operating loss for the year is stated after charging/(crediting):		
Exchange losses	5,253	1,058
Depreciation of owned tangible fixed assets	29,160	14,420
Profit on disposal of tangible fixed assets	(818)	(196)
Amortisation of intangible assets	1,852,979	1,217,686

### 5 Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	11,750	11,750
Audit of the financial statements of the company's subsidiaries	4,000	4,000
	15,750	15,750

### 6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Administrative	15	15	15	14
Sales and marketing	17	8	17	8
Operations	57	38	57	38
Total	89	61	89	60

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	5,453,730	3,444,420	5,453,730	3,444,420
Social security costs	651,612	319,361	651,612	319,361
Pension costs	422,226	235,288	422,226	235,288
	6,527,568	3,999,069	6,527,568	3,999,069

# LANTUM LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 7 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	207,024	172,200
Company pension contributions to defined contribution schemes	13,252	9,200
	<u>220,276</u>	<u>181,400</u>

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	172,824	132,200
Company pension contributions to defined contribution schemes	11,652	8,267
	<u>184,476</u>	<u>140,467</u>

### 8 Interest receivable and similar income

	2022 £	2021 £
<b>Interest income</b>		
Other interest income	-	68
	<u>-</u>	<u>68</u>

### 9 Interest payable and similar expenses

	2022 £	2021 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank loans	143,637	177,682
Interest on convertible loan notes	-	70,925
Interest on other loans	117,534	-
	<u>261,171</u>	<u>248,607</u>

### 10 Taxation

	2022 £	2021 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	(1,059,351)	(547,055)
	<u>(1,059,351)</u>	<u>(547,055)</u>

# LANTUM LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 10 Taxation

(Continued)

The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Loss before taxation	(3,621,273)	(2,520,864)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(688,042)	(478,964)
Tax effect of expenses that are not deductible in determining taxable profit	353,966	250,922
Unutilised tax losses carried forward	334,076	228,042
Research and development tax credit	(1,059,351)	(547,963)
Effect of overseas tax rates	-	908
Taxation credit	(1,059,351)	(547,055)

At 31 December 2022 tax losses carried forward by the company amounted to £12,157,402 (2021: £10,379,002). The company has not recognised deferred tax asset in respect of these losses.

### 11 Intangible fixed assets

Group	Goodwill	Development costs	Total
	£	£	£
<b>Cost</b>			
At 1 January 2022	2,633,596	5,154,266	7,787,862
Additions - internally developed	-	3,176,464	3,176,464
At 31 December 2022	2,633,596	8,330,730	10,964,326
<b>Amortisation and impairment</b>			
At 1 January 2022	1,439,404	2,157,500	3,596,904
Amortisation charged for the year	228,832	1,624,147	1,852,979
At 31 December 2022	1,668,236	3,781,647	5,449,883
<b>Carrying amount</b>			
At 31 December 2022	965,360	4,549,083	5,514,443
At 31 December 2021	1,194,192	2,996,766	4,190,958



# LANTUM LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 11 Intangible fixed assets

(Continued)

Company	Goodwill	Development costs	Total
	£	£	£
<b>Cost</b>			
At 1 January 2022	1,239,279	5,141,266	6,380,545
Additions - internally developed	-	3,176,464	3,176,464
At 31 December 2022	1,239,279	8,317,730	9,557,009
<b>Amortisation and impairment</b>			
At 1 January 2022	881,676	2,144,500	3,026,176
Amortisation charged for the year	89,400	1,624,147	1,713,547
At 31 December 2022	971,076	3,768,647	4,739,723
<b>Carrying amount</b>			
At 31 December 2022	268,203	4,549,083	4,817,286
At 31 December 2021	357,603	2,996,766	3,354,369

### 12 Tangible fixed assets

Group	Computer equipment	Fixtures and fittings	Total
	£	£	£
<b>Cost</b>			
At 1 January 2022	97,034	19,941	116,975
Additions	51,797	-	51,797
Disposals	(30,156)	(18,114)	(48,270)
At 31 December 2022	118,675	1,827	120,502
<b>Depreciation and impairment</b>			
At 1 January 2022	58,843	19,238	78,081
Depreciation charged in the year	28,715	445	29,160
Eliminated in respect of disposals	(29,826)	(17,856)	(47,682)
At 31 December 2022	57,732	1,827	59,559
<b>Carrying amount</b>			
At 31 December 2022	60,943	-	60,943
At 31 December 2021	38,191	703	38,894

