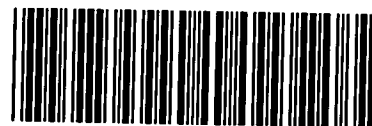


MAISTRO LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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COMPANIES HOUSE

MAISTRO LIMITED

COMPANY INFORMATION

Directors	Mr P Shuldham-Legh Mr N Upton Mr R A Rae Mr S Brooks (appointed 21 November 2022) Mr D J Rumble (appointed 21 November 2022)
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Company secretary	R Croft
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Registered number	08188404
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Registered office	1a Grow on Building 3 Babbage Way, Clyst Honiton Exeter EX5 2FN
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Independent auditors	Bishop Fleming LLP Chartered Accountants & Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS
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MAISTRO LIMITED

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**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The chairman presents his statement for the period.

2022 has been another year of significant progress for us. The year was once again characterised by the need for businesses to respond to the impact of Covid on their supply chains and cost bases, which has helped to grow our revenues and pipeline of opportunities significantly. Our focus on services procurement and leveraging data, technology and automation to overcome the challenges, has kept the business in a strong position.

The Maistro 'as a service' proposition that combines technology and expertise to handle a portion, if not all, of an organisation's procurement and supplier management function is proving to be very attractive as traditional outsourcing models, based on long-term fixed-cost engagements become increasingly redundant.

We saw over 100% uplift in transaction value through the Maistro platform from last year, putting more client spend under better control. In all cases, the platform is proving to significantly reduce the time and effort to source the suppliers while delivering material cost savings alongside greater supplier control and governance.

We continued to invest in our technology, to provide even more features and functionality for users, as well as greater reporting and analysis dashboards. We have automated many of the procurement workflows, and the road map of further AI-powered automation and client integration is continuing throughout 2023.

We have also experienced a significant uplift in demand for suppliers from our vetted, curated network. With over 1,000 types of services provided for, our marketplace offers clients quick and easy access to new, high-quality, innovative suppliers.

Our supplier management tools helps to evaluate and monitor the capability, diversity and dependability of the individual suppliers, and pushes the demand from platform users to the 'best-fit' supplier.

The key performance indicators for the Group are (1) Client Spend, (2) Platform Revenue, (3) EBITDA, and (4) Net Cashflow.

All businesses carry risks and uncertainties. For Maistro these are (1) the sales cycle from qualified opportunity to billable activity, and (2) funding through to cashflow breakeven. These are reviewed regularly by the Management Team and the Board.

None of this considerable progress would have been made without the commitment and passion of our people who have worked tirelessly throughout a difficult 2022 to service our clients, while building a world-class platform that is transforming the way businesses buy services. We have a strong team with extensive procurement and technical knowledge across all the major spend categories and we continue to invest heavily in this area.

To fund the strategy, the Group raised £1.7m during 2022. We have continued to enjoy the support of our major shareholders.

To accelerate the execution of the Group's strategy, In November 2022, I am pleased to report that we merged with The Knowledge Group Services Limited (TKG) through the issue of Maistro shares on a share for share exchange. This is a very positive move giving us deep expertise in BPO sourcing, a very strong client base and creating a critical mass of expertise in key functions. This move will turbo-charge the business' growth plans and accelerate the Group's progression to become cashflow positive.

The merger importantly brings increased management strength and resources. TKG's two seasoned entrepreneurial founders have joined the Maistro Board.

The Board is confident that the combined business is on a strong growth trajectory and we have developed a leading capability in a hitherto largely unaddressed market. The prospects for 2023 and beyond are looking very positive.

Name Mr N Upton
Chairman

Date 17 July 2023

MAISTRO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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

Directors' responsibilities statement

The directors are responsible for preparing 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;
- 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.

