

Company registration number 09607865 (England and Wales)

**AWE INTERNATIONAL GROUP PLC**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2023**

# AWE INTERNATIONAL GROUP PLC

## COMPANY INFORMATION

---

<b>Directors</b>	Mr R M Gai Ms F Redmond Mr R Pucciano
<b>Secretary</b>	Ocs Corporate Secretaries Ltd
<b>Company number</b>	09607865
<b>Registered office</b>	7th Floor One Canada Square Canary Wharf London E14 5AA
<b>Auditor</b>	Jackson Stephen LLP James House Stonecross Business Park Yew Tree Way Warrington Cheshire WA3 3JD
<b>Business address</b>	7th Floor One Canada Square Canary Wharf London E14 5AA

---

# AWE INTERNATIONAL GROUP PLC

## CONTENTS

---

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 6
Profit and loss account	7
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12 - 22

---

# **AWE INTERNATIONAL GROUP PLC**

## **STRATEGIC REPORT**

**FOR THE YEAR ENDED 31 MAY 2023**

---

The directors present the strategic report for the year ended 31 May 2023.

### **Review of the business**

During the year a net profit before tax of £751,863 was recorded on a turnover of £6,598,955, which continues to reflect the full resumption of event contracts following COVID-19 restrictions in previous years. The directors are satisfied with the performance of the company in the year and are anticipating continuing profitability in the coming year.

### **Key Performance Indicators**

The key performance indicators monitored by the company are turnover, gross profit and profit before tax, all of which are disclosed on page 7 of the financial statements. Turnover has fallen slightly, reflecting a decrease in European activity, whilst direct costs have increased slightly, despite the fall in turnover, which has therefore led to a decreased level of gross profit, contributing to the reduced profitability for the year.

### **Principal risks and uncertainties**

Details of the Company's principal risks and uncertainties are detailed in the directors' report within the Financial Instruments and Future Developments sections.

### **Statement by the directors in performance of their statutory duties in accordance with S172(1) of the Companies Act 2006**

The board of directors of AWE International Group Plc considers, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a)-(f) of the Act) in the decisions taken during the period ended 31 May 2023.

- Our strategy is designed to have a long-term beneficial impact on the company and to contribute to its success.
- Our team members are fundamental to the delivery of our plan. The health, safety and well-being of our team members is one of our primary considerations in the way we do business.
- Engagement with suppliers and customers is key to our success.
- Our strategy takes into account the impact of the company's operations on the community and environment and our wider social responsibilities.
- As the board of directors, our intention is to behave responsibly and ensure that the management operate the business in a responsible manner, operating within the high standards of business conduct and good governance expected for a business such as ours.
- As the board of directors, our intention is to behave responsibly towards our shareholders and treat them fairly and equally, so they too may benefit from the successful delivery of our strategy.

On behalf of the board

Mr R Pucciano

**Director**

30 November 2023

# AWE INTERNATIONAL GROUP PLC

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MAY 2023

---

The directors present their annual report and financial statements for the year ended 31 May 2023.

#### Principal activities

The principal activity of the company continued to be that of sport consultancy.

#### Results and dividends

The results for the year are set out on page 7.

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

#### Directors

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

Mr R M Gai  
Ms F Redmond  
Mr R Pucciano

#### Financial instruments

##### *Liquidity risk*

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

##### *Interest rate risk*

The company is exposed to fair value interest rate risk on its fixed rate borrowings and cash flow interest rate risk on floating rate deposits, bank overdrafts and loans. Due to the minimal level of borrowings the company does not consider it necessary to use interest rate derivatives to manage the mix of fixed and variable rate debt so as to reduce its exposure to changes in interest rates.