# LANTUM LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 12 Tangible fixed assets

(Continued)

Company	Computer equipment £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 January 2022	87,490	19,941	107,431
Additions	51,797	-	51,797
Disposals	(30,156)	(18,114)	(48,270)
At 31 December 2022	109,131	1,827	110,958
<b>Depreciation and impairment</b>			
At 1 January 2022	49,299	19,238	68,537
Depreciation charged in the year	28,715	445	29,160
Eliminated in respect of disposals	(29,826)	(17,856)	(47,682)
At 31 December 2022	48,188	1,827	50,015
<b>Carrying amount</b>			
At 31 December 2022	60,943	-	60,943
At 31 December 2021	38,191	703	38,894

### 13 Fixed asset investments

	Note	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	14	-	-	799,409	958,222

#### Movements in fixed asset investments Company

	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 1 January 2022 and 31 December 2022	1,644,351
<b>Impairment</b>	
At 1 January 2022	686,129
Impairment losses	158,813
At 31 December 2022	844,942
<b>Carrying amount</b>	
At 31 December 2022	799,409
At 31 December 2021	958,222

# LANTUM LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 14 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held DirectIndirect	
Innovative Medic Ltd	England	Ordinary	100.00	-
Locum Organiser Limited	England	Ordinary	100.00	-
Locum Organiser UK Limited	England	Ordinary	-	100.00

The registered office of the above companies is 1 Mark Square, 4th Floor, London, EC2A 4FG.

### 15 Debtors

	Group 2022 £	2021 £	Company 2022 £	2021 £
<b>Amounts falling due within one year:</b>				
Trade debtors	5,271,116	2,832,793	5,271,116	2,832,793
Corporation tax recoverable	1,406,276	547,963	1,406,276	547,963
Amounts owed by group undertakings	-	-	48,912	48,912
Other debtors	341,716	-	341,716	-
Prepayments and accrued income	292,806	189,878	283,726	185,977
	<u>7,311,914</u>	<u>3,570,634</u>	<u>7,351,746</u>	<u>3,615,645</u>

### 16 Creditors: amounts falling due within one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	18	4,412,716	2,009,930	4,412,716	2,009,930
Trade creditors		565,979	1,123,162	565,979	1,123,162
Amounts owed to group undertakings		-	-	204,613	1,005,025
Other taxation and social security		300,882	324,807	280,598	276,760
Other creditors		233,144	1,682,725	232,144	1,633,413
Accruals		357,990	418,283	350,490	409,779
Deferred income		756,723	914,370	756,723	914,370
		<u>6,627,434</u>	<u>6,473,277</u>	<u>6,803,263</u>	<u>7,372,439</u>

Bank loans includes amounts related to an invoice finance facility totalling £3,878,991 (2021: £2,009,930)

### 17 Creditors: amounts falling due after more than one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	18	3,410,276	35,000	3,410,276	35,000

# LANTUM LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 18 Loans

	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	7,822,992	2,044,930	7,822,992	2,044,930
Payable within one year	4,412,716	2,009,930	4,412,716	2,009,930
Payable after one year	3,410,276	35,000	3,410,276	35,000

The bank loans are secured by fixed charges over the group's assets.

The amounts payable after one year represents bank loans, repayable by equal instalments within the next five years.

### 19 Retirement benefit schemes

Defined contribution schemes	2022 £	2021 £
Charge to profit or loss in respect of defined contribution schemes	345,571	235,288

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund. At the year ended 31 December 2022 total amounts payable to the scheme included in current liabilities amounted to £25,787 (2021: £19,889).

### 20 Share-based payment transactions

The Company operates an approved share option schemes for key personnel to incentivise performance through equity participation. Exercise of any share options under the scheme is subject to contractual agreements.

Group and company	Number of share options		Weighted average exercise price	
	2022 Number	2021 Number	2022 £	2021 £
Outstanding at 1 January 2022	199,058	255,994	0.10	0.10
Granted	1,180,207	6,902	0.10	0.10
Forfeited	(87,935)	(57,341)	-	-
Exercised	(23,948)	(6,497)	0.10	0.10
Outstanding at 31 December 2022	1,267,382	199,058	0.10	0.10
Exercisable at 31 December 2022	1,267,382	199,058	0.10	0.10

# LANTUM LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 20 Share-based payment transactions

(Continued)

The options outstanding at 31 December 2022 had an exercise price of 10p per share, and a remaining contractual life of 10 years.

