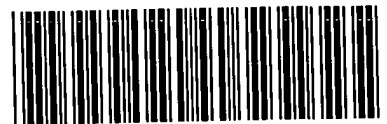


Company Registration No. 12280993 (England and Wales)

**AURA FUTURES HOLDINGS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021**

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AURA FUTURES HOLDINGS LIMITED

COMPANY INFORMATION

Directors	S Shivshanker A J Unalkat S J Beere
Company number	12280993
Registered office	40 Clifton Street London EC2A 4DX
Auditor	Grant Thornton UK LLP 30 Finsbury Square London EC2A 1AG
Bankers	Barclays Plc Nth Oxon Banbury 9 Leicester LE87 2BB
Solicitors	Eversheds Sutherland (International) LLP 1 Wood Street London EC2V 7WS

AURA FUTURES HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The directors present their annual report and the audited consolidated financial statements of Aura Futures Holdings Limited (hereafter the “group” or “Aura”) for the year ended 31 December 2021.

Background and principal activities

The principal activity of the group is the provision of workspace technology solutions to mid-to-large businesses. Workspace technology solutions include Workspace & Collaboration solutions (Audio Visual (AV), room and desk booking, visitor management, sensors etc), Visual Communications (digital television, interactive signage etc), and Augmented Print & Workflow (managed print, central reprographics etc). The technology solutions are underpinned by workspace professional services and transformational capability whereby the group designs and supports bespoke solutions to create connected workspaces for its clients.

The financial statements in this report present the performance of the group from 1 January 2021 until 31 December 2021, unless specified. The board uses consolidated management accounts prepared for the year ended 31 December 2021 to interpret and analyse financial performance.

Business review

Despite the significant lockdown period in the first 4 months and subsequent restrictions throughout 2021, the business has shown resilience with strong annuity margin performance and positive sales momentum against an unprecedented market backdrop. In addition, the group has continued to invest in growth overheads (particularly to further strengthen its AV and workspace professional services capabilities) to position itself for future growth.

Taking account of difficult market conditions, the group traded successfully during the year and key financial metrics grew. Due to its diverse, relevant and integrated value proposition the directors believe the group is well placed to capitalise on the opportunities that continue to arise post-pandemic as corporates and education providers expand the scope of and consolidate their workspace technology infrastructure.

During the year, the group acquired the entire share capital of Reflex Limited (“Reflex”) to extend the scope and scale of its AV and UC offering. Reflex is a highly regarded AV integrator with a focus on the corporate and higher education markets across the South of England. AV is an attractive space with increasing demand and represents an important strategic vertical for Aura to develop in-house over the long term.

Whilst there was strong sales momentum in the business across H2, with LTM performance broadly increasing month on month, global supply shortages of key components (due directly to the effects of the pandemic) represented a new headwind and extended the lag between winning projects and recognising revenue. Active management of this risk, through leveraging strong relationships within both the supply chain and the group's customer base, has helped to minimise its impact. This issue however is expected to continue throughout 2022.

In the year ended 31 December 2021, the group (including Reflex from the date of acquisition) reported consolidated revenues of £20.6m, gross margins of £7.4m and adjusted EBITDA of £0.5m.

Proforma results (including annualised performance for Reflex) showed group revenues of £28.4m, representing 108% growth on the prior year, gross margins of £8.9m (39% growth) and adjusted EBITDA of £1.0m (43% growth).

Adjusted EBITDA is a non-FRS 102 measure that the group uses to measure its financial performance and movements in the business (calculated by taking operating profit/loss and adding back depreciation, amortisation and other one-off exceptional costs).

AURA FUTURES HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Business review (continued)

A reconciliation between statutory operating loss to Adjusted EBITDA is provided below:

	<u>Per statutory accounts</u>		<u>Proforma</u>
	2021	2020	2021
	£'000	£'000	£'000
Operating Loss	(3,739)	(3,445)	(3,233)
Amortisation	3,768	2,981	3,771
Depreciation	91	48	114
One off costs	202	85	210
Monitoring fees	100	81	100
NED Fees	53	49	53
Adjusted EBITDA	475	(201)	1,015

Environmental, Social and Governance ("ESG") impacts

Aura is committed to its ESG agenda, which forms a key part of our strategy. The directors believe our monitoring and managing of the Group's environmental and social impact as well as our governance framework are key to ensure the group creates strong and sustainable value for all stakeholders.

Despite the ongoing challenges posed by the pandemic, the group has continued to make strong progress on ESG initiatives including:

- Silver Medal Award placing Aura in the top 25% of companies assessed by EcoVadis a recognised global environment sustainability assessor
- 3* Award in the HP Partners Environment Sustainability award scheme
- Group certification of Safe Contractor
- Maintenance of individual company certification with a view to extending these across the group, including
- FSQS and RSQS assessments
- Construction Line certification
- CHAS certification
- ISO 9001 and ISO 14001 (Reflex)
- Continued charitable initiatives including UNICEF Vaccination Drive
- Mandatory training including Equality and Diversity, GDPR, Whistleblowing, Anti-Bribery and Mental Health Awareness
- In addition, the business is keen to invest in mental health initiatives and is in the process of appointing Mental Health campaigners with formal, external training
- Maintaining a key Risk Register, discussed frequently with our Head of Compliance and managed by the directors

The group is in the process of applying for ISO certification (9001, 14001, 22301, 27001 and 45001). This will strengthen our business processes and as they are independently audited by a UKAS accredited body will offer confidence to our suppliers and customers in our ability to provide high quality goods and services in a sustainable way. We have completed stage 1 of the ISO9001 certification process and have stage 2 scheduled for May 2022.

