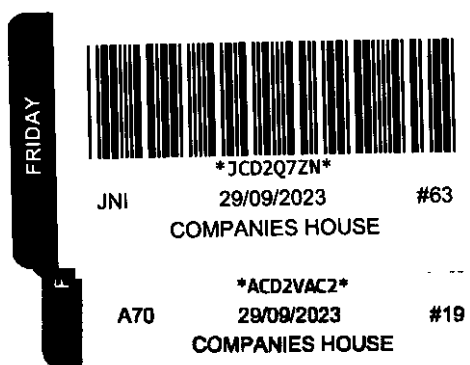


Registered number: NI601280

## LOGICEARTH LEARNING SERVICES LIMITED

### DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



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**LOGICEARTH LEARNING SERVICES LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	P Carlin B S Jackson P D McKay M Morrow D M Sharrock
<b>Registered number</b>	NI601280
<b>Registered office</b>	Pinsent Masons LLP 1 Lanyon Place Belfast BT1 3LP

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**LOGICEARTH LEARNING SERVICES LIMITED**

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## **LOGICEARTH LEARNING SERVICES LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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The Directors present their annual report and the financial statements for the Company for the year ended 31 December 2022.

#### **Principal activity**

The Company's principal activity during the year were providing e-learning services.

The directors do not expect the principal activity of the Company to change for the foreseeable future.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £1,365,292 (2021: £434,762).

Dividends of £696,056 were declared for the year ended 31 December 2022 (2021: £176,457).

The Statement of Profit and Loss and Other Comprehensive Income and Statement of Financial Position for the year ended 31 December 2022 are set out on pages 4 and 6 respectively.

#### **Directors**

The Directors who served during the year were:

P Carlin  
B S Jackson  
P D McKay  
M Morrow  
D M Sharrock

None of the directors held any interest in the Company at the beginning or end of the year.

#### **Contributions**

The Company did not make any charitable or political donations that require disclosure in the financial year (2021: £NIL).

#### **Principal risks and uncertainties**

Inizio group management review the principal risks and uncertainties facing the Group and individual companies. The Company's key risks and uncertainties are identified as: economic, political, legislative, regulatory and tax changes; client diversification; changing client strategies; innovation; sustainability; talent management; legal and contract risks; regulatory and compliance risks; IT system adequacy; Cyber security; business continuity; Financial controls.

#### **Future developments**

The Directors expect that the Company will continue with its existing operations for the foreseeable future.

#### **Going Concerns**

On the basis of their assessment of the Company's financial position, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

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**LOGICEARTH LEARNING SERVICES LIMITED**

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

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**Events since year end**

There were no subsequent events since year end and up to the date of approval of the financial statements, that require disclosure in, or adjustment to, these financial statements.

**Small companies note**

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

This report was approved by the board on 7 September 2023 and signed on its behalf.



**B S Jackson**  
Director

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**LOGICEARTH LEARNING SERVICES LIMITED**

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**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 year.

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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board

  
**B S Jackson**  
Director

Date: 7 September 2023

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**LOGICEARTH LEARNING SERVICES LIMITED**

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**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	Note	2022 £	2021 £
Turnover	4	3,759,800	2,905,922
Cost of sales		(1,601,310)	(627,212)
<b>Gross profit</b>		<b>2,158,490</b>	<b>2,278,710</b>
Administrative expenses		(468,684)	(1,739,367)
<b>Operating profit</b>	5	<b>1,689,906</b>	<b>539,343</b>
Interest receivable and similar income	8	41	75
Interest payable and similar expenses	9	(3,598)	(2,145)
<b>Profit before tax</b>		<b>1,686,349</b>	<b>537,273</b>
Tax on profit	10	(321,067)	(102,511)
<b>Profit for the financial year</b>		<b>1,365,292</b>	<b>434,762</b>

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

The notes on pages 8 to 24 form part of these financial statements.

**LOGICEARTH LEARNING SERVICES LIMITED**  
**REGISTERED NUMBER: NI601280**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Non-current assets</b>			
Tangible fixed assets	12	<b>164,493</b>	16,502
		<u><b>164,493</b></u>	<u>16,502</u>
<b>Current assets</b>			
Work in progress	13	<b>100,098</b>	27,520
Debtors: amounts falling due within one year	14	<b>3,269,696</b>	1,445,717
Cash at bank and in hand	15	<b>291,860</b>	634,640
		<u><b>3,661,654</b></u>	<u>2,107,877</u>
Creditors: amounts falling due within one year	16	<b>(2,533,643)</b>	(1,600,251)
<b>Net current assets</b>		<u><b>1,128,011</b></u>	<u>507,626</u>
<b>Total assets less current liabilities</b>		<u><b>1,292,504</b></u>	<u>524,128</u>
Creditors: amounts falling due after more than one year	17	<b>(98,988)</b>	-
<b>Net assets</b>		<u><u><b>1,193,516</b></u></u>	<u><u>524,128</u></u>



