

**Registered number: 13688758**

**CANDID PLATFORM LTD**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 29 SEPTEMBER 2022**



**CANDID PLATFORM LTD**

**COMPANY INFORMATION**

**Directors** Gerard Ghazarian (appointed 19 October 2021)  
Youri Van Der Mijn (appointed 5 September 2022)  
Rudiger Wanck (appointed 19 October 2021)

**Registered number** 13688758

**Registered office** The Market Exchange  
8-14 Mäcklin Street  
London  
WC2B 5NF

**Independent auditor** PKF Littlejohn LLP  
Statutory Auditor  
15 Westferry Circus  
Canary Wharf  
London  
E14 4HD

## **CANDID PLATFORM LTD**

### **CONTENTS**

	<b>Page</b>
<b>Group Strategic Report</b>	<b>1 - 3</b>
<b>Directors' Report</b>	<b>4</b>
<b>Directors' Responsibilities Statement</b>	<b>5</b>
<b>Independent Auditor's Report</b>	<b>6 - 9</b>
<b>Consolidated Statement of Comprehensive Income</b>	<b>10</b>
<b>Consolidated Balance Sheet</b>	<b>11</b>
<b>Company Balance Sheet</b>	<b>12</b>
<b>Consolidated Statement of Changes in Equity</b>	<b>13</b>
<b>Company Statement of Changes in Equity</b>	<b>13</b>
<b>Consolidated Statement of Cash Flows</b>	<b>14</b>
<b>Notes to the Financial Statements</b>	<b>15 - 42</b>

## CANDID PLATFORM LTD

### GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 29 SEPTEMBER 2022

#### Introduction

This Strategic Report aims to provide a thorough account of Candid Platform LTD's activities in the fiscal year of 2022. The document incorporates a detailed breakdown of the Group's principal activities, an extended business overview, an elucidation of planned future developments, a robust assessment of the principal risks and uncertainties facing the Group and Company, and a comprehensive explanation regarding the Going Concern status of the business.

#### Principal activity of the Group

Candid Platform LTD (UK) serves as a critical component of the broader Candid Platform. The principal activity in the United Kingdom is to establish Candid activities in all so-called hero brand categories, namely: Media Investments, Strategic Creative, Creative Design and Innovation, Integrated Digital Marketing, and Integrated PR. Its operations in the United Kingdom are focused on five hero brand categories:

- **Strategic Creative:** Our brands are positioned to leverage creative strategy as a vehicle for corporate messaging and brand positioning.
- **Creative Design:** Innovation and transformation: Agencies like BrandPotential specialise in transforming existing brand images, rejuvenating their market presence.
- **Integrated Digital Marketing:** Positive, our integrated digital marketing agency, exemplifies our commitment to a digitally fluent, multi-channel approach.

#### Business overview

At its core, Candid Platform LTD (UK) is more than just a conglomeration of agencies. It's an innovation-driven framework that integrates the specialist skills, cultures, and identities of multiple award-winning agencies. Below is an in-depth look at our mainstay brands:

- **Creature:** Based in London, Creature takes an avant-garde approach to advertising. It thrives on disruptive creativity, fostering campaigns that not only capture attention but also catalyse action.
- **BrandPotential:** With our office in London, this agency is our creative design spearhead. Its Brand Due Diligence service is especially vital for clients undergoing mergers or acquisitions, providing in-depth analyses that inform business strategy.
- **Positive:** Positive represents our most digital-forward entity. It not only crafts digital ecosystems but also fortifies them through performance marketing and content development strategies.

## CANDID PLATFORM LTD

### GROUP STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 29 SEPTEMBER 2022

#### Future developments

As we transition into the fiscal year 2024, Candid Platform LTD (UK) aims to achieve several key strategic objectives that are both ambitious and calculated for the business' long-term success and sustainability. The following elaborates on these targets:

- **Optimisation of Commercial Agency Departments:** The focus here is on the structural and procedural refinement of our commercial agency departments. These departments are critical conduits for driving top-line growth. The aim is to imbue these departments with streamlined processes, employ advanced data analytics for better decision-making, and implement targeted training programs to ensure that the staff are aligned with the agency's growth objectives. Given that these departments are the revenue-generating units of our business, optimising their structure and function is pivotal for achieving a higher growth rate.
- **Operational Streamlining:** One of our most pressing objectives is to evolve our operational framework. This involves critically assessing and realigning our existing governance structures, procedural protocols, and workflow mechanisms. Our aim is to transition to a "scale-up" posture, allowing for a more agile and flexible operational base that can easily adapt to market needs, without compromising on agency quality or efficiency.
- **Capital Restructuring:** The current economic downturn affecting regions like the UK and the Netherlands necessitates a thoughtful re-evaluation of our capital structure. We intend to engage with prospective investors and financiers who are aligned with our vision for aggressive expansion, particularly in the U.S. market that we have been strategically nurturing. This capital restructuring will not only provide the financial leverage needed for this expansion but will also act as a buffer against the volatile economic conditions that currently pose a risk to our operations.
- **Technological Upgrades:** Given the rapidly evolving digital landscape, investing in technology upgrades forms an integral part of our future development strategy. Whether it is enhancing our client data analytics capabilities or implementing more advanced project management tools, technology will play a significant role in how effectively and efficiently we operate.