The directors have also developed the group's own sustainability goals in line with the United Nations Department of Economic and Social affairs 17 goal sustainability plan and have a clear action plan against each goal with full consideration of our Environmental Impact assessment and a focus on continuous improvement. In addition, the group will be implementing its Carbon Footprint Strategy during 2022.

AURA FUTURES HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Strategy and future developments

Aura's strategy is to provide holistic workspace technology solutions, as a service, to mid-large corporate and education customers.

Coupled with organic growth, a key part of the Aura investment thesis is centered around leveraging our strong management and operational capability, acquiring and integrating businesses with complimentary products, service and customer offerings.

Organic growth is centered on winning net new customers and cross-selling new products and services to existing customers. This will be supported with a buy-and-build acquisition plan focused on extending our in-house capability and gaining additional scale. Cross sales of new products to existing customers are also expected to generate further post-acquisition growth. The markets in which the group operate are highly fragmented with consolidation being seen and expected to continue in the short to medium term.

The board remains very targeted in its approach to acquisitions, focusing on EBITDA additive businesses with a strong, mid-to-large customer book, complementary culture and high customer satisfaction levels.

The board intends to acquire additional businesses to help develop and consolidate Aura as the leading workspace technology business in the UK and across Europe. The market position of Aura is further strengthened by its partnership with Vega Global, the leading provider of AV solutions in the APAC markets.

Principal risks and uncertainties

Economic Risk – the continued impact of the Covid-19 pandemic throughout 2021 has impacted performance and slowed growth opportunities. There are, however, signs that the effects of Covid are beginning to ease with economic forecasts signaling strong recovery through 2022. This is expected to lead to strong financial growth going forward given the importance of corporate and education providers focused on ensuring their technology infrastructure is fit-for-purpose as people return in-part to physical environments and also to improve hybrid experiences.

To mitigate this risk, the board has leveraged government and investor support packages, focused on protecting liquidity, accelerated its acquisition plans and focused on growth areas (e.g. AV). In addition, staff and customer safety remained the group's priority and our dedicated Head of Risk has ensured the group has been aware of and compliant with its obligations.

Liquidity risk – relates to the group's ongoing ability to manage its liquidity position and continue to meet the cash flow requirements of the business. This risk is managed through weekly cash monitoring and 12 weeks' forecasting as well as through working capital management (including vesting of equipment). Whilst working capital was more volatile through the pandemic, the group typically benefits from a working capital surplus aiding the short-term liquidity position. In addition, the directors closely monitor available funding facilities (e.g. further liquidity from its investors) offset against the group's ongoing commitments to ensure it has sufficient funds to meet its obligations as they fall due.

Acquisition Risk – acquisitive growth carries inherent transaction risk (e.g. opportunity cost, sunk cost) and risk in ensuring the targets identified are aligned to the strategy and will provide post-acquisition benefits. This risk is mitigated through the appointment of a Chief Financial Officer and Chairman both with significant previous M&A experience, alongside rigorous selection, diligence and board approval processes.

Supply chain Risk – The group's principal suppliers in the year were Crestron, Extron, Midwich, Exertis, Kyocera and Ricoh. The effects of the pandemic have seen a resultant impact on lead times and prolonged delays in the supply chain more broadly. This has specifically been seen in a shortage of semi-conductor chips and other associated components which presents a longer than usual lag between sale and installation. The directors continue to work closely with key suppliers to manage customer expectations, liquidity and delivery schedules in ongoing uncertainty.

AURA FUTURES HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Key performance indicators (KPIs)

KPIs are used across the business to monitor operational and financial performance on a monthly basis. The directors believe the key financial measures are gross profit margins and adjusted EBITDA.

£m	10 Mar to 31 Dec-20	y/e 31 Dec-21	y/e 31 Dec-21
	<i>Audited</i>	<i>Audited</i>	<i>Audited Proforma</i>
Turnover	9.7	20.6	28.4
Gross Profit	4.6	7.4	8.9
Gross Profit %	47%	36%	31%
Adjusted EBITDA	(0.2)	0.5	1.0

The unaudited proforma above illustrates a pro-forma P&L for the Group (excluding the impact of the Aura growth overheads and other exceptional items).

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



.....
A J Unalkat
Director

30/5/2022

Date:

AURA FUTURES HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company was that of an intermediate holding company. The principal activity of the group is the provision of workspace technology solutions to mid-large corporations.

Results and dividends

The results for the year are set out on page 11.

No ordinary dividends were paid during the current year or prior period. 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:

S Shivshanker

A J Unalkat

S J Beere

(Appointed 1 August 2021)

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Auditor

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

Strategic report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments.

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, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

AURA FUTURES HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Going concern

As part of the going concern review, the directors have reviewed the group's forecast cash flows, liquidity, borrowing facilities and related covenant requirements. This included an assessment of the impact of principal risks and uncertainties faced by the business and those specifically brought about by the ongoing effects of the pandemic and associated supply chain risks.

The directors reviewed and approved the forecasts produced by management that included various sensitivities and reverse stress testing. The forecast performance demonstrates that the group has sufficient cash reserves and available headroom under its banking and shareholder facilities and is forecast to remain in compliance with its financial covenants for a period of at least 12 months from the date of signing the accounts.