Directors

The directors who served during the year were:

Mr P Shuldham-Legh
Mr N Upton
Mr L B N Dallaglio (resigned 25 November 2022)
Mr R A Rae
Mr S Brooks (appointed 21 November 2022)
Mr D J Rumble (appointed 21 November 2022)

Disclosure of information to auditors

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

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

Post balance sheet events

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

Auditors

The auditors, Bishop Fleming LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

MAISTRO LIMITED

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

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



Mr P Shuldham-Legh
Director

Date: 17 July 2023

1a Grow on Building
3 Babbage Way, Clyst Honiton
Exeter
EX5 2FN

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MAISTRO LIMITED

Opinion

We have audited the financial statements of Maistro Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Consolidated Statement of comprehensive income, the Consolidated and Company Statements of financial position, the Consolidated and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2.3 in the financial statements, which refers to the significant challenges and uncertainties the Group faces in respect of future funding. As stated in note 2.3, these events or conditions, along with the other matters as set forth in note 2.3, indicate that a material uncertainty exists that may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. Our evaluation of the directors' assessment of the Group's ability to continue to adopt the going concern basis of accounting included a review of future budgets and cash flow forecasts.

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

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Group strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

- the nature of the industry and sector, control environment and business performance.
- the results of our enquiries of management about their own identification and assessment of the risk of irregularities.
- any matters we identified having obtained and reviewed the Group and Company's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue and management override of controls using manual journal entries, and these were identified as the greatest potential area for fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Group and Company operate in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, FRS 102 and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group and Company's ability to operate or to avoid a material penalty. These included data protection regulations, health and safety regulations, employment legislation and information security regulations including ISO27001.

Our procedures to respond to risks identified included the following for the Parent Company and its subsidiaries, as was considered appropriate:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- audit procedures to gain assurance that these financial statements are materially correct in relation to the Group and Company's compliance with laws and regulations;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;

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

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

Use of our report

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



Mark Munro FCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

19 July 2023

MAISTRO LIMITED

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

	Note	2022 £	2021 £
Turnover		933,042	527,959
Cost of sales		(346,911)	(144,500)
Gross profit		586,131	383,459
Administrative expenses		(2,310,831)	(2,105,354)
Operating loss		(1,724,700)	(1,721,895)
Loan waiver		100,000	-
Interest receivable and similar income		78	71
Interest payable and expenses		(136,547)	(107,094)
Loss before taxation		(1,761,169)	(1,828,918)
Tax on loss		250,695	62,201
Loss for the financial year		(1,510,474)	(1,766,717)
Total comprehensive income for the year		(1,510,474)	(1,766,717)
(Loss) for the year attributable to:			
Owners of the parent Company		(1,510,474)	(1,766,717)
		(1,510,474)	(1,766,717)

The notes on pages 15 to 32 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	5	3,961,592	1,391,604
Tangible assets	6	17,562	21,721
		<u>3,979,154</u>	<u>1,413,325</u>
Current assets			
Debtors: amounts falling due within one year	8	707,198	280,737
Cash at bank and in hand	9	230,574	68,419
		<u>937,772</u>	<u>349,156</u>
Creditors: amounts falling due within one year	10	(852,046)	(799,260)
Net current assets/(liabilities)		<u>85,726</u>	<u>(450,104)</u>
Total assets less current liabilities		<u>4,064,880</u>	<u>963,221</u>
Creditors: amounts falling due after more than one year	11	(36,574)	(1,912,393)
Provisions for liabilities			
Deferred taxation		(2,037)	-
Other provisions	14	(49,830)	(45,300)
Net assets/(liabilities)		<u>3,976,439</u>	<u>(994,472)</u>
Capital and reserves			
Called up share capital	15	5,080,003	4,226,714
Share premium account	16	32,885,916	26,538,930
Other reserves	16	-	718,890
Merger reserve	16	1,061,789	1,061,789
Profit and loss account	16	(35,051,269)	(33,540,795)
		<u>3,976,439</u>	<u>(994,472)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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