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**LOGICEARTH LEARNING SERVICES LIMITED**  
**REGISTERED NUMBER: NI601280**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2022**

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		2022 £	2021 £
<b>Capital and reserves</b>			
Called up share capital	20	4	4
Other reserves	21	152	-
Profit and loss account	21	1,193,360	524,124
		<u>1,193,516</u>	<u>524,128</u>

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from audit under section 479A of the Companies Act 2006.

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 September 2023.



**B S Jackson**  
Director

The notes on pages 8 to 24 form part of these financial statements.

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**LOGICEARTH LEARNING SERVICES LIMITED**

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

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	<b>Called up share capital</b>	<b>Other reserves</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 January 2021</b>	<b>4</b>	<b>-</b>	<b>265,819</b>	<b>265,823</b>
Profit for the year	-	-	434,762	434,762
Dividends paid	-	-	(176,457)	(176,457)
<b>At 1 January 2022</b>	<b>4</b>	<b>-</b>	<b>524,124</b>	<b>524,128</b>
Profit for the year	-	-	1,365,292	1,365,292
Share based payment charge	-	152	-	152
Dividends paid (note 11)	-	-	(696,056)	(696,056)
<b>At 31 December 2022</b>	<b>4</b>	<b>152</b>	<b>1,193,360</b>	<b>1,193,516</b>

The notes on pages 8 to 24 form part of these financial statements.

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## LOGICEARTH LEARNING SERVICES LIMITED

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

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#### 1. General information

LogicEarth Learning Services Ltd ('the Company') provides e-learning services. The Company is a private limited company and is incorporated and domiciled in the United Kingdom. The address of its registered office is Pinsent Masons LLP, 1 Lanyon Place, Belfast, Northern Ireland, BT1 3LP.

The Company is included in the consolidated financial statements of its indirect parent company Inizio Group Limited (formerly known as Hunter Holdco 3 Limited). Inizio Group Limited is a company incorporated and domiciled in the United Kingdom. The consolidated financial statements are prepared in accordance with UK adopted international accounting standards. Copies of Inizio Group Limited's financial year 2022 consolidated financial statements, which include the Company, are available from its registered office at 8th Floor, Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN, United Kingdom. Those financial statements have been prepared in a manner equivalent to consolidated accounts drawn up in accordance with the provisions of the Seventh Directive (83/349EEC).

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### 2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

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## **LOGICEARTH LEARNING SERVICES LIMITED**

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

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#### **2. Accounting policies (continued)**

##### **2.3 New standards, amendments and IFRIC interpretations**

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2022 that have a material impact on the company's financial statements.

##### **2.4 Going concern**

On the basis of their assessment of the Company's financial position the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

##### **2.5 Turnover and Revenue**

Turnover represents amounts received or receivable from clients, exclusive of value added tax, for the rendering of services and comprises charges for fees, commissions, rechargeable expenses incurred on behalf of clients and sales of marketing products.

Revenue is turnover less amounts payable on behalf of clients to external suppliers where they are retained to perform part of a specific client project or service, and represents fees, commissions and mark-ups on rechargeable expenses and marketing products.

Turnover and revenue reflect the fair value of the proportion of the work carried out in the year by recording turnover and related costs as service activity progresses. Revenue derived from retainers is recognised over time as the performance obligations are satisfied over the term of the retainer contract. Revenue for time-charge based work is recognised at the amount for which the Company has the right to invoice, therefore revenue is recognised based on number of hours worked at the agreed rate, subject to any fee cap.

For fixed fee projects, revenue is only recognised once the final outcome can be assessed with reasonable certainty. The stage of completion is determined relative to the total number of hours or significant milestones expected to complete the work or provision of services as this reflects the satisfaction of the performance obligations within the contract.

Revenue in the form of commissions on media placements and fees for creative and production services provided is recognised as the services are performed.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Consequently, the Company does not adjust any of the transaction prices for the time value of money.

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## LOGICEARTH LEARNING SERVICES LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.6 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is GBP.

###### Transactions and balances

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

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

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

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

##### 2.7 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved.

##### 2.8 Leases

###### The Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. The incremental borrowing rate has been determined using a build-up approach that starts with a risk-free interest rate adjusted for credit risk of leases and making adjustments specific to the lease, e.g. term, country, currency and security.