The directors believe that the consolidated workspace technology offering (strengthened by the Reflex acquisition), strong H2 2021 financial metrics and a general uptick in market activity positions the business well for further cash and profit growth in FY22.

Accordingly, there is a reasonable expectation that the group will have adequate resources to manage its ongoing financial commitments and continue to operate for the foreseeable future and as such the financial statements have been prepared using the going concern basis of accounting.

On behalf of the board



.....
A J Unalkat
Director

30/5/2022
Date:

AURA FUTURES HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

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

Company law requires the directors to prepare group and company 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 group and company, and of the profit or loss of the group and the company for that period. In preparing group and company 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AURA FUTURES HOLDINGS LIMITED

Opinion

We have audited the financial statements of Aura Futures Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021, which comprise Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows 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 group's and of the parent company's affairs as at 31 December 2021 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent 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 group's and the parent 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 group or the parent company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent 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 group's and the parent company's financial resources or ability to continue operations over the going concern period.

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

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AURA FUTURES HOLDINGS LIMITED (CONTINUED)

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 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.

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

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors 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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

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 AURA FUTURES HOLDINGS 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 enquired of management whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud and corroborated the responses to our enquiries to relevant supporting documentation, as appropriate.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant laws and regulations are those which are directly relevant to specific assertions in the financial statements related to the financial reporting frameworks, being UK GAAP and the Companies Act 2006.
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included evaluation of the risk of management override of controls.
- Our audit procedures involved:
 - evaluation of the design and implementation of controls that management has put in place to prevent and detect fraud;
 - journal entry testing, including those with unusual account combinations; and
 - challenging assumptions and judgements made by management in their accounting estimates.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from 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 included 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; and
 - understanding of the legal and regulatory requirements specific to the company.

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.



Marc Summers BSc(Hons) FCA (Senior Statutory Auditor)
For and on behalf of Grant Thornton UK LLP, Statutory Auditor
Chartered Accountants
London
31/5/2022.....

AURA FUTURES HOLDINGS LIMITED**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

		Year ended 31 December 2021 £	Period ended 31 December 2020 £
	Notes		
Turnover	4	20,573,923	9,701,628
Cost of sales		(13,213,179)	(5,106,580)
Gross profit		7,360,744	4,595,048
Administrative expenses		(11,259,294)	(8,238,989)
Other operating income	4	159,081	198,913
Operating loss	7	(3,739,469)	(3,445,028)
Interest receivable and similar income	9	627	-
Interest payable and similar expenses	10	(1,083,798)	(914,065)
Loss before taxation		(4,822,640)	(4,359,093)
Tax on loss	11	469,276	101,040
Loss for the financial year		(4,353,364)	(4,258,053)
Other comprehensive income net of taxation			
Currency translation differences		(9,207)	28,582
Total comprehensive income for the year		(4,362,571)	(4,229,471)

Loss for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

Company Registration No. 12280993

AURA FUTURES HOLDINGS LIMITED**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2021**

		2021		2020	
				as restated	
	Notes	£	£	£	£
Fixed assets					
Goodwill	12		31,391,144		33,018,185
Other intangible assets	12		610,169		376,878
Total intangible assets			32,001,313		33,395,063
Tangible assets	13		255,878		192,468
			32,257,191		33,587,531
Current assets					
Stocks	17	3,911,842		1,434,414	
Debtors	18	5,198,502		2,867,819	
Cash at bank and in hand		9,683,741		644,839	
			18,794,085		4,947,072
Creditors: amounts falling due within one year	19	(49,116,189)		(32,321,886)	
Net current liabilities			(30,322,104)		(27,374,814)
Total assets less current liabilities			1,935,087		6,212,717
Creditors: amounts falling due after more than one year	20		(10,527,129)		(10,442,188)
Net liabilities			(8,592,042)		(4,229,471)
Capital and reserves					
Called up share capital	24		-		-
Profit and loss reserves	25		(8,592,042)		(4,229,471)
Total equity			(8,592,042)		(4,229,471)

The financial statements were approved by the board of directors and authorised for issue on 30/5/2022 and are signed on its behalf by:



A J Unalkat
Director

Company Registration No. 12280993

AURA FUTURES HOLDINGS LIMITED**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Notes	2021 £	2020 as restated £
Fixed assets			
Investments	14	-	-
Current assets			
Debtors	18	35,954,090	25,324,545
Creditors: amounts falling due within one year	19	(35,954,090)	(25,324,545)
Net current assets		-	-
Capital and reserves			
Called up share capital	24	-	-
Total equity		-	-

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group financial statements. The company's profit for the year was £nil (2020: £nil).

The financial statements were approved by the board of directors and authorised for issue on 30/5/2022
and are signed on its behalf by:



.....
A J Unalkat
Director

AURA FUTURES HOLDINGS LIMITED

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

	Share capital £	Profit and loss reserves £	Total £
Balance at 24 October 2019	-	-	-
Period ended 31 December 2020:			
Loss for the period	-	(4,258,053)	(4,258,053)
Other comprehensive income net of taxation:			
Currency translation differences	-	28,582	28,582
Total comprehensive income for the period	-	(4,229,471)	(4,229,471)
Issue of share capital	-	-	-
Balance at 31 December 2020	-	(4,229,471)	(4,229,471)
Year ended 31 December 2021:			
Loss for the year	-	(4,353,364)	(4,353,364)
Other comprehensive income net of taxation:			
Currency translation differences	-	(9,207)	(9,207)
Total comprehensive income for the year	-	(4,362,571)	(4,362,571)
Balance at 31 December 2021	-	(8,592,042)	(8,592,042)

