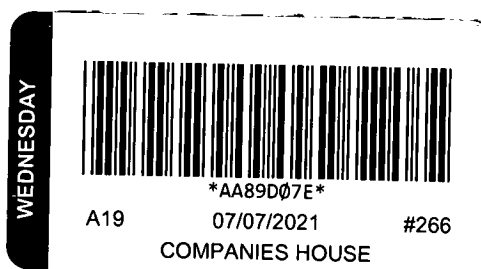


MARKET SQUARED LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020



MARKET SQUARED LIMITED

COMPANY INFORMATION

Directors
D Langley
S Gleadall (resigned 13.11.20)
C Wang (resigned 13.11.20)
C Jenkins

Company number 09277791

Registered office
Imperial House
21-25 North Street
Bromley
Kent
BR1 1SQ

Auditor
RSM UK Audit LLP
Chartered Accountants
3rd Floor
Portland
25 High Street
Crawley
West Sussex
RH10 1BG

MARKET SQUARED LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and financial statements for the year ended 31 December 2020.

Principal activities

The principal activity of the company during the period under review was that of the marketing and sale of the Volcube product, a custom built software, to universities, financial institutions and other similar business entities.

Directors

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

D Langley
S Gleadall (resigned 13.11.20)
C Wang (resigned 13.11.20)
C Jenkins

Results and dividends

The loss for the financial year was £126 (2019: loss of £17,526)

The directors do not recommend the payment of a dividend for the year ended 31 December 2020 (2019: £nil).

Third party indemnity provision for directors

Qualifying third party indemnity provision is in place for the benefit of all directors of the company.

Auditor

RSM UK Audit LLP has indicated their willingness to continue in office.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



D Langley

Director

Date: 2nd July 2021

MARKET SQUARED LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors are responsible for preparing 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). 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 of the 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 judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARKET SQUARED LIMITED

Opinion

We have audited the financial statements of Market Squared Limited (the 'company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework (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 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARKET SQUARED LIMITED

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 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, 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' 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 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARKET SQUARED LIMITED

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 101, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

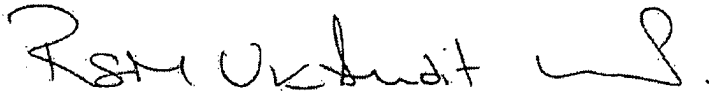
The audit engagement team identified [the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARKET SQUARED LIMITED

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.



Geoff Wightwick BA FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
3rd Floor
Portland
25 High Street
Crawley
RH10 1BG
Date: 2 July 2021

MARKET SQUARED LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Revenue	4	32,041	44,269
Administrative expenses		(164,020)	(130,580)
Other operating income	5	151,271	93,056
Other operating expenses	5	(24,240)	(24,271)
Loss before taxation		(4,948)	(17,526)
Taxation	8	4,822	-
Loss for the financial year		(126)	(17,526)

The above results were derived from continuing operations.

The notes on pages 10 to 21 are an integral part of these financial statements.

MARKET SQUARED LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £	2019 £
Current assets			
Trade and other receivables	9	211,748	78,063
Cash and cash equivalents		71,609	70,386
		<u>283,357</u>	<u>148,449</u>
Current liabilities			
Trade and other payables	10	(538,015)	(402,981)
Net current liabilities		<u>(254,658)</u>	<u>(254,532)</u>
Capital and reserves			
Called up share capital	14	1,026	1,026
Profit and loss reserves	15	(255,684)	(255,558)
		<u>(254,658)</u>	<u>(254,532)</u>

The financial statements were approved by the board of directors and authorised for issue on 2nd July 2021 and are signed on its behalf by:

Danny Langley
D Langley
Director

MARKET SQUARED LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 31 December 2018		1,026	(238,032)	(237,006)
Year ended 31 December 2019:				
Loss and total comprehensive income for the year		-	(17,526)	(17,526)
Balance at 31 December 2019		1,026	(255,558)	(254,532)
Year ended 31 December 2020:				
Loss and total comprehensive income for the year		-	(126)	(126)
Balance at 31 December 2020		1,026	(255,684)	(254,658)

Total equity is attributable to the owners of the parent.