Mr P Shuldham-Legh
Director

Date: 17 July 2023

The notes on pages 15 to 32 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Fixed asset investments	7	6,300,000	4,527,010
Current assets			
Debtors: amounts falling due within one year	8	3,474	-
Cash at bank and in hand	9	103,857	14,057
		<u>107,331</u>	<u>14,057</u>
Creditors: amounts falling due within one year	10	(528,300)	(129,169)
Net current liabilities		<u>(420,969)</u>	<u>(115,112)</u>
Total assets less current liabilities		<u>5,879,031</u>	<u>4,411,898</u>
Creditors: amounts falling due after more than one year	11	(565)	(1,869,688)
Net assets		<u><u>5,878,466</u></u>	<u><u>2,542,210</u></u>
Capital and reserves			
Called up share capital	15	5,080,003	4,226,714
Share premium account	16	32,881,502	26,534,516
Other reserve	16	-	718,890
Merger reserve	16	(196,772)	(196,772)
Profit and loss account brought forward		(28,741,138)	(25,863,662)
Loss for the year		(3,145,129)	(2,885,823)
Other changes in the profit and loss account		-	8,347
Profit and loss account carried forward		<u><u>(31,886,267)</u></u>	<u><u>(28,741,138)</u></u>
		<u><u>5,878,466</u></u>	<u><u>2,542,210</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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



Mr P Shuldham-Legh
Director

Date: 17 July 2023

The notes on pages 15 to 32 form part of these financial statements.

MAISTRO LIMITED

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

	Called up share capital £	Share premium account £	Other reserve £	Merger reserve £	Profit and loss account £	Total equity £
At 1 January 2022	4,226,714	26,538,930	718,890	1,061,789	(33,540,795)	(994,472)
Comprehensive income for the year						
Loss for the year	-	-	-	-	(1,510,474)	(1,510,474)
Total comprehensive income for the year	-	-	-	-	(1,510,474)	(1,510,474)
Contributions by and distributions to owners						
Shares issued during the year	853,289	6,346,986	-	-	-	7,200,275
Equity element of convertible loan note	-	-	(718,890)	-	-	(718,890)
Total transactions with owners	853,289	6,346,986	(718,890)	-	-	6,481,385
At 31 December 2022	5,080,003	32,885,916	-	1,061,789	(35,051,269)	3,976,439

The notes on pages 15 to 32 form part of these financial statements.

MAISTRO LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £	Share premium account £	Share- based payment reserve £	Other reserve £	Merger reserve £	Profit and loss account £	Total equity £
At 1 January 2021	4,226,714	26,538,930	8,347	-	1,061,789	(31,782,425)	53,355
Comprehensive income for the year							
Loss for the year	-	-	-	-	-	(1,766,717)	(1,766,717)
Total comprehensive income for the year	-	-	-	-	-	(1,766,717)	(1,766,717)
Contributions by and distributions to owners							
Transfer between reserves	-	-	(8,347)	-	-	8,347	-
Equity element of convertible loan note	-	-	-	718,890	-	-	718,890
Total transactions with owners	-	-	(8,347)	718,890	-	8,347	718,890
At 31 December 2021	4,226,714	26,538,930	-	718,890	1,061,789	(33,540,795)	(994,472)

The notes on pages 15 to 32 form part of these financial statements.

MAISTRO LIMITED

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

	Called up share capital £	Share premium account £	Other reserve £	Merger reserve £	Profit and loss account £	Total equity £
At 1 January 2022	4,226,714	26,534,516	718,890	(196,772)	(28,741,138)	2,542,210
Comprehensive income for the year						
Loss for the year	-	-	-	-	(3,145,129)	(3,145,129)
Contributions by and distributions to owners						
Shares issued during the year	853,289	6,346,986	-	-	-	7,200,275
Equity element of convertible loan note	-	-	(718,890)	-	-	(718,890)
Total transactions with owners	853,289	6,346,986	(718,890)	-	-	6,481,385
At 31 December 2022	5,080,003	32,881,502	-	(196,772)	(31,886,267)	5,878,466

The notes on pages 15 to 32 form part of these financial statements.