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## LOGICEARTH LEARNING SERVICES LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.8 Leases (continued)

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

The lease liability is included in 'Creditors' on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the term of the lease agreement. The depreciation starts at the commencement date of the lease.

The right-of-use assets are included in the 'Tangible Fixed Assets' lines, as applicable, in the Statement of Financial Position.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

##### 2.9 Interest income

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

##### 2.10 Finance costs

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

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## LOGICEARTH LEARNING SERVICES LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.11 Pensions

###### Defined contribution pension plan

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

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

##### 2.12 Current and deferred taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

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

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

##### 2.13 Tangible fixed assets

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

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## LOGICEARTH LEARNING SERVICES LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.13 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

L/Term Leasehold Property	-
Short Term Leasehold Property	- 25% straight line
Fixtures & fittings	- 25% - 33% straight line

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

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

##### 2.14 Work in progress

Work in progress is stated at the lower of cost and net realisable value, and consists of third party costs incurred on behalf of clients which have still to be recharged.

##### 2.15 Debtors

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

##### Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use



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## LOGICEARTH LEARNING SERVICES LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.15 Debtors (continued)

of a provision account. When a trade receivable is considered uncollectible, it is written off against the provision account. Subsequent recoveries of amounts previously written off are credited against the provision account. Changes in the carrying amount of the provision are recognised in the income statement.

##### 2.16 Cash and cash equivalents

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

##### 2.17 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

##### 2.18 Financial Instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

###### Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

###### Financial liabilities

###### At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

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## LOGICEARTH LEARNING SERVICES LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.19 Share-based payment transactions

The Group operates a Management Incentive Plan which allows Directors and members of management to acquire shares in the Company's parent. The scheme is an equity settled arrangement under IFRS 2 Share-based Payments. The fair value of the share-based payment instruments offered to employees is recognised as an employee expense, with a corresponding increase in equity, over the estimated period to an exit event, being a listing or sale. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service condition is expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service condition on exit.

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

In the application of the Company's accounting policies, the Directors are required to make judgements and assumptions about the future, based on historical experience and other factors which are considered to be relevant. The resulting accounting estimates will, by definition, seldom equal the related actual results.

##### Revenue recognition

The Company recognises revenue on projects based on the proportion of work completed at the balance sheet date.

Judgement is required in assessing the fair value of the proportion of work completed and hence the appropriate value of revenue to be recognised in the year. Management make this judgement using estimates of expected hours required to complete the project against the budget, alongside any milestones set out in the contract.

For fixed fee projects, revenue is only recognised once the final outcome can be assessed with reasonable certainty. The stage of completion is determined relative to the total number of hours or significant milestones expected to complete the work or provision of services as this reflects the satisfaction of the performance obligations within the contract.

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**LOGICEARTH LEARNING SERVICES LIMITED**

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

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**4. Turnover**

Analysis of turnover by country of destination:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
United Kingdom	<b>1,760,058</b>	1,214,035
Europe	<b>1,329,667</b>	1,599,419
Rest of the world	<b>670,075</b>	92,468
	<b><u>3,759,800</u></b>	<b><u>2,905,922</u></b>

Timing of revenue recognition:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Goods and services transferred over time	<b>3,759,800</b>	2,905,922
	<b><u>3,759,800</u></b>	<b><u>2,905,922</u></b>

The Company applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

The amount of revenue recognised in 2022 from performance obligations satisfied (or partially satisfied) in previous periods is £NIL.

**5. Operating profit**

The operating profit is stated after charging:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	<b>24,589</b>	30,865
Exchange differences	<b>(42,209)</b>	50,263
Defined contribution pension cost	<b>30,008</b>	(3,518)
	<b><u>12,388</u></b>	<b><u>77,610</u></b>

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**LOGICEARTH LEARNING SERVICES LIMITED**

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

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**6. Employees**

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>1,050,721</b>	<b>971,999</b>
Social security costs	<b>113,003</b>	<b>100,226</b>
Cost of defined contribution scheme	<b>30,008</b>	<b>(3,518)</b>
Share-based payment charge	<b>152</b>	<b>-</b>
	<b><u>1,193,884</u></b>	<b><u>1,068,707</u></b>

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

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Public relations professionals	<b><u>29</u></b>	<b><u>23</u></b>

**7. Directors' remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Directors' emoluments	<b><u>180,000</u></b>	<b><u>180,000</u></b>

The highest paid Director received remuneration of £90,000 (2021 - £90,000).