AURA FUTURES HOLDINGS LIMITED

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

	Share capital £
Balance at 24 October 2019	-
	<hr/>
Period ended 31 December 2020:	
Issue of share capital	-
	<hr/>
Balance at 31 December 2020 and 2021	-
	<hr/>

AURA FUTURES HOLDINGS LIMITED**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	26	1,436,178		1,340,051	
Income taxes paid		(108,936)		(181,820)	
Net cash inflow from operating activities		1,327,242		1,158,231	
Investing activities					
Purchase of business	16	(1,494,719)	(34,840,156)		
Payments for intangible assets		(318,505)	(258,325)		
Proceeds on disposal of intangibles		8,710	-		
Purchase of tangible fixed assets		(115,300)	(141,141)		
Proceeds on disposal of tangible fixed assets		-	141		
Interest received		627	-		
Net cash used in investing activities		(1,919,187)		(35,239,481)	
Financing activities					
Proceeds from borrowings		10,629,545	25,324,545		
Proceeds of new bank loans		-	10,442,188		
Repayment of loans by directors		9,366	16,657		
Issue of loans to directors		-	(171,818)		
Interest paid		(998,857)	(914,065)		
Net cash generated from financing activities		9,640,054		34,697,507	
Net increase in cash and cash equivalents		9,048,109		616,257	
Cash and cash equivalents at beginning of year		644,839		-	
Effect of foreign exchange rates		(9,207)		28,582	
Cash and cash equivalents at end of year		9,683,741		644,839	

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Aura Futures Holdings Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 40 Clifton Street, London, EC2A 4DX.

The group consists of Aura Futures Holdings Limited and all of its subsidiaries.

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

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, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

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 £1.

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

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; and
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

Basis of consolidation

The consolidated financial statements incorporate those of Aura Futures Holdings Limited and all of its subsidiaries. Subsidiaries acquired during the year are consolidated using the acquisition method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Going concern

As part of the going concern review, the directors have reviewed the group's forecast cash flows, liquidity, borrowing facilities and related covenant requirements. This included an assessment of the impact of principal risks and uncertainties faced by the business and those specifically brought about by the ongoing effects of the pandemic and associated supply chain risks.

The directors reviewed and approved the forecasts produced by management that included various sensitivities and reverse stress testing. The forecast performance demonstrates that the group has sufficient cash reserves and available headroom under its banking and shareholder facilities and is forecast to remain in compliance with its financial covenants for a period of at least 12 months from the date of signing the accounts.

The directors believe that the consolidated workspace technology offering (strengthened by the Reflex acquisition), strong H2 2021 financial metrics and a general uptick in market activity positions the business well for further cash and profit growth in FY22.

Accordingly, there is a reasonable expectation that the group will have adequate resources to manage its ongoing financial commitments and continue to operate for the foreseeable future and as such the financial statements have been prepared using the going concern basis of accounting.

Reporting period

In the prior period the group prepared financial statements for the 14 month period from incorporation on 24 October 2019 to 31 December 2020. The company had extended its reporting period to align its reporting date with the rest of the group and, as a result, the comparative information is not entirely comparable.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover from the sale of goods is recognised when earned, when the significant risks and rewards of ownership of the goods have passed to the buyer. Turnover is earned when following criteria are met:

- there is a persuasive evidence of contract / sales agreement;
- delivery has occurred and / or services have been substantially rendered in accordance with contract or agreement or if the customer has agreed to us holding products ready for delivery on their behalf with a vesting agreement;
- the price is fixed or determinable; and
- the collectability is reasonably assured.

Turnover accruals are based principally on timing differences on customer billings that are in arrears. Deferred income is based principally on timing differences on customer billings that are in advance. Deferred income is the net of rebates and discounts.

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Research and development expenditure

Research is always be considered a period cost. For development costs, the overriding principal is that expenditure with a long-term derivative value is capitalised (and amortised where the product is marketed for sale) and maintenance expenditure shall be treated as a period cost.

Source of cost

The group has a number of sources of cost for software development. Some costs create new capability which will generate value over several years. New products will be sold or existing products will have new features developed which create additional value either with a direct sales value themselves or by enhancing the attractiveness of the product so that additional sales are made.

Other costs relate to maintaining the existing capability including, for example, updates for operating system upgrades, bug fixes, or day to day improvements to existing functionality.

Identifying precisely which costs have long term value versus maintenance expenditure requires a degree of judgement. The following principles are applied unless to do so would be clearly incorrect.

Third party costs

Costs in relation to development work on the Managed Print Customer Portal are considered to be capital expenditure. This is because the portal does not generally require maintenance and changes are intended as upgrades to provide additional value to the customer thus increasing the appeal of the overall Managed Print solution.

Where cost is incurred with third parties in relation to development of our own solutions it should be straight forward to identify whether this cost relates to new capability or maintaining existing capability. Broadly, where the Chief Technology Officer (CTO) or Development Manager have made the procurement for the purpose of development testing, that should be clearly communicated to finance to process as capital expenditure. If there is no clear guide from the CTO or Development Manager then the item is expensed appropriately in the statement of comprehensive income.