##### *Foreign currency risk*

The company's principal foreign currency exposures arise from trading with overseas companies. Company policy permits but does not demand that these exposures may be hedged in order to fix the cost in sterling. This hedging activity may involve the use of foreign exchange forward contracts from time to time

##### *Credit risk*

Investments of cash surpluses, borrowings and derivative instruments are made through banks and companies which must fulfil credit rating criteria approved by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

#### Future developments

The directors consider that the consultancy market will continue to be challenging during 2023/24 with the impact of economic uncertainties presenting significant challenges and uncertainties to future trading conditions. The directors are keeping these matters under constant review so they can respond appropriately as the need arises.

#### Auditor

The auditor, Jackson Stephen LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

# **AWE INTERNATIONAL GROUP PLC**

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

**FOR THE YEAR ENDED 31 MAY 2023**

---

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

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

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

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

On behalf of the board

Mr R Pucciano

**Director**

30 November 2023

# AWE INTERNATIONAL GROUP PLC

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF AWE INTERNATIONAL GROUP PLC

---

#### Opinion

We have audited the financial statements of AWE International Group Plc (the 'company') for the year ended 31 May 2023 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2023 and of its profit 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

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.

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

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

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

# **AWE INTERNATIONAL GROUP PLC**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF AWE INTERNATIONAL GROUP PLC**

---

#### **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 strategic report or the directors' report.

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

- adequate accounting records have not been kept, 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement included within the directors' report, 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.

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.

Based on our understanding of the company and sector, we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to, the Companies Act 2006, UK tax, employment and pension and health and safety legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and judgements and risk of fraudulent revenue recognition.



# **AWE INTERNATIONAL GROUP PLC**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF AWE INTERNATIONAL GROUP PLC**

---

Our procedures to respond to risks identified included the following:

- 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;
- enquiring of management about actual and potential litigation and claims, their policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- obtaining an understanding of provisions and holding discussions with management to understand the basis of recognition or non-recognition of tax provisions;
- in addressing the risk of fraud through management override of controls: testing the appropriateness of journal entries; assessing whether the accounting estimates, judgements and decisions made by management are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

#### **Use of our report**

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

**Christopher Moss BSc F.C.A.**  
**Senior Statutory Auditor**  
**For and on behalf of Jackson Stephen LLP**

30 November 2023

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

James House  
Stonecross Business Park  
Yew Tree Way  
Warrington  
Cheshire  
WA3 3JD

# AWE INTERNATIONAL GROUP PLC

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MAY 2023

		2023	2022
	Notes	£	as restated £
Turnover	3	6,598,955	7,117,939
Cost of sales		(5,399,225)	(5,368,238)
<b>Gross profit</b>		<b>1,199,730</b>	<b>1,749,701</b>
Administrative expenses		(430,100)	(496,459)
<b>Operating profit</b>	4	<b>769,630</b>	<b>1,253,242</b>
Interest payable and similar expenses	8	(17,767)	(3,781)
Amounts written off investments	9	-	(58,667)
<b>Profit before taxation</b>		<b>751,863</b>	<b>1,190,794</b>
Tax on profit	10	(495,207)	(502,071)
<b>Profit for the financial year</b>		<b>256,656</b>	<b>688,723</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# AWE INTERNATIONAL GROUP PLC

## STATEMENT OF COMPREHENSIVE INCOME

*FOR THE YEAR ENDED 31 MAY 2023*

	2023	2022
	£	as restated £
Profit for the year	256,656	688,723
Other comprehensive income	-	-
Total comprehensive income for the year	<u>256,656</u>	<u>688,723</u>

