

Registered number: 08342136

BEAMERY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

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BEAMERY LIMITED

COMPANY INFORMATION

Directors	Abakar Saidov Murad Saidov
Registered number	08342136
Registered office	20th-21st Floors Hyl 105 Bunhill Row London EC1Y 8LZ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 30 Finsbury Square London EC2A 1AG

BEAMERY LIMITED

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BEAMERY LIMITED

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

The Directors present their strategic report for Beamery Ltd for the year ended 31 January 2022.

Fair review of the business

The primary activity of Beamery Ltd is the development of proprietary software which is then licensed to its parent Beamery Inc. In addition, Beamery Ltd is also taking over the sales activities for the EMEA region.

Financial review

The company had a very successful year to 31 Jan 2022. It marked a period of significant revenue growth and also significant additional investment into building out the world leading talent operating system. To fund this investment, Beamery Inc has closed its Series C funding round in Q2 FY22.

Principal risks & uncertainties

The principal risks and uncertainties currently facing the business include the threat of competition and the failure to recruit and retain properly skilled employees.

Credit Risk

The company's principal financial risks include cash, other debtors and amounts due from group undertakings. The credit risk associated with cash is limited. There is also limited risk with amounts from group undertakings.

Currency Risk

The company is exposed to translational and transaction foreign exchange risk.

Economic Risk

The directors have considered the ongoing impact of the Covid-19 pandemic as well as a generally changing macroeconomic environment and do not consider it to have any significant impact on the company's economic risk. The war in Ukraine has led to significant uncertainty. We continue to monitor the effect on the wider macroeconomic environment.

Key performance indicators

We constantly review the development of the key KPIs for our business in order to steer priorities and also investment decision to achieve the highest long-term return. The key KPIs to measure our business benchmark our business are:

- Revenue £22,504,573 (2021: £10,723,969)
- EBITDA (£5,881,775) (2021: (£5,801,542))
- Cash £1,080,607 (2021: £5,755,650)

This report was approved by the board on 21/12/2022 and signed on its behalf.

Abakar Saidov

Abakar Saidov
Director

BEAMERY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2022

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

Principal activity

The principal activity of the Company in the year under review was that of the development of a software platform that enables companies to better identify, engage with and recruit talent.

Results and dividends

The loss for the year, after taxation, amounted to £4,276,755 (2021: loss £4,332,137).

The directors have not recommended the payment of a dividend during the year or the prior year.

Directors

The directors who served during the year were:

Abakar Saidov
Murad Saidov

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 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 and profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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 Company will continue in business.

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

BEAMERY LIMITED

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

Going concern

Notwithstanding the loss for the year and the net liabilities at the year end, the financial statements have been prepared on a going concern basis.

The directors of Beamery Limited have received confirmation that Beamery Inc. intends to support the Company for at least 12 months from the date of the approval of these financial statements.

The directors of Beamery Inc. have modelled downside scenarios and remain confident that even in a downside scenario Beamery Inc. has sufficient cash resources for a period of at least 12 months from the date of approval of the financial statements. Accordingly, the directors have concluded that it is appropriate to continue to adopt the going concern basis in preparing these financial statements.

Qualifying third party indemnity provisions

No third party indemnity provision have been provided to the directors.

Auditor

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

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

Abakar Saidov

Abakar Saidov

Director

Date: 21/12/2022



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAMERY LIMITED

Opinion

We have audited the financial statements of Beamery Limited (the 'Company') for the year ended 31 January 2022, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 Company's affairs as at 31 January 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAMERY LIMITED (CONTINUED)

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

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.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAMERY LIMITED (CONTINUED)

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAMERY LIMITED (CONTINUED)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company, and industry in which they operate through our general, commercial and sector experience, discussions with management and inspection of board minutes.
- We determined that the following laws and regulations were most significant: Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and Companies Act 2006;
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - identifying and testing journal entries, in particular, relating to management estimates and entries determined to be large or relating to unusual transactions; and
 - assessing the extent of compliance with the relevant laws and regulations that are of significance as part of our audit procedures;
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team including consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - knowledge of the industry in which the client operates
 - understanding of the legal and regulatory requirements specific to the entity/regulatee entity including:
 - the provisions of the applicable legislation
 - the regulators rules and related guidance, including guidance issued by relevant authorities that interprets those rules
 - the applicable statutory provisions;
- We did not identify any matters relating to non-compliance with laws and regulation or relating to fraud.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAMERY LIMITED (CONTINUED)

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.