MAISTRO LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £	Share premium account £	Share-based payment reserve £	Other reserve £	Merger reserve £	Profit and loss account £	Total equity £
At 1 January 2021	4,226,714	26,534,516	8,347	-	(196,772)	(25,863,662)	4,709,143
Comprehensive income for the year							
Loss for the year	-	-	-	-	-	(2,885,823)	(2,885,823)
Contributions by and distributions to owners							
Shares issued during the year	-	-	(8,347)	-	-	8,347	-
Equity element of convertible loan note	-	-	-	718,890	-	-	718,890
Total transactions with owners	-	-	(8,347)	718,890	-	8,347	718,890
At 31 December 2021	4,226,714	26,534,516	-	718,890	(196,772)	(28,741,138)	2,542,210

The notes on pages 15 to 32 form part of these financial statements.

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

1. General information

Maistro Limited is a private company, limited by shares, incorporated in England, United Kingdom. The address of the registered office is 1a, Grow On Building 3 Babbage Way, Clyst Honiton, Exeter, England, EX5 2FN. The principal activity of the Company is to control the subsidiaries and other entities in the Group.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

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

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

2. Accounting policies (continued)

2.3 Going concern

Maistro Limited is the parent company of the Maistro Group which chiefly consists of Maistro Limited and Maistro UK Limited, a wholly owned subsidiary of Maistro Limited. The Group's financial statements have been prepared on a going concern basis, which assumes that the Group will be able to realise its assets and discharge its liabilities in the normal course of business.

The year ended 31 December 2022 was one of further important progress for the Group, with the major event in November 2022 of the business combination of Maistro with The Knowledge Group Services Limited (TKG).

The results for 2022 show a £77% increase in turnover when compared to 2021 and loss on operations remaining at £(1.7)m as in 2021. As at 31 December 2022 the Group had cash of £230,574.

As more fully described in the Executive Chairman's Business Review on page 1, during 2022, the Directors continued their Business Strategy of building the Group as a SaaS business, and continued to substantially invested in its technology platform.

To fund the strategy, the Group raised further funds during 2022 of £1.7m. In addition the Group has raised £0.4m to date in 2023, totalling £2.1m. A significant amount of these funds is for continuing investment in development of the Maistro SaaS Platform, and to finance the growth of the business.

The Directors have prepared financial forecasts for the 4 years to 31 December 2026. These show that the Group will need additional funding later in 2023 in order for the Group to continue as a going concern, and are actively pursuing additional investment both from within the current shareholder base and from external sources. The Group continues to enjoy the support of its major shareholders and the directors are not aware of any matters which would indicate that this will support will not continue.

Based on the above, the Directors are confident that the Group and Company have adequate resources to continue to operate for at least twelve months from the date of approval of these financial statements and have, therefore, continued to adopt the going concern basis in preparing the Directors' Report and Financial Statements. However, whilst the Directors are confident of continuing to raise additional funds to finance the business in accordance with the Group's Strategic Plan, they nevertheless recognise that a material uncertainty exists which might impact the Group and Company's ability to continue to realise its assets and discharge its liabilities in the normal course of the business and therefore, continue to operate as a going concern.

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

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The functional currency of the Group is GBP with the exception of Maistro Inc, which has the functional currency USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

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

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

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

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

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

2. Accounting policies (continued)

2.6 Operating leases: the Group as lessee

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

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

2.7 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives of 4 years.

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

2.8 Interest income

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

2.9 Finance costs

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

2.10 Borrowing costs

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

2.11 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

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

2. Accounting policies (continued)

2.12 Share-based payments

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

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

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

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

2.13 Current and deferred taxation

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

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

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

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

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

R&D credits are recognised within the tax charge/credit in the Financial Statements when amounts due can be reliably estimated and there is sufficient certainty of receipt.