# AWE INTERNATIONAL GROUP PLC

## BALANCE SHEET

AS AT 31 MAY 2023

		2023		2022	
	Notes	£	£	as restated	£
<b>Fixed assets</b>					
Tangible assets	11		484		1,420
Investments	12		1,145,757		433,155
			<u>1,146,241</u>		<u>434,575</u>
<b>Current assets</b>					
Debtors	15	4,980,106		4,888,053	
Cash at bank and in hand		835,581		1,078,435	
		<u>5,815,687</u>		<u>5,966,488</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(4,654,242)</u>		<u>(4,350,033)</u>	
<b>Net current assets</b>			<u>1,161,445</u>		<u>1,616,455</u>
<b>Total assets less current liabilities</b>			<u>2,307,686</u>		<u>2,051,030</u>
<b>Creditors: amounts falling due after more than one year</b>	17		<u>(378,100)</u>		<u>(378,100)</u>
<b>Net assets</b>			<u>1,929,586</u>		<u>1,672,930</u>
<b>Capital and reserves</b>					
Called up share capital	18		3,195,612		3,195,612
Other reserves			(2,843,878)		(2,843,878)
Profit and loss reserves	19		1,577,852		1,321,196
<b>Total equity</b>			<u>1,929,586</u>		<u>1,672,930</u>

The financial statements were approved by the board of directors and authorised for issue on 30 November 2023 and are signed on its behalf by:

Mr R Pucciano  
Director

Company registration number 09607865 (England and Wales)

# AWE INTERNATIONAL GROUP PLC

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MAY 2023

	Share capital	Other reserve	Profit and loss reserves	Total
	£	£	£	£
<b>Balance at 1 June 2021 as previously reported</b>	3,195,612	(2,843,878)	874,907	1,226,641
Effect of prior year adjustment	-	-	(242,434)	(242,434)
<b>Balance at 1 June 2021 as restated</b>	3,195,612	(2,843,878)	632,473	984,207
<b>Year ended 31 May 2022:</b>				
Profit and total comprehensive income	-	-	688,723	688,723
<b>Balance at 31 May 2022</b>	3,195,612	(2,843,878)	1,321,196	1,672,930
<b>Year ended 31 May 2023:</b>				
Profit and total comprehensive income	-	-	256,656	256,656
<b>Balance at 31 May 2023</b>	3,195,612	(2,843,878)	1,577,852	1,929,586

# AWE INTERNATIONAL GROUP PLC

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2023

		2023	2022
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	23	223,758	624,355
Interest paid		(17,767)	(3,781)
Income taxes refunded/(paid)		13,986	-
<b>Net cash inflow from operating activities</b>		<u>219,977</u>	<u>620,574</u>
<b>Investing activities</b>			
Purchase of tangible fixed assets		-	(534)
Proceeds from disposal of subsidiaries		-	3,535
Purchase of investments		(462,831)	-
<b>Net cash (used in)/generated from investing activities</b>		<u>(462,831)</u>	<u>3,001</u>
<b>Financing activities</b>			
Repayment of new bank loans		-	(200,000)
<b>Net cash used in financing activities</b>		<u>-</u>	<u>(200,000)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<u>(242,854)</u>	<u>423,575</u>
Cash and cash equivalents at beginning of year		1,078,435	654,860
<b>Cash and cash equivalents at end of year</b>		<u><u>835,581</u></u>	<u><u>1,078,435</u></u>

# AWE INTERNATIONAL GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MAY 2023**

---

### **1 Accounting policies**

#### **Company information**

AWE International Group Plc is a public company limited by shares incorporated in England and Wales. The registered office is 7th Floor, One Canada Square, Canary Wharf, London, E14 5AA.

#### **1.1 Accounting convention**

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

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

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

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

#### **1.2 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. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for consultancy services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from contracts for the provision of services is recognised by reference to the stage of completion when the stage of completion costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred as a proportion of total costs.

#### **1.4 Tangible fixed assets**

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

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

Fixtures and fittings	33% per annum on a straight line basis
-----------------------	----------------------------------------

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

#### **1.5 Fixed asset investments**

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

# AWE INTERNATIONAL GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

### 1 Accounting policies

(Continued)

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

#### 1.6 Impairment of fixed assets

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

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

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

#### 1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

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

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

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



# AWE INTERNATIONAL GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

### 1 Accounting policies

(Continued)

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

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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 profit or loss.

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 profit or loss.