Staff costs

Development staff work across both new product development and maintaining existing products. The Development manager and CTO estimate the time allocated to various development activities of each Individual developer. This judgement has been the core method of cost allocation of staff costs of the Development Team. The core activities to be capitalised are considered to be developing new code, design/architecture of products, and testing. Remaining activities, including developing updates, bug-fixes, day-to-day maintenance and administration are written off as period costs.

Amortisation

Research and development costs are amortised on a straight-line basis over 5 years. 5 years reflects our judgement of the useful economic life of new software developments to the Aura Futures group.

Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost less accumulated amortisation.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Software	20-25% straight line
Development costs	20% straight line

Tangible fixed assets

Tangible fixed assets are measured at cost net of depreciation.

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

Leasehold improvements	20-25% straight line
Plant and equipment	20-50% straight line and 15% reducing balance
Fixtures and fittings	14-50% straight line and 15% reducing balance

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.

Fixed asset investments

In the separate financial statements of the company, interests in subsidiaries are 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.

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

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Financial instruments

The group 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 when the group becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other debtors, amounts owed by group undertakings 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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 group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from group undertakings 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.

Equity instruments

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income and expenses from subsidiaries that will be assessed to or allow for tax in a future period except where the group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

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.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

The group received a discretionary cash grant of £141,449 (2020: £152,682) from the government as part of the Coronavirus Job Retention Scheme (CJRS) which compensates employers for part of the wages, associated national insurance contributions (NICs) and employer pension contributions of employees who have been placed on furlough (i.e. placed on a temporary leave of absence from working for the employer). The grant is conditional upon the employees being employed and on the company PAYE payroll and the employee cannot do any work for their employer that makes money or provides services for their employer or any organisation linked or associated with their employer. There are no unfulfilled conditions or contingencies attached to the grant and the company has received no other forms of UK government assistance.

During the prior period Aura Futures, Inc. (formerly Intevi Inc), a subsidiary of the group, received assistance from the US government in the form of a Economic Injury Disaster Loan (EIDL). The cash grant of £nil (2020: £4,673) has no unfulfilled conditions attached to it and does not need to be repaid to the government. The company has received no other forms of government assistance.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Inventory - Karlson

We estimate the average quantity held on customer sites in arriving at the value of Toner in Field. This is based on a number of factors including our experience and consumables management approach; ensuring stock outs do not occur but whilst supplying only what is required to customers.

Revenue recognition

Where revenue has been recognised on customer rental contracts but not yet assigned to a funder, an estimate of the market rate of interest for those rentals has been applied. This is based on quoted funder rates with an adjustment for the risk in those agreements.

Accrued income

We carry out judgement that income accrued but not yet invoiced will be invoiced in due course and we estimate the excess volume to be billed to customers post-year end based on historical records and data collection systems.

Deferred income

Income and cost recognised against part-complete projects is based on an estimate of completeness of the installation at the end of the period.

Accruals

Holiday accrual

We have estimated the amount of accrued holiday pay required. We have judged that everybody took at least their statutory minimum holidays but had allowed employees to carry over more un-taken holiday than would normally.

Bonus accrual

We have estimated the amount of employee bonus and commission payments due.

Goodwill

The directors have carried out a review of the carrying value of goodwill and do not consider an impairment to be necessary.

Development costs

Development costs are capitalised based on an estimate of the time spent by the development team on new code, design/architecture of products and testing for products already released or in development. Time spent on updating existing software and other areas are not included. The costs arise through payroll and third party consultants.

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Prior period adjustment

The directors have revisited the classification of group loan liabilities and consider that these should be shown for accounting purposes as falling due within one year. The statement of financial position has been restated to reflect this, as detailed below. The adjustment has had no impact on the net liabilities figure or on the loss for the financial year previously reported.

The group loans have no definitive repayment date. However, in certain circumstances these loans would be repayable on demand such as on an exit event occurring. Where the company cannot unconditionally defer payment, the directors consider that the classification of the borrowings as a current liability is appropriate.

Changes to the statement of financial position - group

	As previously reported £	Adjustment £	As restated at 31 Dec 2020 £
Creditors due within one year			
Other borrowings	-	(25,324,545)	(25,324,545)
Net current liabilities	(2,050,269)	(25,324,545)	(27,374,814)
Creditors due after one year			
Other borrowings	(35,766,733)	25,324,545	(10,442,188)
Net liabilities	(4,229,471)	-	(4,229,471)
Capital and reserves			
Total equity	(4,229,471)	-	(4,229,471)

Changes to the statement of financial position - company

	As previously reported £	Adjustment £	As restated at 31 Dec 2020 £
Creditors due within one year			
Other borrowings	-	(25,324,545)	(25,324,545)
Net current assets	25,324,545	(25,324,545)	-
Creditors due after one year			
Other borrowings	(25,324,545)	25,324,545	-
Net assets	-	-	-
Capital and reserves			
Total equity	-	-	-

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

4 Turnover and other revenue

	2021 £	2020 £
Turnover analysed by class of business		
Solutions	14,358,832	5,537,880
Services	6,215,091	4,163,748
	<u>20,573,923</u>	<u>9,701,628</u>
	2021 £	2020 £
Other operating income		
Grants received	141,449	192,971
Other income	17,632	-
	<u>159,081</u>	<u>192,971</u>
	2021 £	2020 £
Turnover analysed by geographical market		
United Kingdom	18,560,049	8,504,356
Europe	1,366,401	652,752
Rest of world	647,473	544,520
	<u>20,573,923</u>	<u>9,701,628</u>