The notes on pages 10 to 21 are an integral part of these financial statements.

MARKET SQUARED LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 General information

Market Squared Limited ("the company") is a private company limited by shares and it is registered and incorporated in England and Wales. The registered office is 2nd Floor, Imperial House, 21-25 North Street, Bromley, Kent, BR1 1SD.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

2 Accounting policies

Basis of preparation and first time adoption of IFRS

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of derivative financial assets and financial liabilities at fair value through profit or loss, and in accordance with the Companies Act 2006.

In preparing these financial statements, the Company applies the recognition and measurement requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("IFRS").

The financial statements of Market Squared Limited were previously prepared in accordance with UK GAAP: FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

The transition to FRS 101 hasn't affected the financial position and financial performance of the Company.

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

MARKET SQUARED LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Accounting policies (Continued)

Reduced disclosures

In accordance with FRS 101 the following exemptions from the requirements of IFRS have been applied in the preparation of the company financial statements and, where relevant, equivalent disclosures have been made in the consolidated financial statements of the parent company:

- Presentation of a Company Cash Flow Statement and related notes;
- Disclosure of the objectives, policies and processes for managing capital;
- Inclusion of an explicit and unreserved statement of compliance with IFRS;
- Disclosure of company key management compensation;
- A reconciliation of the number and weighted average exercise prices of share options, how the fair value of share-based payments was determined and their effect on profit or loss and the financial position;
- Disclosure of the categories of financial instrument and nature and extent of risks arising on these financial instruments;
- Disclosure of the effect of financial instruments on the Statement of Comprehensive Income;
- Comparative period reconciliations for share capital and investments;
- For financial instruments measured at fair value, the valuation techniques and inputs used to measure fair value, the effect of fair value measurements with significant unobservable inputs on the result for the period and the impact of credit risk on the fair value;
- Disaggregated and total revenue from contracts with customers;
- Explanation of significant changes in contract assets and liabilities;
- Description of when performance obligations are satisfied, significant payment terms, and the nature of goods and services to be transferred;
- Aggregate transaction price allocated to unsatisfied performance obligations and when revenue is expected to be recognised;
- Significant judgements in determining the amount and timing of revenue recognition and the amount of capitalised costs to obtain or fulfil a contract;
- Related party disclosures in respect of two or more wholly owned members of the group;
- Disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date; and
- Presentation of a third statement of financial position for retrospective adjustments, reclassifications at the date of transition to IFRS.

The financial statements of the Company are consolidated within the financial statements of OSTC Group Holdings Limited where equivalent disclosures are provided. The financial statements are publicly available from 2nd Floor, Imperial House, 21-25 North Street, Bromley, Kent, BR1 1SD.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, and as a minimum for a period of at least 12 months from the date of approval of these financial statements, given the support available to the company from its ultimate parent, OSTC Group Holdings Limited, which has been confirmed in writing. In making their assessment, the directors have had due regard as to the impact of the ongoing Covid-19 pandemic, and its impact on the company and wider OSTC Group.

MARKET SQUARED LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Accounting policies (Continued)

Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. All other foreign exchange gains and losses are taken to profit or loss within 'administrative expenses'.

Revenue

Revenue generated from the provision of software licenses is recognised upfront at the start of the contract period as the contract arrangements represent 'right to use' licenses, whereby the software does not include the ongoing provision of upgrades or end user updates.

Revenue arising from software support services is recognised over the period the services are provided.

Fees for support services are bundled with the corresponding licence fee and the transaction price is allocated to each performance obligation based on estimated relative standalone selling price

Financial instruments

Financial assets are recognised when the company becomes party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and other short-term deposits held by the company with maturities of less than three months.

Trade and other receivables

Trade receivables are initially measured at their transaction price. Other receivables are initially measured at fair value plus transaction costs. Receivables are held to collect the contractual cash flows which are solely payments of principal and interest. Therefore, these receivables are subsequently measured at amortised cost using the effective interest rate method.

Impairment of financial assets

An impairment loss is recognised for the expected credit losses on financial assets when there is an increased probability that the counterparty will be unable to settle an instrument's contractual cash flows on the contractual due dates, a reduction in the amounts expected to be recovered, or both.