During the current and previous year, no expense has been recognised in relation to share based payment transactions due to the fair value of the options being commensurate with the strike price.

### 21 Share capital

Group and company	2022	2021	2022	2021
Ordinary share capital	Number	Number	£	£
<b>Issued and fully paid</b>				
Ordinary shares of 0.1p each	702,749	663,411	702	663
A1 Ordinary shares of 0.1p each	39,400	39,400	39	39
A2 Ordinary shares of 0.1p each	25,641	25,641	26	26
Series A shares of 0.1p each	101,942	101,942	102	102
Deferred shares of 0.1p each	10,500	10,500	11	11
Series B shares of 0.1p each	3,036,921	2,605,555	3,037	2,606
	<u>3,917,153</u>	<u>3,446,449</u>	<u>3,917</u>	<u>3,447</u>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Preference share capital</b>	<b>Number</b>	<b>Number</b>	<b>£</b>	<b>£</b>
<b>Issued and fully paid</b>				
Preferred shares of 0.1p each	<u>706,188</u>	<u>706,188</u>	<u>706</u>	<u>706</u>
Preference shares classified as equity			<u>706</u>	<u>706</u>
<b>Total equity share capital</b>			<u>4,623</u>	<u>4,153</u>

With exception to the Deferred shares, all share classes carry normal voting rights. The dividends and capital rights attached to each class of shares are varied and are detailed in the company's Articles of Associations.

During the year 39,338 Ordinary shares of 0.1p each were issued for an aggregate consideration of £3,934 in respect of employee share options.

The company also issued 431,366 Series B shares of 0.1p each for an aggregate consideration of £1,250,001.

### 22 Reserves

#### Profit and loss reserves

Retained earnings comprise all current and prior years retained profits and losses less dividends paid .

# LANTUM LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 23 Operating lease commitments

##### Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>Group 2022 £</b>	<b>2021 £</b>	<b>Company 2022 £</b>	<b>2021 £</b>
Within one year	150,000	257,447	150,000	257,447
	<u>150,000</u>	<u>257,447</u>	<u>150,000</u>	<u>257,447</u>

#### 24 Related party transactions

##### Company

The company has taken advantage of the exemption available under FRS 102 chapter 33 not to disclose transactions or balances with its parent company and wholly owned subsidiaries.

#### 25 Contingent liabilities

At 31 December 2022 and 31 December 2021 the group and company had no contingent liabilities.

#### 26 Controlling party

No one party has overall control of the company.

#### 27 Cash absorbed by group operations

	<b>2022 £</b>	<b>2021 £</b>
Loss for the year after tax	(2,561,922)	(1,973,809)
<b>Adjustments for:</b>		
Taxation credited	(1,059,351)	(547,055)
Finance costs	261,171	248,607
Investment income	-	(68)
Gain on disposal of tangible fixed assets	(818)	(196)
Amortisation and impairment of intangible assets	1,852,979	1,217,686
Depreciation and impairment of tangible fixed assets	29,160	14,420
<b>Movements in working capital:</b>		
(Increase)/decrease in debtors	(2,882,967)	191,310
(Decrease)/increase in creditors	(2,248,629)	353,690
<b>Cash absorbed by operations</b>	<u>(6,610,377)</u>	<u>(495,415)</u>

# LANTUM LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 28 Analysis of changes in net funds/(debt) - group

	1 January 2022 £	Cash flows £	31 December 2022 £
Cash at bank and in hand	3,839,109	(2,865,369)	973,740
Borrowings excluding overdrafts	(2,044,930)	(5,778,062)	(7,822,992)
	<u>1,794,179</u>	<u>(8,643,431)</u>	<u>(6,849,252)</u>

### 29 Subsidiary audit exemption

The following wholly owned subsidiary has taken advantage of the available exemption from audit under section 479a of the Companies Act 2006:

Locum Organiser Limited (registered number: 06905012, England & Wales)

Lantum Limited have provided guarantee under section 479C in respect of the company.