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

2. Accounting policies (continued)

2.14 Intangible fixed assets

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives of 4 years.

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

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

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

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.15 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	33% per annum, straight line
Office equipment	-	33% per annum, straight line
Computer equipment	-	33% per annum, straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

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

2. Accounting policies (continued)

2.16 Impairment of fixed assets and goodwill

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

2.17 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.18 Debtors

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

2.19 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.20 Creditors

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

2.21 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 reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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

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

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

In preparing the Financial Statements, the Directors make certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including the expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial year within the Group are discussed below.

Going Concern

As set out in note 2.3, the Directors have prepared a cashflow forecast covering a period extending beyond 12 months from the date of approval of these Financial Statements. These forecasts show that in order for the Group to meet its debts as they fall due over the course of the next 12 months, further fundraising is needed.

Revenue Recognition

Where the Group is acting as principal, revenue is recognised on a gross basis, as our evaluation and assessment of the indicators under FRS102 supports the fact that Maistro is acting as principal. The factors that are considered and prove decisive in the conclusion of the assessment include the following:

- Maistro has the latitude to agree the fee for each project;
- Maistro has primary responsibility for providing the services to a customer;
- Maistro is responsible for the quality of the service delivery, delivered on time, budget and to a sufficiently high standard. This includes the management of the service delivery of the supplier; and
- Maistro facilitates both commercial terms and the project management for each project.

Although Maistro passes on some of the credit risk to the supplier it engages to deliver the services to its customers, Maistro does not consider this is sufficiently persuasive in light of the other factors noted above to suggest that accounting for the transaction as principal is not appropriate.

Maistro recognises revenue as control is passed to the customer, either over time or at a point in time.

Intangible Assets

Intangible assets include the capitalised development costs of the PaaS Platform. These costs are assessed based on management's view of the technology team's time spent on projects that enhance the PaaS Platform, supported by internal time recording and considering the requirements of FRS 102. The development cost of the PaaS Platform is amortised over the useful life of the asset. The useful life is based on the management's estimate of the period that the asset will generate revenue, which is reviewed on a project by project basis for continued appropriateness and is one of the key assumptions involved in determining the value of these assets. The carrying value is tested for impairment when there is an indication that the value of the assets might be impaired. The impairment tests also require assumptions about future events which require management judgement. Changes in those assumptions could result in a materially different amortisation charge, or an impairment, in future years depending on the circumstances prevailing at that time.

Carrying value of investments and recoverability of intercompany balances

Fixed asset investments include the value of investments in subsidiary companies. The carrying value of these investments, along with the intercompany balances, is tested for impairment when there is an indication that the value of the assets might be impaired. The impairment tests also require assumptions about future events which require management judgement. Changes in those assumptions could result in a materially different impairment, in future years depending on the circumstances prevailing at that time.

4. Employees

The average monthly number of employees, including directors, during the year was 27 (2021: 25).

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

5. Intangible assets**Group**

	Development expenditure £	Computer software £	Goodwill £	Total £
COST				
At 1 January 2022	6,665,016	209,815	-	6,874,831
Additions	813,191	-	2,305,960	3,119,151
At 31 December 2022	<u>7,478,207</u>	<u>209,815</u>	<u>2,305,960</u>	<u>9,993,982</u>
AMORTISATION				
At 1 January 2022	5,273,412	209,815	-	5,483,227
Charge for the year, on owned assets	529,947	-	19,216	549,163
At 31 December 2022	<u>5,803,359</u>	<u>209,815</u>	<u>19,216</u>	<u>6,032,390</u>
NET BOOK VALUE				
At 31 December 2022	<u>1,674,848</u>	<u>-</u>	<u>2,286,744</u>	<u>3,961,592</u>
At 31 December 2021	<u>1,391,604</u>	<u>-</u>	<u>-</u>	<u>1,391,604</u>

No intangible assets were held by the parent Company.