The probability of default and expected amounts recoverable are assessed using reasonable and supportable past and forward-looking information that is available without undue cost or effort. The expected credit loss is a probability-weighted amount determined from a range of outcomes and takes into account the time value of money.

MARKET SQUARED LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Accounting policies (Continued)

Trade receivables

For trade receivables, expected credit losses are measured by applying an expected loss rate to the gross carrying amount. The expected loss rate comprises the risk of a default occurring and the expected cash flows on default based on the aging of the receivable. The risk of a default occurring always takes into consideration all possible default events over the expected life of those receivables ("the lifetime expected credit losses"). Different provision rates and periods are used based on groupings of historic credit loss experience by product type, customer type and location.

Impairment of other receivables measured at amortised cost

The measurement of impairment losses depends on whether the financial asset is 'performing', 'underperforming' or 'non-performing' based on the company's assessment of increases in the credit risk of the financial asset since its initial recognition and any events that have occurred before the year-end which have a detrimental impact on cash flows. The financial asset moves from 'performing' to 'underperforming' when the increase in credit risk since initial recognition becomes significant.

In assessing whether credit risk has increased significantly, the company compares the risk of default at the year-end with the risk of a default when the investment was originally recognised using reasonable and supportable past and forward-looking information that is available without undue cost. The risk of a default occurring takes into consideration default events that are possible within 12 months of the year-end ("the 12-month expected credit losses") for 'performing' financial assets, and all possible default events over the expected life of those receivables ("the lifetime expected credit losses") for 'underperforming' financial assets.

Impairment losses and any subsequent reversals of impairment losses, are adjusted against the carrying amount of the receivable and are recognised in profit or loss.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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 fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

Financial liabilities and equity

Financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

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

MARKET SQUARED LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Accounting policies (Continued)

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less.

Trade and other payables are initially measured at fair value, net of direct transaction costs and subsequently measured at amortised cost.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of borrowings using the effective interest rate method.

Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recorded at fair value on initial recognition net of transaction costs.

Derecognition of financial assets (including write-offs) and financial liabilities

A financial asset (or part thereof) is derecognised when the contractual rights to cash flows expire or are settled, or when the contractual rights to receive the cash flows of the financial asset and substantially all the risks and rewards of ownership are transferred to another party.

When there is no reasonable expectation of recovering a financial asset it is derecognised ('written off').

The gain or loss on derecognition of financial assets measured at amortised cost is recognised in profit or loss.

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Any difference between the carrying amount of a financial liability (or part thereof) that is derecognised and the consideration paid is recognised in profit or loss

MARKET SQUARED LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Accounting policies (Continued)

Income tax

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

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

MARKET SQUARED LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****2 Accounting policies (Continued)***Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Defined contribution pension schemes

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

3 Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. In the opinion of the directors, there are no sources of estimation uncertainty or critical judgements impacting amounts recognised in these financial statements.

4 Revenue

	2020	2019
	£	£
Revenue		
Revenue from contracts with customers	32,041	44,269

The company has a single reportable segment relating to license fees for use of software.

MARKET SQUARED LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****4 Revenue (Continued)****Revenue analysed by geographical market**

	2020	2019
	£	£
United Kingdom	32,041	34,269
Europe	-	10,000
	<u>32,041</u>	<u>44,269</u>

5 Other operating income and expenses

Other operating income and expenses comprise payroll recharges with OSTC Group Holding Ltd companies.

6 Employees

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

	2020	2019
	Number	Number
Total	<u>4</u>	<u>4</u>

Their aggregate remuneration, being the directors' remuneration, comprised:

	2020	2019
	£	£
Wages and salaries	133,000	97,500
Social security costs	16,957	10,019
Pension costs	1,314	1,188
	<u>151,271</u>	<u>108,707</u>

MARKET SQUARED LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****7 Auditor's remuneration**

Audit fees in the current and prior year have been borne by ZISHI Group Limited, a fellow group company.