#### Principal risks and uncertainties

As Candid Platform LTD navigates through the complex and ever-evolving business environment, we recognise the significance of identifying, understanding, and mitigating key risks and uncertainties that could potentially influence the trajectory of our operations and financial standing. The risks outlined below have been critically assessed and are continually monitored to ensure our business strategies align with risk mitigation:

- **Economic Volatility:** The current global economic landscape is marred by unpredictability, marked by frequent downturns that have far-reaching implications for all sectors of the economy, including ours. While our focus on diversified streams of income provides some cushioning, the broader economic instability remains a risk that requires constant vigilance. We are monitoring leading economic indicators, regulatory updates, and fiscal policies to adapt our strategies as needed.
- **Rising Operating Costs:** In the current labour market in the UK, as well as increasing energy costs and ongoing supply chain disruptions, the operational cost base has become increasingly inflated. We are taking proactive measures to manage these cost escalations through operational efficiencies and strategic partnerships to manage the supply chain more effectively.
- **Interest Rate Fluctuations:** As interest rates continue to climb, the cost of capital and operational financing is a growing concern. Such financial pressure can directly impact profitability and can be particularly punitive for long-term projects that require substantial capital investment. To mitigate this, we are looking at revising our financial structures and evaluating more cost-effective financing options.
- **Marketing and Advertising Spend:** In times of economic contraction, companies often reduce their advertising and marketing expenditures. As a group focused on media investments, creative design, and integrated digital marketing, we are inherently vulnerable to such cutbacks. To counter this, we are diversifying our service offerings and focusing on providing high-ROI solutions to encourage sustained client spending.
- **Geopolitical Risks:** Given our aspirations to expand into international markets like the U.S., geopolitical instability, including trade wars and regulatory uncertainties, pose a risk. Our strategy includes comprehensive due diligence and risk assessments for each new geographic market we consider entering.

**CANDID PLATFORM LTD****GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022**

- **Competitive Pressures:** The advertising and marketing landscape is intensely competitive. The entrance of new players with disruptive models or technologies could challenge our market position. Our commitment to innovation and customer service excellence is our primary strategy for maintaining a competitive edge.
- **Data Security and Compliance Risks:** With an increased reliance on data analytics and digital platforms, the risk associated with data security and regulatory compliance cannot be underestimated. A breach could result in not only financial loss but also reputational damage. We maintain stringent data protection policies and are committed to continuous monitoring and compliance with evolving regulations.

**Going concern**

As of the year-end date, the equity position of Candid Platform LTD is recorded as a negative £1,007,074. Despite the negative equity, it's crucial to consider several mitigating factors that contribute to the financial stability and long-term viability of the Company.

**Financing Structure:**

The primary activities of the Holding Company are fully financed through internal capital injections provided by affiliated group entities. These funds are structured with a long-term perspective; even though there is currently no formal agreement in place for the loan, making it repayable on demand, there is a formal commitment by way of a letter of support from Candid B.V, the immediate parent, to sustain this financial support for at least 12 months from the date of these financial statements.

**Subsidiary Health:**

The subsidiaries under the Holding Company's umbrella are financially robust with sustainable cash flows. Their operational proficiency adds another layer of financial stability to the Group as a whole. These subsidiaries continue to generate revenue that exceeds their operational costs, indicating a healthy profit margin and reinforcing the Group's financial stability.

**Risk Exposure:**

Given that Candid Platform LTD functions as a non-trading holding entity, the inherent business risks are minimal. This minimal risk exposure is largely due to the absence of trade-related activities that typically expose companies to market volatility, supply chain disruptions, or other operational hazards. Consequently, the Company's financial health is not overly susceptible to market downturns or external shocks.


**Recurring Costs:**

The Company's financial obligations are characterised by a moderate level of recurring external costs. This manageable cost structure ensures that the Company is not under undue financial strain, allowing it more flexibility in managing its cash reserves effectively.

**Conclusion:**

Taking into account the structured financial support from group entities, the profitability of the subsidiaries, the low-risk nature of the business, and manageable recurring costs, the Directors have justifiable grounds to prepare the accounts on a going concern basis. The assessment of the Company's ability to continue as a going concern, or at least 12 months from the date of these financial statements, is consistent with the financial health and strategic objectives of the Group, indicating its ability to meet financial obligations for the foreseeable future.

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

DocuSigned by:  
  
 457F0A97DA18468...  
**Gerard Ghazarian**  
 Director

Date: 15-9-2023

## **CANDID PLATFORM LTD**

### **DIRECTORS' REPORT FOR THE PERIOD ENDED 29 SEPTEMBER 2022**

The Directors present their report and the financial statements for the period ended 29 September 2022.

#### **Results and dividends**

The loss for the period, after taxation, amounted to £1,007,174.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### **Directors**

The Directors who served during the period were:

Gerard Ghazarian (appointed 19 October 2021)  
Youri Van Der Mijn (appointed 5 September 2022)  
Rudiger Wanck (appointed 19 October 2021)

#### **Political and charitable donations**

Candid Platform LTD has not made any political or charitable donations during the financial year.