Grant Thornton UK LLP

Anthony Thomas FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
Date: 21/12/2022

BEAMERY LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2022

	Note	2022 £	As restated 2021 £
Turnover	4	22,504,573	10,723,969
Cost of sales		(3,189,083)	(2,638,512)
Gross profit		19,315,490	8,085,457
Administrative expenses		(25,512,080)	(14,215,636)
Operating loss	5	(6,196,590)	(6,130,179)
Interest receivable and similar income	9	-	4,267
Interest payable and expenses	10	(735,444)	(649,665)
Loss before tax		(6,932,034)	(6,775,577)
Tax on loss	11	2,655,279	2,443,440
Loss for the financial year		(4,276,755)	(4,332,137)

There were no recognised gains and losses for 2022 or 2021 other than those included in the Statement of comprehensive income.

There was no other comprehensive income for 2022 (2021: £Nil).

The notes on pages 13 to 29 form part of these financial statements.

BEAMERY LIMITED
REGISTERED NUMBER:08342136

STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2022

		2022 £	As restated 2021 £
Fixed assets	Note		
Intangible assets	12	28,473	11,704
Tangible assets	13	238,519	125,908
Investments	14	21,739	-
		<u>288,731</u>	<u>137,612</u>
Current assets			
Debtors: amounts falling due within one year	15	6,084,398	3,686,886
Cash at bank and in hand	16	1,080,607	5,755,650
		<u>7,165,005</u>	<u>9,442,536</u>
Creditors: amounts falling due within one year	17	(6,763,799)	(3,543,467)
Net current assets		<u>401,206</u>	<u>5,899,069</u>
Total assets less current liabilities		<u>689,937</u>	<u>6,036,681</u>
Creditors: amounts falling due after more than one year	18	(22,241,324)	(23,626,128)
Net liabilities		<u>(21,551,387)</u>	<u>(17,589,447)</u>
Capital and reserves			
Called up share capital	21	223,533	223,533
Share option reserve	22	651,686	336,871
Profit and loss account	22	(22,426,606)	(18,149,851)
		<u>(21,551,387)</u>	<u>(17,589,447)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21/12/2022

Abakar Saidov

Abakar Saidov
 Director

BEAMERY LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2022

	Called up share capital	Share option reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 February 2021 (as previously stated)	223,533	8,234	(17,821,214)	(17,589,447)
Prior year adjustment	-	328,637	(328,637)	-
At 1 February 2021 (as restated)	223,533	336,871	(18,149,851)	(17,589,447)
Comprehensive income for the year				
Loss for the year	-	-	(4,276,755)	(4,276,755)
Total comprehensive income for the year	-	-	(4,276,755)	(4,276,755)
Share option charge	-	314,815	-	314,815
Total transactions with owners	-	314,815	-	314,815
At 31 January 2022	223,533	651,686	(22,426,606)	(21,551,387)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2021

	Called up share capital	Share option reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 February 2020	223,533	6,311	(13,817,714)	(13,587,870)
Comprehensive income for the year				
Loss for the year (as restated)	-	-	(4,332,137)	(4,332,137)
Total comprehensive income for the year	-	-	(4,332,137)	(4,332,137)
Share option charge (as restated)	-	330,560	-	330,560
Total transactions with owners	-	330,560	-	330,560
At 31 January 2021	223,533	336,871	(18,149,851)	(17,589,447)

The notes on pages 13 to 29 form part of these financial statements.