8 Taxation

	2020	2019
	£	£
Current tax		
UK corporation tax on profits for the current period	-	-
Group relief receivable	(126)	-
Adjustments in respect of prior periods	(4,696)	-
	<u>(4,822)</u>	<u>-</u>
Total income tax expense	<u>(4,822)</u>	<u>-</u>

The total tax charge/(credit) for the year included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2020	2019
	£	£
Loss before taxation	<u>(4,948)</u>	<u>(17,526)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(940)	(3,330)
Group relief surrendered	126	-
Receipt for group relief	(126)	-
Adjustment to tax charge in respect of previous year	(4,696)	-
Difference in deferred tax rate	(3,481)	-
Deferred tax not recognised	4,295	3,330
	<u>(4,822)</u>	<u>-</u>
Taxation for the year	<u>(4,822)</u>	<u>-</u>

9 Trade and other receivables

	2020	2019
	£	£
Current:		
Unpaid share capital	526	526
Corporation tax recoverable	4,696	-
Amounts due from fellow group undertakings	206,526	77,537
	<u>211,748</u>	<u>78,063</u>

MARKET SQUARED LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****9 Trade and other receivables (continued)**

The directors consider that the carrying value of trade and other receivables approximates their fair value as the impact of discounting is not significant.

The Company calculates lifetime expected credit losses for trade receivables using a portfolio approach. Receivables are grouped based on the credit terms offered and the type of product sold. The probability of default is determined at the year-end based on the aging of the receivables and historical data about default rates on the same basis. That data is adjusted if the Company determines that historical data is not reflective of expected future conditions due to changes in the nature of its customers and how they are affected by external factors such as economic and market conditions.

No impairment loss provision has been recognised in respect of group or other receivables as there is no past history of impairment losses and future losses are not anticipated, therefore any provision would be immaterial.

10 Trade and other payables

		2020	2019
	Notes	£	£
Other borrowings	11	-	25,000
Other tax and social security		1,000	833
Amounts due to group undertakings		528,272	346,567
Accruals and deferred income		8,743	30,581
		<u>538,015</u>	<u>402,981</u>

11 Borrowings

	2020	2019
	£	£
Other loans	-	25,000
	<u>-</u>	<u>25,000</u>
Payable within one year	-	25,000
	<u>-</u>	<u>25,000</u>

The loan was repaid as part of the transaction to purchase the Volcube IP and Market Squared shares from Volcube Ltd.

12 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so.

The company has an unrecognised deferred tax asset of £33,881 (2019: £31,980) relating to carried forward tax losses. Any tax losses may be carried forward indefinitely and have not been recognised as there is doubt over the timing of their recovery against future profits.

MARKET SQUARED LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****13 Retirement benefit schemes**

	2020	2019
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	1,314	679

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

14 Share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
10,000 A Ordinary shares of £0.05 each	500	500
Issued and unpaid		
10,000 B Ordinary shares of £0.05 each	500	500
513 C Ordinary shares of £0.05 each	26	26
	<u>1,026</u>	<u>1,026</u>

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

15 Reserves**Profit and loss reserves**

Cumulative profit and loss net of distributions to owners.

MARKET SQUARED LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****16 Related party transactions****Transactions with related parties**

During the year the company entered into the following transactions with related parties:

Costs recharged to related parties

	2020	2019
	£	£
Entities with control, joint control or significant influence over the company	109,204	75,677

Costs charged by related parties

	2020	2019
	£	£
Entities with control, joint control or significant influence over the company	-	136,614
Other related parties	162,005	-

Amounts owed by related parties

	2020	2019
	£	£
The following amounts were outstanding at the reporting end date:		
Entities with control, joint control or significant influence over the company	203,643	-
Other related parties	2,882	-
	206,525	-

Amounts owed to related parties

	2020	2019
	£	£
The following amounts were outstanding at the reporting end date:		
Entities with control, joint control or significant influence over the company	-	269,030
Other related parties	528,272	25,000
	528,272	294,030

No guarantees have been given or received.

17 Controlling party

The controlling party and immediate parent company is ZISHI Group Limited a company registered in England and Wales. The ultimate parent company and the smallest and largest group consolidating the results of this company is O.S.T.C Group Holdings Ltd. Accounts for O.S.T.C. Group Holdings Ltd can be obtained from the registered office of the company at 2nd Floor, Imperial House, 21-25 North Street, Bromley, Kent, BR1 1SD. In the opinion of the directors, there is no single ultimate controlling party.