#### **Future developments**

Any future developments are outlined in the Strategic Report.

#### **Research and development activities**

Candid Platform LTD and its subsidiaries have not incurred any material research and development expenses during the financial year.

#### **Disclosure of information to auditor**

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

- so far as the Director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

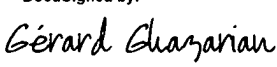
#### **Post balance sheet events**

After balance sheet date no events have occurred that have an impact on the financial statements of financial year 2022.

#### **Auditor**

The auditor, PKF Littlejohn LLP, was appointed in the current period and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

DocuSigned by:  
  
457F0A97DA18468...  
**Gerard Ghazarian**  
Director

Date: 15-9-2023

## CANDID PLATFORM LTD

### DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 29 SEPTEMBER 2022

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

DocuSigned by:

*Gérard Ghazarian*

457F0A97DA18468  
**Gérard Ghazarian**  
Director

Date: 15-9-2023



## **CANDID PLATFORM LTD**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANDID PLATFORM LTD**

#### **Opinion**

We have audited the financial statements of Candid platform LTD (the 'parent Company') and its subsidiaries (the 'Group') for the period ended 29 September 2022, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 29 September 2022 and of the Group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

## **CANDID PLATFORM LTD**

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

#### **Other information**

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

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Group Strategic Report and the Directors' Report for the financial period 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 5, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

**CANDID PLATFORM LTD****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANDID PLATFORM LTD (CONTINUED)****Auditor's responsibilities for the audit of the financial statements**

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

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:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and component auditors, industry research, application of cumulative audit knowledge and experience of the sector etc.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from, the Companies Act 2006, UK Bribery Act 2006, GDPR, Money Laundering and the relevant tax compliance regulations principally relating to those issued by HMRC.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to enquiries of management and those responsible for legal and compliance procedures.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, the potential for management bias was identified in relation to revenue recognition and we addressed this by increasing our level of substantive testing.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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 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.

**CANDID PLATFORM LTD**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANDID PLATFORM LTD (CONTINUED)**

Hannes Verwey (Senior Statutory Auditor)

for and on behalf of  
**PKF Littlejohn LLP**

Statutory Auditor  
15 Westferry Circus  
Canary Wharf  
London  
E14 4HD  
Date:

**CANDID PLATFORM LTD****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022**

	<b>Note</b>	<b>Period ended 29 September 2022 £</b>
Turnover	4	14,584,726
Cost of sales		(6,984,575)
<b>Gross profit</b>		<b>7,600,151</b>
Administrative expenses		(7,856,192)
<b>Operating loss</b>	5	<b>(256,041)</b>
Interest payable and similar expenses	9	(536,040)
<b>Loss before taxation</b>		<b>(792,081)</b>
Tax on loss	10	(215,093)
<b>Loss for the financial period</b>		<b>(1,007,174)</b>
<b>Loss for the period attributable to:</b>		
Owners of the parent Company		(1,007,174)
		<b>(1,007,174)</b>

All operations in the current year relates to acquisitions.

There was no other comprehensive income for 2022.

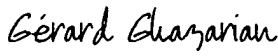
The notes on pages 15 to 42 form part of these financial statements.

**CANDID PLATFORM LTD**  
**REGISTERED NUMBER: 13688758**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 29 SEPTEMBER 2022**

	Note	2022 £
<b>Fixed assets</b>		
Intangible assets	11	13,860,193
Tangible assets	12	985,212
		<u>14,845,405</u>
<b>Current assets</b>		
Debtors: amounts falling due within one year	14	6,231,962
Cash at bank and in hand	15	3,204,715
		<u>9,436,677</u>
Creditors: amounts falling due within one year	16	(25,273,661)
<b>Net current (liabilities)/assets</b>		<u>(15,836,984)</u>
<b>Total assets less current liabilities</b>		<u>(991,579)</u>
<b>Provisions for liabilities</b>		
Deferred taxation	18	(15,495)
		<u>(15,495)</u>
<b>Net liabilities</b>		<u><u>(1,007,074)</u></u>
<b>Capital and reserves</b>		
Called up share capital	19	100
Profit and loss account	20	(1,007,174)
<b>Equity attributable to owners of the parent Company</b>		<u><u>(1,007,074)</u></u>
		<u><u>(1,007,074)</u></u>

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

DocuSigned by:  
  
 457F0A97DA18468...  
**Gerard Ghazarian**  
 Director

Date: 15-9-2023

The notes on pages 15 to 42 form part of these financial statements.