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

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

#### **Basic financial liabilities**

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

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. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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

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

### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.10 Taxation

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

# AWE INTERNATIONAL GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

### 1 Accounting policies

(Continued)

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date. Foreign tax that has been suffered overseas is offset against the UK corporation tax payable where there is a double tax treaty in place and UK taxable profits are sufficient for the offset to be made. Irrecoverable foreign tax suffered that cannot be offset against the UK corporation tax charge is written off to the profit and loss account.

#### **Deferred tax**

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

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

#### **1.11 Employee benefits**

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

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

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

#### **1.12 Foreign exchange**

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

#### **1.13 Prior year restatement**

The prior year comparatives have been restated to correctly reflect the treatment of withholding tax previously presented within trade debtors and accrued income on the balance sheet. The impact of this on the prior year comparatives has been to reduce trade debtors by £775,330 and accrued income by £25,072 and include a corporation tax recoverable asset of £293,830. The prior year comparative tax charge now includes a net foreign tax charge of £264,138 and the brought forward reserves at 1 June 2021 have been reduced by £242,434.

# AWE INTERNATIONAL GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

### 2 Judgements and key sources of estimation uncertainty

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

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

The key estimates and underlying assumptions relate to recognition of income by reference to the stage of completion as per Note 1.3, and the carrying value of the company's investments as per Note 1.5.

### 3 Turnover

	2023	2022
	£	£
<b>Turnover analysed by class of business</b>		
Consultancy	6,598,955	7,117,939
	<u>6,598,955</u>	<u>7,117,939</u>
	2023	2022
	£	£
<b>Turnover analysed by geographical market</b>		
Europe	352,660	775,443
Middle East	6,246,295	6,342,496
	<u>6,598,955</u>	<u>7,117,939</u>

### 4 Operating profit

	2023	2022
	£	£
Operating profit for the year is stated after charging:		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	40,650	37,269
Depreciation of owned tangible fixed assets	936	544
	<u>41,586</u>	<u>37,813</u>

### 5 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	5,500	5,250
	<u>5,500</u>	<u>5,250</u>
<b>For other services</b>		
All other non-audit services	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

# AWE INTERNATIONAL GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

### 6 Employees

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

	2023 Number	2022 Number
Administration	3	3

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	284,739	322,082

### 7 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	284,739	322,082

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

	2023 £	2022 £
Remuneration for qualifying services	284,739	322,082

### 8 Interest payable and similar expenses

	2023 £	2022 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on convertible loan notes	3,781	3,781
<b>Other finance costs:</b>		
Other interest	13,986	-
	17,767	3,781

### 9 Amounts written off investments

	2023 £	2022 £
Loss on disposal of investments held at fair value	-	(58,667)

# AWE INTERNATIONAL GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

### 10 Taxation

	2023	2022 as restated
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	150,816	237,933
Double tax relief	(150,816)	(237,933)
Total UK current tax	-	-
Foreign current tax on profits for the current period	495,207	502,071
Total current tax	495,207	502,071

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

	2023	2022 as restated
	£	£
Profit before taxation	751,863	1,190,794
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2022: 19.00%)	150,373	226,251
Tax effect of expenses that are not deductible in determining taxable profit	443	11,579
Double tax relief	(150,816)	(237,933)
Permanent capital allowances in excess of depreciation	-	103
Foreign tax suffered	495,207	502,071
Taxation charge for the year	495,207	502,071

A UK corporation tax rate of 25% was announced in the Chancellor's Budget of 3 March 2021 which will apply from 1 April 2023. Deferred tax has been calculated using the 25% rate, where appropriate.