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

6. Tangible fixed assets

Group

	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
COST OR VALUATION				
At 1 January 2022	204,600	23,058	51,335	278,993
Additions	-	-	10,723	10,723
At 31 December 2022	204,600	23,058	62,058	289,716
DEPRECIATION				
At 1 January 2022	204,600	23,049	29,623	257,272
Charge for the year on owned assets	-	9	14,873	14,882
At 31 December 2022	204,600	23,058	44,496	272,154
NET BOOK VALUE				
At 31 December 2022	-	-	17,562	17,562
At 31 December 2021	-	9	21,712	21,721

No tangible assets were held by the parent Company.

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

7. Fixed asset investments

Company

	Investments in subsidiary companies £
COST OR VALUATION	
At 1 January 2022	9,654,776
Additions	4,880,377
At 31 December 2022	<u>14,535,153</u>
IMPAIRMENT	
At 1 January 2022	5,127,766
Charge for the period	3,107,387
At 31 December 2022	<u>8,235,153</u>
NET BOOK VALUE	
At 31 December 2022	<u>6,300,000</u>
At 31 December 2021	<u>4,527,010</u>

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

7. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Maistro UK Limited	Ordinary	100%
Maistro Inc	Ordinary	100%
The Knowledge Group Services Limited	Ordinary	100%
The Knowledge Group Services (Europe) S.à r.l. *	Ordinary	100%

* held indirectly

The registered office of Maistro UK Limited is 1a, Grow On Building 3 Babbage Way, Clyst Honiton, Exeter, England, EX5 2FN. The principal activity of the company is the ownership and operation of online, proprietary marketplaces, which enable business to buy, sell, and pay for business services, including marketing, design, advertising and technology services.

The registered office of Maistro Inc is 1201 Orange St, STE 600, One Commerce Center, Wilmington, DE 19801 USA. The principal activity of Maistro Inc is the provision of marketing services.

On 17 November 2022, Maistro Limited acquired The Knowledge Group Services Limited on a share for share exchange basis. The registered office of the Company is 1a, Grow On Building 3 Babbage Way, Clyst Honiton, Exeter, England, EX5 2FN.

The registered office of The Knowledge Group Services (Europe) S.à r.l. is 25 rue Ketty Thull, 5340 Moutfort, Luxembourg.

MAISTRO LIMITED

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

8. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	392,264	132,047	-	-
Other debtors	-	100	-	-
Prepayments and accrued income	60,765	36,815	-	-
Tax recoverable	254,169	111,775	3,474	-
	707,198	280,737	3,474	-

9. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	230,574	68,419	103,857	14,057

10. Creditors: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Other loans	10,000	6,359	-	-
Trade creditors	173,741	73,907	38,300	262
Amounts owed to group undertakings	-	-	490,000	-
Corporation tax	143,605	-	-	-
Other taxation and social security	143,567	233,926	-	-
Other creditors	26,473	82,299	-	-
Accruals and deferred income	354,660	402,769	-	128,907
	852,046	799,260	528,300	129,169

11. Creditors: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Other loans	36,574	1,912,393	565	1,869,688

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

12. Loans

Analysis of the maturity of loans is given below:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
AMOUNTS FALLING DUE WITHIN ONE YEAR				
Other loans	10,000	6,359	-	-
AMOUNTS FALLING DUE 2-5 YEARS				
Other loans	36,574	1,912,393	563	1,869,688
	<u>46,574</u>	<u>1,918,752</u>	<u>563</u>	<u>1,869,688</u>

Loans totalling £50,000 attract interest of 2.5% per annum. The redemption date for the loan is 7 March 2027.

In the prior year, loans totalling £1m had a coupon rate of 8%. This interest was rolled up until the earlier of a conversion event or maturity of the loans.