**CANDID PLATFORM LTD**  
**REGISTERED NUMBER: 13688758**

**COMPANY BALANCE SHEET**  
**AS AT 29 SEPTEMBER 2022**

	<b>Note</b>	<b>2022 £</b>
<b>Fixed assets</b>		
Tangible assets	12	786,840
Investments	13	19,371,145
		<u>20,157,985</u>
<b>Current assets</b>		
Debtors: amounts falling due within one year	14	369,959
Cash at bank and in hand	15	2,401
		<u>372,360</u>
Creditors: amounts falling due within one year	16	(21,446,203)
<b>Net current (liabilities)/assets</b>		<u>(21,073,843)</u>
<b>Total assets less current liabilities</b>		<u>(915,858)</u>
<b>Net liabilities</b>		<u><u>(915,858)</u></u>
<b>Capital and reserves</b>		
Called up share capital	19	100
Profit and loss account	20	(915,958)
		<u><u>(915,858)</u></u>

The Company's loss for the year amount to £915,958.

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

DocuSigned by:

*Gerard Ghazarian*

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**Gerard Ghazarian**

Director

Date: 15-9-2023

The notes on pages 15 to 42 form part of these financial statements.

**CANDID PLATFORM LTD****CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 19 October 2021	-	-	-
<b>Comprehensive income for the period</b>			
Loss for the period	-	(1,007,174)	(1,007,174)
<b>Contributions by and distributions to owners</b>			
Shares issued during the period	100	-	100
<b>At 29 September 2022</b>	<b>100</b>	<b>(1,007,174)</b>	<b>(1,007,074)</b>

The notes on pages 15 to 42 form part of these financial statements.

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 19 October 2021	-	-	-
<b>Comprehensive income for the period</b>			
Loss for the period	-	(915,958)	(915,958)
<b>Contributions by and distributions to owners</b>			
Shares issued during the period	100	-	100
<b>At 29 September 2022</b>	<b>100</b>	<b>(915,958)</b>	<b>(915,858)</b>

The notes on pages 15 to 42 form part of these financial statements.



**CANDID PLATFORM LTD****CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022**

	<b>2022 £</b>
<b>Cash flows from operating activities</b>	
Loss for the financial period	(1,007,174)
<b>Adjustments for:</b>	
Amortisation of intangible assets	1,186,828
Depreciation of tangible assets	53,191
Interest expense	536,040
Taxation charge	215,093
Increase in debtors	(1,321,379)
Increase in creditors	1,744,598
Corporation tax paid	(206,776)
<b>Net cash generated from operating activities</b>	<b>1,200,421</b>
<b>Cash flows from investing activities</b>	
Purchase of tangible fixed assets	(907,691)
Purchase of subsidiaries	(14,600,049)
<b>Net cash from investing activities</b>	<b>(15,507,740)</b>
<b>Cash flows from financing activities</b>	
Issue of ordinary shares	100
Interest paid	(19,618)
Increase in loan from other participating interests	17,531,552
<b>Net cash used in financing activities</b>	<b>17,512,034</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,204,715</b>
<b>Cash and cash equivalents at the end of period</b>	<b>3,204,715</b>
<b>Cash and cash equivalents at the end of period comprise:</b>	
Cash at bank and in hand	3,204,715
	<b>3,204,715</b>

The notes on pages 15 to 42 form part of these financial statements.

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****1. General information**

Candid Platform Limited ("the Company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is The Market Exchange, 8-14 Macklin Street, London, England, WC2B 5NF

The Group consists of Candid Platform Limited and all of its subsidiaries. The principal activity of the Group is delivering services on online advertising and brand strategies.

The Company was incorporated on 19 October 2021 and the financial statements show information for the 11 months ended 29 September 2022.

**2. Accounting policies****2.1 Basis of preparation of financial statements**

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise 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 Comprehensive Income in these financial statements. The Company's loss for the year amount to £915,958.

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 Consolidated Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where the Group owns less than 50% of the voting powers of an entity but controls the entity by virtue of an agreement with other investors which give it control of the financial and operating policies of the entity, it accounts for that entity as a subsidiary.

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****2. Accounting policies (continued)****2.3 Financial Reporting Standard 102 - reduced disclosure exemptions**

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

- the requirements of Section 7 Company Statement of Cash Flows.

The cash flow information of the Company is included in the Consolidated information of these financial statements.

**2.4 Going concern**

As of the year-end date, the equity position of Candid Platform LTD is recorded as a negative £1,007,074. Despite the negative equity, it's crucial to consider several mitigating factors that contribute to the financial stability and long-term viability of the Company.

***Financing Structure:***

The primary activities of the Holding Company are fully financed through internal capital injections provided by affiliated group entities. These funds are structured with a long-term perspective; even though there is currently no formal agreement in place for the loan, making it repayable on demand, there is a formal commitment by way of a letter of support from Candid B.V, the immediate parent, to sustain this financial support for at least 12 months from the date of these financial statements.

***Subsidiary Health:***

The subsidiaries under the Holding Company's umbrella are financially robust with sustainable cash flows. Their operational proficiency adds another layer of financial stability to the Group as a whole. These subsidiaries continue to generate revenue that exceeds their operational costs, indicating a healthy profit margin and reinforcing the Group's financial stability.

***Risk Exposure:***

Given that Candid Platform LTD functions as a non-trading holding entity, the inherent business risks are minimal. This minimal risk exposure is largely due to the absence of trade-related activities that typically expose companies to market volatility, supply chain disruptions, or other operational hazards. Consequently, the Company's financial health is not overly susceptible to market downturns or external shocks.