BEAMERY LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2022

	2022 £	As restated 2021 £
Cash flows from operating activities		
Loss for the financial year	(4,276,755)	(4,332,137)
Adjustments for:		
Tax	(2,655,279)	(2,443,440)
Depreciation of tangible assets	103,659	68,129
Amortisation of intangible assets	2,061	44
Share based payment charge	314,815	330,560
Foreign exchange	(42,339)	(25,427)
Increase in trade debtors	(2,185,673)	(450,785)
Increase in trade creditors	3,220,332	1,524,722
(Decrease)/increase in other creditors	(1,384,804)	7,933,029
Tax received	2,443,440	2,069,961
Net cash (used in)/generated from operating activities	(4,460,543)	4,674,656
Cash flows from investing activities		
Proceeds from disposal of tangible assets	-	6,038
Purchase of investments in subsidiaries	(21,739)	-
Purchase of intangible assets	(18,830)	(11,620)
Purchase of tangible assets	(216,270)	(92,117)
Net cash used in investing activities	(256,839)	(97,699)
Net (decrease)/increase in cash and cash equivalents	(4,717,382)	4,576,957
Cash and cash equivalents at beginning of year	5,755,650	1,153,266
Foreign exchange gains and losses	42,339	25,427
Cash and cash equivalents at the end of year	1,080,607	5,755,650
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,080,607	5,755,650
	1,080,607	5,755,650

The notes on pages 13 to 29 form part of these financial statements.

BEAMERY LIMITED

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

1. General information

Beamery Ltd is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The financial statements contain information about the company as an individual company and do not contain consolidated financial information as the parent of the group. The company has taken advantage of the exemption conferred by section 405 (2) of the Companies Act 2006, where a subsidiary undertaking may be excluded from consolidation if its inclusion is not material for the purpose of giving a true and fair view.

The following principal accounting policies have been applied:

2.2 Going concern

Notwithstanding the loss for the year and the net liabilities at the year end, the financial statements have been prepared on a going concern basis.

The directors of Beamery Limited have received confirmation that Beamery Inc. intends to support the Company for at least 12 months from the date of the approval of these financial statements.

The directors of Beamery Inc. have modelled downside scenarios and remain confident that even in a downside scenario Beamery Inc. has sufficient cash resources for a period of at least 12 months from the date of approval of the financial statements. Accordingly, the directors have concluded that it is appropriate to continue to adopt the going concern basis in preparing these financial statements.

BEAMERY LIMITED

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

2. Accounting policies (continued)**2.3 Turnover**

Turnover is measured at the fair value of the consideration received or receivable excluding discounts, rebates, value added tax and other sales taxes.

The Company derives its revenue from two major sources: Core platform cloud subscriptions and Professional Services. The latter includes Implementation Services, Professional Services and Training.

Revenues from subscription are recognised when control of the promised services are transferred to a customer in an amount that reflects the consideration that the Company expects to receive in exchange for those services.

Implementation services and professional services are considered distinct services that are recognised over time based on input measures, such as labour hours or time and materials costs.

Revenues from management income includes Routine and Strategic management services. These are recognised at an applied mark-up. In addition, this stream includes revenue from Software license which is recognised as a licensing fee charged as a percentage of third party revenue.

2.4 Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost, less any accumulated amortisation and any accumulated impairment losses.

Patents and licenses, and trademarks are being amortised evenly over their estimated useful life of 5-10 years.

2.5 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:

Plant and machinery	-	33% on straight line
Fixtures and fittings	-	25% on 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.

BEAMERY LIMITED

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

2. Accounting policies (continued)

2.6 Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Income Statement.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Income Statement.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in, the Income Statement, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, loans from fellow group companies that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

BEAMERY LIMITED

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

2. Accounting policies (continued)**2.7 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk to changes in value.

2.8 Taxation

Taxation for the year comprises current tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

The tax credit disclosed in the income statement represents the surrender of corporation tax losses for research and development tax credits.