# AWE INTERNATIONAL GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

### 11 Tangible fixed assets

	Fixtures and fittings £
<b>Cost</b>	
At 1 June 2022 and 31 May 2023	10,115
<b>Depreciation and impairment</b>	
At 1 June 2022	8,695
Depreciation charged in the year	936
At 31 May 2023	9,631
<b>Carrying amount</b>	
At 31 May 2023	484
At 31 May 2022	1,420

### 12 Fixed asset investments

	Notes	2023 £	2022 £
Investments in subsidiaries	13	1,144,657	202,444
Investments in associates	14	1,100	1,100
Unlisted investments		-	229,611
		1,145,757	433,155

#### Movements in fixed asset investments

	Shares in subsidiaries and associates £	Other investments £	Total £
<b>Cost or valuation</b>			
At 1 June 2022	203,544	229,611	433,155
Additions	712,602	-	712,602
Reclassification to subsidiary	229,611	(229,611)	-
At 31 May 2023	1,145,757	-	1,145,757
<b>Carrying amount</b>			
At 31 May 2023	1,145,757	-	1,145,757
At 31 May 2022	203,544	229,611	433,155

### 13 Subsidiaries

Details of the company's subsidiaries at 31 May 2023 are as follows:

# AWE INTERNATIONAL GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

### 13 Subsidiaries (Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
AWE Sport SRL	Italy	Sports Consultancy	Ordinary	100.00
Play Your Future SA	Portugal	Sports consultancy	Ordinary	50.53

### 14 Associates

Details of the company's associates at 31 May 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
AWE International FZ - LLC	United Arab Emirates	Sports Consultancy	Ordinary	50.00

### 15 Debtors

	2023 £	2022 as restated £
<b>Amounts falling due within one year:</b>		
Trade debtors	947,602	3,722,155
Corporation tax recoverable	444,646	293,830
Amounts owed by undertakings in which the company has a participating interest	78,207	78,207
Other debtors	19,122	505,541
Prepayments and accrued income	3,490,529	288,320
	<u>4,980,106</u>	<u>4,888,053</u>

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

	2023 £	2022 £
Trade creditors	367,662	3,386,345
Amounts owed to group undertakings	284,291	-
Corporation tax	458,632	293,830
Dividends payable	34,000	34,000
Other creditors	278,304	-
Accruals and deferred income	3,231,353	635,858
	<u>4,654,242</u>	<u>4,350,033</u>

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

	2023 £	2022 £
Convertible loans	<u>378,100</u>	<u>378,100</u>

# AWE INTERNATIONAL GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

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

The convertible loans are due to be repaid by 30 June 2024 or else they can be converted into redeemable bonds. The loan notes are held by an existing shareholder and interest of £3,781 (2022: £3,781) has been accrued in relation to these.

### 18 Share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and fully paid				
€4,200,000 Ordinary shares of €1 each	4,200,000	4,200,000	3,195,612	3,195,612

### 19 Profit and loss reserves

Profit and loss account - includes all current and prior period retained profits and losses, net of distributions to shareholders.

### 20 Related party transactions

At the balance sheet date the company was owed a balance of £78,207 (2022: £78,207 ) from Play Your Futures SA, a subsidiary company of AWE International Group Plc, following loans made during the prior year.

### 21 Directors' transactions

Advances or credits have been granted by the company to its directors as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Closing balance £
Mr R Pucciano - Loan	-	1,132	191	1,323
		1,132	191	1,323

### 22 Ultimate controlling party

The directors do not consider there to be an ultimate controlling party.



# AWE INTERNATIONAL GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

### 23 Cash generated from operations

	2023 £	2022 £
Profit for the year after tax	256,656	688,723
<b>Adjustments for:</b>		
Taxation charged	495,207	502,071
Finance costs	17,767	3,781
Depreciation and impairment of tangible fixed assets	936	544
Amounts written off investments		58,667
<b>Movements in working capital:</b>		
Increase in debtors	(436,444)	(1,594,548)
(Decrease)/increase in creditors	(110,364)	965,117
<b>Cash generated from operations</b>	<b>223,758</b>	<b>624,355</b>

### 24 Analysis of changes in net funds

	1 June 2022 £	Cash flows £	31 May 2023 £
Cash at bank and in hand	1,078,435	(242,854)	835,581
Convertible loan notes	(378,100)	-	(378,100)
	<b>700,335</b>	<b>(242,854)</b>	<b>457,481</b>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.