***Recurring Costs:***

The Company's financial obligations are characterised by a moderate level of recurring external costs. This manageable cost structure ensures that the Company is not under undue financial strain, allowing it more flexibility in managing its cash reserves effectively.

***Conclusion:***

Taking into account the structured financial support from group entities, the profitability of the subsidiaries, the low-risk nature of the business, and manageable recurring costs, the Directors have justifiable grounds to prepare the accounts on a going concern basis. The assessment of the Company's ability to continue as a going concern, or at least 12 months from the date of these financial statements, is consistent with the financial health and strategic objectives of the Group, indicating its ability to meet financial obligations for the foreseeable future.

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****2. Accounting policies (continued)****2.5 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 the Consolidated Statement of Comprehensive Income 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 Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income within 'other operating income'.

**2.6 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 when the services are provided, which is 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;

**2.7 Finance costs**

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

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****2. Accounting policies (continued)****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 the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

**2.9 Current and deferred taxation**

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

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

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

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

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

## **CANDID PLATFORM LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 SEPTEMBER 2022**

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

##### **2.10 Business combinations**

Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the consideration at the date of each transaction.

Contingent consideration is initially recognised at estimated amount where the consideration is probable and can be measured reliably. Where the contingent consideration is not considered probable or cannot be reliably measured but subsequently becomes probable and measureable or contingent consideration previously measured is adjusted, the amounts are recognised as an adjustment to the cost of the business combination.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

##### **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 Comprehensive Income over its useful economic life.

Goodwill is amortised over its expected useful life which is estimated to be ten years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the Consolidated Statement of Comprehensive Income.

##### **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.

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****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, using the straight-line method.

Depreciation is provided on the following basis:

Land and buildings	-	10%
Plant and machinery	-	10%
Fixtures and fittings	-	10%
Office equipment	-	10%

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

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

**2.13 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.14 Debtors**

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

**2.15 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.

**2.16 Creditors**

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

**2.17 Provisions for liabilities**

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

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****2. Accounting policies (continued)****2.18 Financial instruments**

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The Group has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

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, with 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 trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

**Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

**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 the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.



## **CANDID PLATFORM LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 SEPTEMBER 2022**

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

##### **2.18 Financial instruments (continued)**

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

##### **Derecognition of financial instruments**

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

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Group will continue to recognise the value of the portion of the risks and rewards retained.

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

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

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****3. Judgments in applying accounting policies and key sources of estimation uncertainty**

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

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

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

***Impairment of goodwill***

The Group makes an estimate of the recoverable value of the goodwill arising from the acquisition of subsidiaries. When assessing the recoverable value of goodwill, management considers past performance, forecasted performance and the latest financial position of the subsidiaries. See note 11 for the net carrying value of the goodwill.

***Useful economic lives of intangible and tangible assets***

The annual amortisation or depreciation charge for intangible or tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 11 and 12 for the carrying amount of the intangible and tangible assets respectively, and notes 2.11 and 2.12 for the amortisation and depreciation rates used for each class of assets.

***Impairment of investments***

The Group makes an estimate of the recoverable value of the investments arising from the acquisition of subsidiaries. When assessing the recoverable value of investments, management considers past performance, forecasted performance and the latest financial position of the subsidiaries. See note 13 for the net carrying value of the investments.

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****4. Turnover**

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

	Period ended 29 September 2022 £
Branding – Consultancy, Insight and Creative	5,530,033
Digital Marketing	5,591,606
Advertising agency, underpinned with strategy, creative and design	3,463,087
	<hr/> 14,584,726 <hr/>

Analysis of turnover by country of destination:

	Period ended 29 September 2022 £
United Kingdom	11,033,119
Rest of Europe	2,811,050
Rest of the world	740,557
	<hr/> 14,584,726 <hr/>

**5. Operating loss**

The operating loss is stated after charging:

	Period ended 29 September 2022 £
Amortisation of intangible assets	1,186,828
Depreciation of tangible assets	53,191
Exchange differences	9,148
Operating lease rentals	508,947
	<hr/> 1,758,114 <hr/>

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****6. Auditor's remuneration**

During the period, the Group obtained the following services from the Company's auditor:

	Period ended 29 September 2022 £
Fees payable to the Company's auditor for the audit of the consolidated and parent Company's financial statements	30,000
Fees payable to the Company's auditor in respect of:	
Accounts preparation services	5,000
	<u>5,000</u>

**7. Employees**

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

	Group 2022 £	Company 2022 £
Wages and salaries	4,812,527	-
Social security costs	732,678	-
Cost of defined contribution scheme	136,228	-
	<u>5,681,433</u>	<u>-</u>

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

	Period ended 29 September 2022 No.
Management & support	17
Creators, strategists and producers	108
	<u>125</u>

**8. Directors' remuneration**

The Directors did not receive any remuneration from the Group. All remuneration was borne by the immediate parent company Candid B.V.