2.9 Research and development

Revenue expenditure on research and development is written off in the year in which it is incurred.

2.10 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2.11 Operating lease commitments

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

2.12 Pension costs and other post-retirement benefits

The Company operates a defined contribution pension scheme. Contributions payable to the Company's pension scheme are charged to profit or loss in the period to which they relate.

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company 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 Company in independently administered funds.

BEAMERY LIMITED

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

2. Accounting policies (continued)

2.13 Share based payments

The parent company operates an equity-settled compensation plan. The fair value of the services received in exchange for the grant of the options is recognised as an expense in the subsidiary. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest at each statement of position date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement. The credit entry is taken to reserves because the share options are equity-settled.

2.14 Interest income

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

2.15 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.

2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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

Preparation of the financial statements requires management to make significant judgments and estimates. The items in the financial statements where judgments have been made include:

(a) Useful economic lives of tangible and intangible assets

The annual depreciation charge for 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 assessed 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 2.4 and 2.5 for the useful economic lives for each class of asset, and notes 12 and 13 for the carrying amount for intangible assets and property, plant and equipment.

(b) Provision of doubtful accounts

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 15 for the net carrying amount of the debtors and associated impairment provision.

BEAMERY LIMITED

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

3. Judgments in applying accounting policies (continued)**(c) Share based payments**

The Company measures and records the expense related to stock-based payment awards based on the fair value of those awards as determined on the date of grant. The total amount expensed is determined by reference to the fair value of the options granted including market performance conditions, excluding the impact of any service and non-market performance vesting conditions and including the impact of any non-vesting conditions.

The Company uses the Black-Scholes-Merton ("Black-Scholes") option-pricing model to determine the fair value of stock awards. The Black-Scholes model uses assumptions such as expected term, price volatility to determine the fair value.

The total expense is recognised over the vesting period and uses the straight-line method to recognise the stock-based compensation. At each reporting date, the Company revises the fair value and expense related to the non-market vesting and service conditions. The Company recognises any impact of the revision to original estimated in the income statement.

4. Turnover

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

	2022	2021
	£	£
Subscription revenue	2,983,629	1,933,564
Professional services	272,082	143,198
Management income	19,248,862	8,647,207
	<u>22,504,573</u>	<u>10,723,969</u>

Analysis of turnover by country of destination:

	2022	2021
	£	£
United Kingdom	<u>22,504,573</u>	<u>10,723,969</u>

BEAMERY LIMITED

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

5. Operating loss

The operating loss is stated after charging:

	2022 £	2021 £
Depreciation of tangible assets	103,659	68,129
Foreign exchange differences	1,182,155	(1,463,357)
Other operating lease rentals	1,237,170	1,418,140
Amortisation of intangible assets	2,061	44
	<u>1,525,045</u>	<u>(877,044)</u>

6. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	57,500	41,800
	<u>57,500</u>	<u>41,800</u>

Fees payable to the Company's auditor and its associates in respect of:

Accounts preparation	2,700	2,600
Taxation compliance services	7,250	6,250
R&D tax advisory	30,000	26,000
Tax advisory on share options	3,750	-
Transfer pricing policy design	21,000	-
	<u>64,700</u>	<u>34,850</u>

BEAMERY LIMITED

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

7. Employees

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

	2022	2021
	£	£
Wages and salaries	13,842,147	9,178,080
National insurance	1,786,313	1,151,238
Pension costs	163,696	127,976
	<u>15,792,156</u>	<u>10,457,294</u>

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

2022	2021
No.	No.
<u>165</u>	<u>102</u>

8. Directors' remuneration

	2022	2021
	£	£
Directors' emoluments	<u>584,045</u>	<u>257,613</u>

The highest paid director received remuneration of £232,187 (2021: £101,563).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,321 (2021: £1,313).