5 Employees

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

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Administrative	20	11	-	-
Sales and marketing	16	11	-	-
Operations	60	49	-	-
Management	10	9	-	-
	<u>106</u>	<u>80</u>	<u>-</u>	<u>-</u>
Total	106	80	-	-

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

5 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	4,922,593	2,969,635	-	-
Social security costs	598,935	363,806	-	-
Pension costs	166,477	252,707	-	-
	<u>5,688,005</u>	<u>3,586,148</u>	<u>-</u>	<u>-</u>

6 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	382,167	418,499
Company pension contributions to defined contribution schemes	17,508	14,957
	<u>399,675</u>	<u>433,456</u>

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

	2021 £	2020 £
Remuneration for qualifying services	175,000	142,949
Company pension contributions to defined contribution schemes	8,000	5,476
	<u>183,000</u>	<u>148,425</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2020: 3).

AURA FUTURES HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021****7 Operating loss**

	2021	2020
	£	£
Operating loss for the period is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	44,467	(1,232)
Research and development costs	76,247	47,692
Government grants	(141,449)	(192,971)
Depreciation of owned tangible fixed assets	91,328	47,827
Loss on disposal of tangible fixed assets	380	316
Amortisation of intangible assets	3,767,797	2,980,745
Profit on disposal of intangible assets	(2,129)	-
Stocks impairment losses recognised or reversed	3,000	-
Operating lease charges	186,062	82,633

8 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	10,000	5,000
Audit of the financial statements of the company's subsidiaries	70,000	55,000
	<u>80,000</u>	<u>60,000</u>
For other services		
Taxation compliance services	23,500	17,500

9 Interest receivable and similar income

	2021	2020
	£	£
Interest income		
Interest on bank deposits	627	-

10 Interest payable and similar expenses

	2021	2020
	£	£
Interest on bank overdrafts and loans	1,067,840	904,633
Other interest	15,958	9,432
Total finance costs	<u>1,083,798</u>	<u>914,065</u>

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	23,290	-
Adjustments in respect of prior periods	18,133	-
Total UK current tax	41,423	-
Foreign current tax on profits for the current period	1,140	-
Total current tax	42,563	-
Deferred tax		
Origination and reversal of timing differences	(388,050)	(105,785)
Changes in tax rates	(6,901)	4,745
Adjustment in respect of prior periods	(116,888)	-
Total deferred tax	(511,839)	(101,040)
Total tax credit	(469,276)	(101,040)

The total tax 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:

	2021 £	2020 £
Loss before taxation	(4,822,640)	(4,359,093)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(916,302)	(828,228)
Tax effect of expenses that are not deductible in determining taxable profit	165,742	75,979
Tax effect of income not taxable in determining taxable profit	(111,574)	-
Change in unrecognised deferred tax assets	-	(23,180)
Adjustments in respect of prior years	11,144	-
Effect of change in corporation tax rate	(45,861)	-
Group relief	(161,462)	13,715
Amortisation on assets not qualifying for tax allowances	698,133	561,872
Research and development tax credit	8,587	14,356
Other permanent differences	1,930	-
Deferred tax adjustments in respect of prior years	(116,888)	-
Other differences	(2,725)	84,446
Taxation credit	(469,276)	(101,040)

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11 Taxation (Continued)

The Finance Act 2016 was enacted so as to reduce the corporation tax rate from 19% to 17% with effect from 1 April 2020. In March 2021 the Chancellor announced that the corporation tax rate would increase to 25% in the year 2023, and this was substantively enacted before the reporting date and therefore has been used in the measurement of deferred tax.

12 Intangible fixed assets

Group	Goodwill	Software	Development costs	Total
	£	£	£	£
Cost				
At 1 January 2021	35,934,153	109,742	331,913	36,375,808
Additions - internally developed	-	2,108	316,397	318,505
Additions - business combinations	2,050,621	11,502	-	2,062,123
Disposals	-	(8,710)	-	(8,710)
At 31 December 2021	37,984,774	114,642	648,310	38,747,726
Amortisation				
At 1 January 2021	2,915,968	64,777	-	2,980,745
Amortisation charged for the year	3,677,662	23,235	66,900	3,767,797
Disposals	-	(2,129)	-	(2,129)
At 31 December 2021	6,593,630	85,883	66,900	6,746,413
Carrying amount				
At 31 December 2021	31,391,144	28,759	581,410	32,001,313
At 31 December 2020	33,018,185	44,965	331,913	33,395,063

The company had no intangible fixed assets at 31 December 2021 or 31 December 2020.

The amortisation charge is included in administrative expenses in the consolidated statement of comprehensive income.

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13 Tangible fixed assets

Group	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Total £
Cost				
At 1 January 2021	41,263	136,198	62,782	240,243
Additions	54,259	49,654	11,387	115,300
Business combinations	4,587	29,403	5,828	39,818
Disposals	-	(12,998)	-	(12,998)
At 31 December 2021	100,109	202,257	79,997	382,363
Depreciation				
At 1 January 2021	-	35,146	12,629	47,775
Depreciation charged in the year	21,279	47,164	22,885	91,328
Eliminated in respect of disposals	-	(12,618)	-	(12,618)
At 31 December 2021	21,279	69,692	35,514	126,485
Carrying amount				
At 31 December 2021	78,830	132,565	44,483	255,878
At 31 December 2020	41,263	101,052	50,153	192,468

The company had no tangible fixed assets at 31 December 2021 or 31 December 2020.