Included in other loans falling due in more than one year were convertible loan notes. The loan was nominated in sterling with a nominal rate of interest of 3%. The convertible loan was measured at fair value using a 15% discount rate, being the estimated prevailing market interest rate for a similar non-convertible instrument, with a balance shown in equity.

13. Deferred taxation**Group**

	2022 £
Arising on acquisition	(2,037)
AT END OF YEAR	<u>(2,037)</u>
	Group 2022 £
Accelerated capital allowances	<u>(2,037)</u>

MAISTRO LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****14. Provisions****Group**

	Dilapidation £
At 1 January 2022	45,300
Charged to profit or loss	4,530
At 31 December 2022	49,830

The provision relates to the future costs expected to be incurred to return buildings leased by Maistro UK Limited to their original state at the end of the lease period.

15. Share capital

	2022 £	2021 £
ALLOTTED, CALLED UP AND FULLY PAID		
107,295,868,506 (2021: 21,966,711,150) Ordinary shares of £0.00001 (2021: £0.00001)- each	1,072,956	219,667
401,105,816 (2021: 401,105,816) Deferred shares of £0.00999 each-	4,007,047	4,007,047
	5,080,003	4,226,714

During the year Maistro Limited issued 85,329,157,356 £0.00001 Ordinary shares with an aggregate nominal value of £853,289.

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

16. Reserves

Share premium account

The share premium account represents the amount of capital contributed in excess of the nominal value of each Ordinary share.

Other reserve

The other reserve consists of the equity element of convertible loan notes.

Merger Reserve

The merger reserve represents the amount subscribed for share capital in excess of nominal value when shares are issued in exchange for at least a 90% interest in the shares of another company.

Profit and loss account

The profit and loss account represents all other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

Share based payment reserve

The share based payment reserve represents payments on options granted during the period not yet exercised.

17. Share-based payments

At 31 December 2022, 8,429,527,861 (2021: 8,769,300,730) options issued under an approved EMI scheme were in existence. The contractual life of the options is ten years and there is no cash settlement of the options. The options vest provided the employees remain in service of Maistro UK Limited for a period of between 2 and 4 years from the grant date but only on condition of an exit event arising. These options replace all existing options. Share based payments resulted in a charge of £nil (2021: £nil). No charge has been recognised as vesting is contingent on the Company being sold.

During the year, no share options were issued and 339,772,869 lapsed (2021: 8,887,826,419 issued, 459,685,321 lapsed).

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

18. Business combinations

ACQUISITION OF THE KNOWLEDGE GROUP SERVICES LIMITED

RECOGNISED AMOUNTS OF IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED

	Book value £	Fair value adjustments £	Fair value £
FIXED ASSETS			
Tangible	8,565	-	8,565
	<u>8,565</u>	<u>-</u>	<u>8,565</u>
CURRENT ASSETS			
Debtors	175,555	-	175,555
Cash at bank and in hand	645,373	-	645,373
TOTAL ASSETS	<u>829,493</u>	<u>-</u>	<u>829,493</u>
CREDITORS			
Due within one year	(302,520)	-	(302,520)
TOTAL IDENTIFIABLE NET ASSETS	<u>526,973</u>	<u>-</u>	<u>526,973</u>
Goodwill			2,305,960
TOTAL PURCHASE CONSIDERATION			<u>2,832,933</u>
CONSIDERATION			
			£
Equity instruments			<u>2,832,933</u>
CASH OUTFLOW ON ACQUISITION			

The results of The Knowledge Group Services Limited since acquisition are as follows:

	Current period since acquisition £
Turnover	<u>350,705</u>
Profit for the period since acquisition	<u>103,637</u>

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

19. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension contributions payable by the Group to the fund amounted to £45,037 (2021: £29,985). Included in creditors is £8,994 (2021: £7,110) owing to these schemes in respect of employer contributions payable.

20. Controlling party

There is no controlling party