9. Interest receivable

	2022	2021
	£	£
Other interest receivable	<u>-</u>	<u>4,267</u>

BEAMERY LIMITED

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

10. Interest payable and similar expenses

	2022	2021
	£	£
Bank interest payable	-	665
Loans from group undertakings	735,444	649,000
	<u>735,444</u>	<u>649,665</u>

11. Taxation

	2022	2021
	£	£
Corporation tax		
Current tax on losses for the year	(2,655,610)	(2,443,440)
Adjustments in respect of previous periods	331	-
Total current tax	<u>(2,655,279)</u>	<u>(2,443,440)</u>
Taxation on loss on ordinary activities	<u>(2,655,279)</u>	<u>(2,443,440)</u>

BEAMERY LIMITED

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

11. Taxation (continued)

Factors affecting tax charge for the year

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

	2022 £	2021 £
Loss on ordinary activities before tax	(6,932,034)	(6,775,577)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	(1,317,086)	(1,223,204)
Effects of:		
Expenses not deductible for tax purposes	435,446	1,236
Other permanent differences	(238,740)	(137,455)
Additional deduction for R&D expenditure	(2,322,951)	(1,835,026)
Surrender of tax losses for R&D tax credit refund	824,155	758,309
Remeasurement of deferred tax for changes in tax rates	(319,283)	(109,735)
Deferred tax not recognised	293,013	102,435
Fixed asset differences	(10,164)	-
Adjustments to tax charge in respect of previous periods	331	-
Total tax charge for the year	(2,655,279)	(2,443,440)

A deferred tax asset of £1,330,346 (2021: £1,037,333) has not been recognised during the year. The deferred tax asset in respect of losses has not been recognised due to uncertainty over when these losses can be utilised.

BEAMERY LIMITED

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

12. Intangible assets

	Patents and licenses £	Trademarks £	Total £
Cost			
At 1 February 2021	440	11,620	12,060
Additions	-	18,830	18,830
At 31 January 2022	<u>440</u>	<u>30,450</u>	<u>30,890</u>
Amortisation			
At 1 February 2021	356	-	356
Charge for the year on owned assets	84	1,977	2,061
At 31 January 2022	<u>440</u>	<u>1,977</u>	<u>2,417</u>
Net book value			
At 31 January 2022	<u>-</u>	<u>28,473</u>	<u>28,473</u>
At 31 January 2021	<u>84</u>	<u>11,620</u>	<u>11,704</u>

Amortisation on intangible assets is charged to administrative expenses.

BEAMERY LIMITED

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

13. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 February 2021	238,559	19,306	257,865
Additions	216,270	-	216,270
At 31 January 2022	454,829	19,306	474,135
Depreciation			
At 1 February 2021	126,303	5,654	131,957
Charge for the year on owned assets	99,015	4,644	103,659
At 31 January 2022	225,318	10,298	235,616
Net book value			
At 31 January 2022	229,511	9,008	238,519
At 31 January 2021	112,256	13,652	125,908

BEAMERY LIMITED

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

14. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
Additions	21,739
At 31 January 2022	<u>21,739</u>
Net book value	
At 31 January 2022	<u>21,739</u>
At 31 January 2021	<u>-</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Beamery GmbH	11-13 Warschauer Platz, 10245, Berlin	Development and provision and operation of web-based talent operating systems that enable companies to attract, engage and retain talent on a global scale	Ordinary	100%

On September 27, 2021 the company acquired 100% of the issued ordinary share capital of Beamery GmbH for £21,739.

BEAMERY LIMITED

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

15. Debtors

	2022	2021
	£	£
Trade debtors	1,745,345	320,846
Amounts owed by group undertakings	39,082	-
Other debtors	524,892	394,358
Prepayments and accrued income	1,119,800	528,242
Tax recoverable	2,655,279	2,443,440
	<u>6,084,398</u>	<u>3,686,886</u>

An impairment loss of £Nil (2021: £46,377) was recognised against trade debtors.