14 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	15	-	-	-	-

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

15 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Aura Futures Limited	a)	Workspace technology and services	Ordinary	100.00	-
Intevi Limited	a)	Collaboration solutions	Ordinary	-	100.00
Karlson UK Limited	a)	Managed print solutions	Ordinary	-	100.00
Aura Futures, Inc.	b)	Collaboration solutions	Ordinary	-	100.00
Intevi Poland Sp. Zo.o.	c)	Software research & development	Ordinary	-	100.00
Reflex 2016 Limited	d)	Holding company	Ordinary	-	100.00
Reflex 2005 Limited	d)	Holding company	Ordinary	-	100.00
Reflex Audio Visual Limited	d)	Holding company	Ordinary	-	100.00
Reflex Limited	a)	Sale, installation and maintenance of audio visual equipment	Ordinary	-	100.00
Classroom Displays Limited	d)	Dormant company	Ordinary	-	100.00
Reflex Care Limited	d)	Dormant company	Ordinary	-	100.00

Registered office addresses:

- a) 40 Clifton Street, London, England, EC2A 4DX
- b) 1250 Broadway, 36th Floor, New York, 10001, USA
- c) Ruś 14, Olsztyn, Warmińsko-Mazurskie, 10-687, Poland
- d) 1 Bennet Court, Bennet Road, Reading, England, RG2 0QX

During the year, the group acquired 100% of the share capital of Reflex 2016 Limited as disclosed in note 16. It is the intention of the directors to strike off Reflex 2016 Limited and its subsidiaries, other than Reflex Limited.

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Acquisition

On 4 August 2021 the group acquired 100% of the issued capital of Reflex 2016 Limited for a total cost of £2,794,677.

	Book Value £	Adjustments £	Fair Value £
Net assets acquired			
Intangible assets	11,502	-	11,502
Property, plant and equipment	39,818	-	39,818
Inventories	1,761,032	-	1,761,032
Trade and other receivables	3,253,343	-	3,253,343
Cash and cash equivalents	1,299,958	-	1,299,958
Borrowings	(425,000)	-	(425,000)
Trade and other payables	(4,566,964)	-	(4,566,964)
Tax liabilities	(618,525)	-	(618,525)
Deferred tax	(11,108)	-	(11,108)
Total identifiable net assets	744,056	-	744,056
Goodwill			2,050,621
Total consideration			2,794,677
The consideration was satisfied by:			£
Cash			2,600,000
Transaction costs			194,677
			2,794,677
Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:			£
Turnover			6,925,987
Profit after tax			521,375

17 Stocks

	Group 2021 £	2020 £	Company 2021 £	2020 £
Work in progress	467,427	39,913	-	-
Finished goods and goods for resale	3,444,415	1,394,501	-	-
	3,911,842	1,434,414	-	-

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

18 Debtors

	Group 2021	2020	Company 2021	2020
Amounts falling due within one year:	£	£	£	£
Trade debtors	2,871,869	1,341,453	-	-
Corporation tax recoverable	-	8,071	-	-
Amounts owed by group undertakings	-	-	35,954,090	25,324,545
Other debtors	289,984	213,314	-	-
Prepayments and accrued income	1,478,826	1,247,889	-	-
	<u>4,640,679</u>	<u>2,810,727</u>	<u>35,954,090</u>	<u>25,324,545</u>
Deferred tax asset (note 22)	557,823	57,092	-	-
	<u>5,198,502</u>	<u>2,867,819</u>	<u>35,954,090</u>	<u>25,324,545</u>

19 Creditors: amounts falling due within one year

		Group 2021	2020 as restated	Company 2021	2020 as restated
	Notes	£	£	£	£
Other borrowings	21	35,954,090	25,324,545	35,954,090	25,324,545
Trade creditors		4,767,641	1,683,664	-	-
Corporation tax payable		21,238	-	-	-
Other taxation and social security		1,259,742	718,090	-	-
Deferred income		3,048,518	1,286,258	-	-
Other creditors		578,678	666,587	-	-
Accruals		3,486,282	2,642,742	-	-
		<u>49,116,189</u>	<u>32,321,886</u>	<u>35,954,090</u>	<u>25,324,545</u>

20 Creditors: amounts falling due after more than one year

		Group 2021	2020 as restated	Company 2021	2020 as restated
	Notes	£	£	£	£
Bank loans and overdrafts	21	10,527,129	10,442,188	-	-
		<u>10,527,129</u>	<u>10,442,188</u>	<u>-</u>	<u>-</u>

Amounts included above which fall due after five years are as follows:

Payable by instalments	-	10,442,188	-	-
	<u>-</u>	<u>10,442,188</u>	<u>-</u>	<u>-</u>

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

21 Borrowings

	Group 2021 £	2020 as restated £	Company 2021 £	2020 as restated £
Bank loans	10,527,129	10,442,188	-	-
Loans from group undertakings	35,954,090	25,324,545	35,954,090	25,324,545
	<u>46,481,219</u>	<u>35,766,733</u>	<u>35,954,090</u>	<u>25,324,545</u>
Payable within one year	35,954,090	25,324,545	35,954,090	25,324,545
Payable after one year	<u>10,527,129</u>	<u>10,442,188</u>	<u>-</u>	<u>-</u>

During the prior period the group received a bank loan of £11,000,000 which is due for repayment in April 2026. Interest is accrued at a rate of 2.25% per quarter and secured by fixed and floating charges over the assets of; Aura Futures Limited, Intevi Limited, Karlson UK Limited and Reflex Limited. The loan is secured by The Wilmington Trust (the agent) for and on behalf of Cordet (the lender). At the year end £10,527,129 (2020: £10,442,188) was outstanding.