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****9. Interest payable and similar expenses**

	Period ended 29 September 2022 £
Amounts owed to other participating interest	536,040
	<u>536,040</u>

**10. Taxation**

	Period ended 29 September 2022 £
<b>Corporation tax</b>	
Current tax on profits for the year	234,702
	<u>234,702</u>
<b>Total current tax</b>	<u>234,702</u>
<b>Deferred tax</b>	
Origination and reversal of timing differences	(19,609)
<b>Total deferred tax</b>	<u>(19,609)</u>
<b>Tax on loss</b>	<u>215,093</u>

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****10. Taxation (continued)****Factors affecting tax charge for the period**

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

	<b>Period ended 29 September 2022 £</b>
Loss on ordinary activities before tax	<b>(792,081)</b>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%	<b>(150,495)</b>
<b>Effects of:</b>	
Expenses not deductible for tax purposes	<b>345,979</b>
Capital allowances for period in excess of depreciation	<b>19,609</b>
<b>Total tax charge for the period</b>	<b>215,093</b>

**Factors that may affect future tax charges**

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously engaged). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted rates and reflected in these financial statements.

No deferred tax assets were recognised on carried forward management expenses of £915,958 as it is not certain if these expenses will be utilised in the future.

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****11. Intangible assets****Group**

	<b>Goodwill £</b>
<b>Cost</b>	
At 19 October 2021	-
Additions	<b>15,047,021</b>
	<hr/>
At 29 September 2022	<b>15,047,021</b>
	<hr/>
<b>Amortisation</b>	
At 19 October 2021	-
Charge for the period	<b>1,186,828</b>
	<hr/>
At 29 September 2022	<b>1,186,828</b>
	<hr/>
<b>Net book value</b>	
At 29 September 2022	<b>13,860,193</b>
	<hr/> <hr/>

Refer to note 22 for more information on the additions during the year.

## CANDID PLATFORM LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022

## 12. Tangible fixed assets

## Group

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>					
At 19 October 2021	-	-	-	-	-
Additions	45,002	33,708	752,598	76,383	907,691
Acquisition of subsidiary	3,753	33,534	10,430	82,995	130,712
At 29 September 2022	48,755	67,242	763,028	159,378	1,038,403
<b>Depreciation</b>					
At 19 October 2021	-	-	-	-	-
Charge for the period on owned assets	6,658	9,635	13,222	23,676	53,191
At 29 September 2022	6,658	9,635	13,222	23,676	53,191
<b>Net book value</b>					
At 29 September 2022	42,097	57,607	749,806	135,702	985,212



**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****12. Tangible fixed assets (continued)****Company**

	<b>Fixtures and fittings £</b>	<b>Office equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 19 October 2021	-	-	-
Additions	752,598	46,217	798,815
At 29 September 2022	<u>752,598</u>	<u>46,217</u>	<u>798,815</u>
<b>Depreciation</b>			
At 19 October 2021	-	-	-
Charge for the period on owned assets	10,512	1,463	11,975
At 29 September 2022	<u>10,512</u>	<u>1,463</u>	<u>11,975</u>
<b>Net book value</b>			
At 29 September 2022	<u>742,086</u>	<u>44,754</u>	<u>786,840</u>

**13. Fixed asset investments****Company**

	<b>Investments in subsidiary companies £</b>
<b>Cost or valuation</b>	
Additions	19,371,145
At 29 September 2022	<u>19,371,145</u>

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****13. Fixed asset investments (continued)****Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Brand Potential Limited	Number One, 1 High Street, Windsor, Berkshire, SL4 1LD	Ordinary	100%
Positive Digital Media Limited	Brook House, 10 Church Terrace, Richmond Upon Thames, United Kingdom, TW10 6SE	Ordinary	100%
Creature London Limited	12 Macklin Street, London, England, WC2B 5NF	Ordinary	100%
White Crow London Limited	12 Macklin Street, London, England, WC2B 5NF	Ordinary	100%
Group Positive Limited	Brook House, 10 Church Terrace, Richmond Upon Thames, United Kingdom, TW10 6SE	Ordinary	100%
Positive Tech Holdings Limited	Brook House, 10 Church Terrace, Richmond Upon Thames, United Kingdom, TW10 6SE	Ordinary	100%
Positive Technology Limited	Brook House, 10 Church Terrace, Richmond Upon Thames, United Kingdom, TW10 6SE	Ordinary	100%
Positive Thinking Limited	Brook House, 10 Church Terrace, Richmond Upon Thames, United Kingdom, TW10 6SE	Ordinary	100%
Table of Dorset Limited	12 Macklin Street, London, England, WC2B 5NF	Ordinary	100%
Positive By Design Limited (in liquidation)	Brook House, 10 Church Terrace, Richmond Upon Thames, United Kingdom, TW10 6SE	Ordinary	100%

All subsidiary undertakings above are exempt from audit by virtue of S479A of the Companies Act 2006 as Candid Platform Ltd provided the required guarantee.

The following subsidiary undertakings are directly held by Candid Platform Ltd: Brand Potential Limited, Group Positive Limited and Table of Dorset Limited. All other subsidiary undertakings are indirectly held by Candid Platform Ltd.