16. Cash and cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	<u>1,080,607</u>	<u>5,755,650</u>

17. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	966,677	448,580
Amounts owed to group undertakings	-	336,932
Other taxation and social security	563,389	385,203
Other creditors	53,030	40,045
Accruals and deferred income	5,180,703	2,332,707
	<u>6,763,799</u>	<u>3,543,467</u>

BEAMERY LIMITED

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

18. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Amounts owed to group undertakings	22,241,324	23,626,128

The borrower shall pay to the lender on the interest payment date interest on the principal sum at the annual rate of 1.29%. There is no fixed repayment date for the repayment of the principal sum. It is repayable if an event occurs that triggers the repayment of the principal amount being requested in accordance with the terms of the agreement.

19. Pension commitments

The Company operates a defined contributions pension scheme. The pension cost charge represents contributions payable by the Company into the fund and amounted to £163,696 (2021: £127,976). Contributions totaling £53,029 (2021: £35,572) were payable to the fund at the balance sheet date and are included in creditors.

20. Commitments under operating leases

At 31 January 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022	2021
	£	£
Within one year	295,989	872,043

21. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
22,353,300 (2021: 22,353,300) ordinary shares of £0.01 each	223,533	223,533

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

BEAMERY LIMITED

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

22. Reserves**Share option reserve**

This is the account where share based payment expenses are recorded.

Profit and loss account

Includes all current and prior retained profits and losses.

23. Analysis of net debt

	At 1 February 2021 £	Cash flows £	At 31 January 2022 £
Cash at bank and in hand	5,755,650	(4,675,043)	1,080,607
	<u>5,755,650</u>	<u>(4,675,043)</u>	<u>1,080,607</u>

24. Related party transactions

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned entities within the group.

Directors

During the year, the directors settled expenses totalling £6,803 (2021: £10,767) on behalf of the Company and was repaid £Nil (2021: £Nil).

At the date of the financial statements, the director owed the company £3,810 (2021: £4,472 owed by company to director). The loans are interest free and repayable on demand.

25. Ultimate controlling party

The immediate and the ultimate controlling parent is Beamery Inc, a company incorporated in Delaware. Its principal place of business is 350 Rhode Island Street, San Francisco, CA 94107, USA.

BEAMERY LIMITED

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

26. Share-based payment transactions

The parent company operates an EMI qualifying share option scheme. As at the date of the Statement of financial position, the parent company had granted 532,569 (2021: 7,925,273) EMI qualifying share options to employees of the Company at an exercise price of \$0.00077 (2021: \$0.00077) per share. As at the end of the year, 7,071,524 (2021: 2,323,172) share options were exercised; 6,576,414 (2021: 6,326,749) shares vested and 2,166,013 (2021: 2,640,227) share options lapsed, cancelled or forfeited. Share options vest over a 4 year period from the date of grant with a 12 month cliff.

The share options are granted to employees in the Company but vest and are exercisable on the share capital of the parent company.

The Company uses the Black-Scholes-Merton ("Black-Scholes") option-pricing model to determine the fair value of stock awards. The Black-Scholes model uses assumptions such as expected term, price volatility to determine the fair value.

The total expense is recognised over the vesting period and uses the straight-line method to recognise the stock-based compensation. At each reporting date, the Company revises the fair value and expense related to the non-market vesting and service conditions. The Company recognises any impact of the revision to original estimated in the income statement.

The stock-based compensation expense was £314,815 for the year to 31 January 2022 and the total cumulative expense recognised since inception was £651,686.

27. Prior year adjustment

The comparative year has been restated to reflect Share-based payment charge that was omitted from expenditure last year and therefore there has been a material increase in admin expenses resulting in an increase in the loss for the year. The comparative numbers have been amended to reflect the revision which has increased Share-based payment charge to £330,560.