During the year, the group had a credit facility with Aura Futures Group Holdings Limited approved to the value of £10,629,545 in addition to the opening balance of £25,324,545. The group loans have no definitive repayment date, but are repayable on demand on any exit event. As the group and company do not control the timing of an exit event the group loans have been classified as short-term, where the company cannot unconditionally defer payment in certain circumstances. The loan is unsecured and is not interest bearing. At the year end £35,954,090 (2020: £25,324,545) was outstanding.

22 Deferred taxation

The major deferred tax liabilities and assets recognised by the group and company are:

	Assets 2021 £	Assets 2020 £
Group		
Accelerated capital allowances	(125,598)	(52,701)
Tax losses	656,183	104,350
Short term timing differences	27,238	5,443
	<u>557,823</u>	<u>57,092</u>

The company has no deferred tax assets or liabilities.

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

22 Deferred taxation (Continued)

	Group 2021 £	Company 2021 £
Movements in the year:		
Asset at 1 January 2021	57,092	-
Credit to profit or loss	511,839	-
Acquired through business combinations	(11,108)	-
	<u>557,823</u>	<u>-</u>
Asset at 31 December 2021	<u>557,823</u>	<u>-</u>

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period. The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

23 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>166,477</u>	<u>252,707</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

At the year end there were outstanding pension contributions of £27,520 (2020: £28,651) included within accruals in respect of Aura Futures Limited and Reflex Limited. The group had also prepaid pension contributions of £24,882 (2020: £nil) in respect of Karlson Limited.

24 Share capital

	Group and Company			
	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary share of 1p each	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>

The total aggregate nominal value of shares was £0.01 and therefore not shown in the financial statements.

The share has attached to it full voting, dividend and capital distribution rights; and does not confer any rights of redemption.

25 Reserves

Profit and loss reserves

The cumulative profit and loss is net of distributions to owners of which £nil were paid during the current year or comparative period.

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

26 Cash generated from group operations

	2021 £	2020 £
Loss for the year after tax	(4,353,364)	(4,258,053)
Adjustments for:		
Taxation credited	(469,276)	(101,040)
Finance costs	1,083,798	914,065
Bank interest received	(627)	-
Loss on disposal of tangible fixed assets	380	316
Gain on disposal of intangible assets	(2,129)	-
Amortisation of intangible assets	3,767,797	2,980,745
Depreciation of tangible fixed assets	91,328	47,827
Movements in working capital:		
Increase in stocks	(716,396)	(74,730)
Decrease in debtors	1,405,954	3,514,144
Increase/(decrease) in creditors	628,713	(1,683,223)
Cash generated from operations	1,436,178	1,340,051

27 Analysis of changes in net debt - group

	1 January 2021 £	Cash flows £	Acquisitions and disposals £	Other non- cash changes £	Exchange rate movements £	31 December 2021 £
Cash at bank and in hand	644,839	7,748,151	1,299,958	-	(9,207)	9,683,741
Borrowings excluding overdrafts	(35,766,733)	(10,629,545)	-	(84,941)	-	(46,481,219)
	<u>(35,121,894)</u>	<u>(2,881,394)</u>	<u>1,299,958</u>	<u>(84,941)</u>	<u>(9,207)</u>	<u>(36,797,478)</u>

28 Financial commitments, guarantees and contingent liabilities

During the comparative period Aura Futures Limited, a subsidiary of the group, entered into a Revolving Credit Facility (RCF) agreement with the Wilmington Trust for £1,000,000. This was never drawn down and in January 2021 the agreement ceased.

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

29 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Within one year	132,317	130,606	-	-
Between one and five years	71,519	14,990	-	-
	<u>203,836</u>	<u>145,596</u>	<u>-</u>	<u>-</u>

30 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Acquisition of tangible fixed assets	-	5,590	-	-
	<u>-</u>	<u>5,590</u>	<u>-</u>	<u>-</u>

31 Related party transactions

Transactions with related parties

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

	Services 2021 £	2020 £
Group		
Entities with control, joint control or significant influence over the company	100,574	283,140
	<u>100,574</u>	<u>283,140</u>

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2021 £	2020 £
Group		
Entities with control, joint control or significant influence over the group	358,566	283,140
	<u>358,566</u>	<u>283,140</u>

AURA FUTURES HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

32 Directors' transactions

Included within other debtors are the following director loan balances which are unsecured, interest free and repayable on divestiture of each director's shares in Aura Futures Group Holdings Limited.

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Directors' loans	-	155,161	38,636	(9,366)	184,431
		<u>155,161</u>	<u>38,636</u>	<u>(9,366)</u>	<u>184,431</u>

33 Controlling party

The immediate parent company and largest group to prepare consolidated financial statements including this entity is Aura Futures Group Holdings Limited, a company incorporated in England and Wales with a registered office of 40 Clifton Street, London, EC2A 4DX.

Aura Futures Group Holdings Limited is controlled by Baird Capital Global Fund I LP; Baird Capital Global Fund I-DE LP, BCGF Affiliates Fund LP and BCGF I Special Affiliates LP via owning 61% of the issued share capital. These funds are ultimately controlled by Baird Capital Global Fund Management I LP, registered in the Cayman Islands.