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****14. Debtors**

	<b>Group 2022 £</b>	<b>Company 2022 £</b>
Trade debtors	4,651,287	-
Other debtors	513,420	228,065
Prepayments and accrued income	1,067,255	141,894
	<u>6,231,962</u>	<u>369,959</u>

**15. Cash and cash equivalents**

	<b>Group 2022 £</b>	<b>Company 2022 £</b>
Cash at bank and in hand	3,204,715	2,401
	<u>3,204,715</u>	<u>2,401</u>

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

	<b>Group 2022 £</b>	<b>Company 2022 £</b>
Trade creditors	1,443,381	291,643
Amounts owed to group undertakings	-	150,000
Amounts owed to other participating interests	19,878,155	19,945,768
Corporation tax	27,926	-
Other taxation and social security	596,599	-
Other creditors	1,246,862	1,058,792
Accruals and deferred income	2,080,738	-
	<u>25,273,661</u>	<u>21,446,203</u>

Included within Amounts owed to other participating interest is £17,531,522 which is repayable on demand and carries interest at 5% per year. All other amounts owed to group undertakings are interest free and are repayable on demand.

Included within accruals and deferred income is an outstanding balance of £1,058,792 relating to deferred consideration payable on the Positive Digital Limited acquisition as set out in note 22.

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****17. Financial instruments****Group  
2022  
£****Financial assets**

Financial assets measured at amortised cost

**9,436,677****Financial liabilities**

Financial liabilities measured at amortised cost

**24,649,136**

Financial assets measured at amortised cost through the Consolidated Statement of Comprehensive Income comprise trade debtors, other debtors and cash at bank and in hand.

Financial liabilities measured at amortised cost through Consolidated Statement of Comprehensive Income comprise trade creditors, other creditors and accruals.

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****18. Deferred taxation****Group**

	<b>2022 £</b>
Charged to profit or loss	19,609
Arising on business combinations	(7,994)
Utilised in year	(27,110)
<b>At end of year</b>	<b>(15,495)</b>
	<b>Group 2022 £</b>
Accelerated capital allowances	(15,495)
	<b>(15,495)</b>

**19. Share capital**

	<b>2022 £</b>
<b>Allotted, called up and fully paid</b>	
100 Ordinary shares of £1.00 each	100

On incorporation, 19 October 2021, the Company issued 100 Ordinary shares with a nominal value of £1 for £100.

**20. Reserves****Profit and loss account**

The profit and loss account represents the Group and Company's profits and losses which have accumulated year on year since the Group and Company began trading. Dividends paid are deducted from this reserve. This is a distributable reserve.

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****21. Analysis of net debt**

	<b>Cash flows</b>	<b>Acquisition</b>	<b>At 29</b>
	<b>£</b>	<b>s</b>	<b>September</b>
		<b>£</b>	<b>2022</b>
			<b>£</b>
Cash at bank and in hand	(509,168)	3,713,883	3,204,715
	-	-	-
	<u>(509,168)</u>	<u>3,713,883</u>	<u>3,204,715</u>

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****22. Business combinations****Acquisition of Brand Potential Limited**

On 12 November 2021, the group acquired control of Brand Potential Ltd. through the purchase of 100% of the share capital for total consideration of £ 9,240,363. The principal activity of the company is that of brand marketing.

Prior to the acquisition the group had minimal presence in UK. The group expects to increase its sales to customers in UK and expand their international ambitions. The goodwill arising from the acquisition is attributable to the acquired activities of the entity and economies of scale expected from combining the operations into the group.

Management have estimated the useful life of the goodwill to be 10 years. The acquired entities have a long track record of stable revenue. The following table summarizes the consideration paid by the group, the fair value of assets acquired, liabilities assumed and the non-controlling interest at the acquisition date.

**Recognised amounts of identifiable assets acquired and liabilities assumed**

	Book value £	Fair value £
Tangible	35,333	35,333
	<u>35,333</u>	<u>35,333</u>
<b>Current Assets</b>		
Debtors	1,937,475	1,937,475
Cash at bank and in hand	296,731	296,731
<b>Total Assets</b>	<u>2,269,539</u>	<u>2,269,539</u>
<b>Creditors</b>		
Due within one year	(974,760)	(974,760)
Deferred taxation	(4,584)	(4,584)
<b>Total Identifiable net assets</b>	<u>1,290,195</u>	<u>1,290,195</u>
Goodwill		7,950,168
<b>Total purchase consideration</b>		<u>9,240,363</u>
<b>Consideration</b>		
		£
Cash		9,078,050
Directly attributable costs		162,313
<b>Total purchase consideration</b>		<u>9,240,363</u>

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****22. Business combinations (continued)****Cash outflow on acquisition**

	£
Purchase consideration settled in cash, as above	9,078,050
Directly attributable costs	162,313
	<hr/> 9,240,363
Less: Cash and cash equivalents acquired	(296,731)
<b>Net cash outflow on acquisition</b>	<hr/> <b>8,943,632</b> <hr/>



**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****22. Business combinations (continued)****Acquisition of Positive Digital Limited**

On 27 January 2022, the group acquired control of the Group Positive Limited through the purchase of 100% of the share capital for total consideration of £5,655,908. The principal activity of the company is that of digital marketing.

Prior to the acquisition the group had minimal presence in UK. The group expects to increase its sales to customers in UK and expand their international ambitions. The goodwill arising from the acquisition is attributable to the acquired activities of the entity and economies of scale expected from combining the operations into the group.

Management have estimated the useful life of the goodwill to be 10 years. The acquired entities have a long track record of stable revenue. The following table summarizes the consideration paid by the group, the fair value of assets acquired, liabilities assumed and the non-controlling interest at the acquisition date.

**Recognised amounts of identifiable assets acquired and liabilities assumed**

	Book value £	Fair value £
<b>Fixed Assets</b>		
Tangible	51,439	51,439
	<u>51,439</u>	<u>51,439</u>
<b>Current Assets</b>		
Debtors	1,670,039	1,670,039
Cash at bank and in hand	1,823,685	1,823,685
<b>Total Assets</b>	<u>3,545,163</u>	<u>3,545,163</u>
<b>Creditors</b>		
Due within one year	(1,387,767)	(1,387,767)
Deferred taxation	(7,518)	(7,518)
<b>Total Identifiable net assets</b>	<u>2,149,878</u>	<u>2,149,878</u>
Goodwill		3,506,030
<b>Total purchase consideration</b>		<u>5,655,908</u>
<b>Consideration</b>		
		£
Cash		4,235,166
Deferred consideration		1,058,792
Directly attributable costs		361,950
<b>Total purchase consideration</b>		<u>5,655,908</u>

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****22. Business combinations (continued)****Cash outflow on acquisition**

	£
Purchase consideration settled in cash, as above	4,235,166
Directly attributable costs	361,950
	<hr/> 4,597,116
Less: Cash and cash equivalents acquired	(1,823,685)
<b>Net cash outflow on acquisition</b>	<hr/> <b>2,773,431</b> <hr/>

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****22. Business combinations (continued)****Acquisition of Table of Dorset Limited**

On 7 April 2022, the group acquired control of Table of Dorset through the purchase of 100% of the share capital for total consideration of £4,474,874. The principal activity of the company is that of advertising.

Prior to the acquisition the group had minimal presence in UK. The group expects to increase its sales to customers in UK and expand their international ambitions. The goodwill arising from the acquisition is attributable to the acquired activities of the entity and economies of scale expected from combining the operations into the group.

Management have estimated the useful life of the goodwill to be 10 years. The acquired entities have a long track record of stable revenue. The following table summarizes the consideration paid by the group, the fair value of assets acquired, liabilities assumed and the non-controlling interest at the acquisition date.

**Recognised amounts of identifiable assets acquired and liabilities assumed**

	Book value £	Fair value £
<b>Fixed Assets</b>		
Tangible	45,371	45,371
	<u>45,371</u>	<u>45,371</u>
<b>Current Assets</b>		
Debtors	1,303,039	1,303,039
Cash at bank and in hand	1,593,467	1,593,467
	<u>2,941,877</u>	<u>2,941,877</u>
<b>Total Assets</b>		
<b>Creditors</b>		
Due within one year	(2,061,934)	(2,061,934)
Due after more than one year	-	-
Deferred taxation	4,108	4,108
	<u>884,051</u>	<u>884,051</u>
<b>Total Identifiable net assets</b>		
Goodwill		3,590,823
<b>Total purchase consideration</b>		<u>4,474,874</u>
<b>Consideration</b>		
		£
Cash		4,218,335
Directly attributable costs		256,539
<b>Total purchase consideration</b>		<u>4,474,874</u>

**CANDID PLATFORM LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022****22. Business combinations (continued)****Cash outflow on acquisition**

	£
Purchase consideration settled in cash, as above	2,964,885
Directly attributable costs	256,539
	<hr/> 3,221,424
Less: Cash and cash equivalents acquired	(1,593,467)
<b>Net cash outflow on acquisition</b>	<hr/> <b>1,627,957</b> <hr/>

**23. Contingent liabilities**

There is a fixed and floating cross guarantee in favour of the Cooperative Raboboank U.A for an overdraft facility. At the Balance Sheet date neither the Company nor any subsidiaries within the cross guarantee had an overdraft position within the Balance Sheet.

**24. Pension commitments**

The Group operates a defined contributions pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group in an independently administered fund.

The contributions payable by the Group charged to the profit and loss amounted to £136,228. Contributions totalling £7,726 were payable to the fund at the year end and are included in creditors.

**25. Commitments under operating leases**

At 29 September 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2022 £</b>
Not later than 1 year	632,074
Later than 1 year and not later than 5 years	2,355,288
	<hr/> <b>2,987,362</b> <hr/>

**26. Related party transactions**

The Company has taken advantage of the exemptions provided by section 33 of FRS 102 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

**CANDID PLATFORM LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 SEPTEMBER 2022**

**27. Controlling party**

The immediate parent company is Candid B.V (a company incorporated in the Netherlands). The ultimate controlling party is STAK Armax Invest.