**8. Interest receivable and similar income**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other interest receivable	<b><u>41</u></b>	<b><u>75</u></b>

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**LOGICEARTH LEARNING SERVICES LIMITED**

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

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**9. Interest payable and similar expenses**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank interest payable	<b>2,570</b>	1,010
Interest on lease liabilities	<b>1,028</b>	1,135
	<u><b>3,598</b></u>	<u><b>2,145</b></u>

**10. Taxation**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Corporation tax</b>		
Current tax on profits for the year	<b>321,438</b>	102,707
Adjustments in respect of prior year	<b>(313)</b>	108
<b>Total corporation tax</b>	<u><b>321,125</b></u>	<u><b>102,815</b></u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>(59)</b>	(313)
Impact of change in UK tax rate	<b>-</b>	9
Adjustment in respect of prior period	<b>(9)</b>	-
<b>Total deferred tax</b>	<u><b>(68)</b></u>	<u><b>(304)</b></u>
<b>Taxation on profit on ordinary activities</b>	<u><u><b>321,057</b></u></u>	<u><u><b>102,511</b></u></u>

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**10. Taxation (continued)**

**Factors affecting tax charge for the year**

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

	2022 £	2021 £
Profit on ordinary activities before tax	<b>1,686,349</b>	537,273
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	<b>320,406</b>	102,082
Effects of:		
Non-tax deductible expenses	<b>973</b>	312
Adjustments in respect of prior year	<b>(322)</b>	108
Impact of changes in UK tax rate	-	9
<b>Total tax charge for the year</b>	<b>321,057</b>	102,511

**Factors that may affect future tax charges**

The UK Government has enacted an increase in the main rate of corporation tax to 25% with effect from 1 April 2023. The impact of this change is incorporated in the reported numbers.

**11. Dividends**

	2022 £	2021 £
Dividends paid to holder of ordinary shares	<b>696,056</b>	176,457
	<b>696,056</b>	176,457

The dividend paid per issued ordinary share was £174,014 (2021: £44,114).

**LOGICEARTH LEARNING SERVICES LIMITED**

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**12. Tangible fixed assets**

	Right of use assets £	Long-term leasehold property £	Fixtures & fittings £	Total £
<b>Cost or valuation</b>				
At 1 January 2022	67,326	-	4,077	71,403
Additions	115,884	56,696	-	172,580
At 31 December 2022	<u>183,210</u>	<u>56,696</u>	<u>4,077</u>	<u>243,983</u>
<b>Depreciation</b>				
At 1 January 2022	51,135	-	3,766	54,901
Charge for the year on owned assets	21,985	2,293	311	24,589
At 31 December 2022	<u>73,120</u>	<u>2,293</u>	<u>4,077</u>	<u>79,490</u>
<b>Net book value</b>				
At 31 December 2022	<u>110,090</u>	<u>54,403</u>	<u>-</u>	<u>164,493</u>
At 31 December 2021	<u>16,191</u>	<u>-</u>	<u>311</u>	<u>16,502</u>

The net book value of owned and leased assets included as "Tangible fixed assets" in the Statement of Financial Position is as follows:

	2022 £	2021 £
Tangible fixed assets owned	54,403	311
Right-of-use tangible fixed assets	110,090	16,191
	<u>164,493</u>	<u>16,502</u>

Information about right-of-use assets is summarised below:

**Net book value**

	2022 £	2021 £
Property	<u>110,090</u>	<u>16,191</u>

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**LOGICEARTH LEARNING SERVICES LIMITED**

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

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**13. Work in progress**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Work in progress	<b>100,098</b>	<b>27,520</b>

**14. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>276,828</b>	<b>341,049</b>
Amounts owed by group undertakings	<b>1,629,104</b>	<b>520,741</b>
Other debtors	<b>45,854</b>	<b>20,109</b>
Prepayments and accrued income	<b>1,317,910</b>	<b>563,818</b>
	<b>3,269,696</b>	<b>1,445,717</b>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

**15. Cash and cash equivalents**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>291,860</b>	<b>634,640</b>



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**LOGICEARTH LEARNING SERVICES LIMITED**

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

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**16. Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Deferred tax liability (note 19)	-	68
Trade creditors	<b>168,345</b>	134,035
Amounts owed to group undertakings	<b>1,567,688</b>	908,811
Corporation tax	<b>321,125</b>	102,706
Taxation and social security	<b>26,740</b>	5,924
Lease liability	<b>17,725</b>	17,339
Other creditors	<b>5,765</b>	5,766
Accruals and deferred income	<b>426,245</b>	425,602
	<u><b>2,533,843</b></u>	<u><b>1,600,251</b></u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

**17. Creditors: amounts falling due after more than one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Lease liabilities	<b>98,988</b>	-
	<u><b>98,988</b></u>	<u><b>-</b></u>

**18. Leases**

**Company as a lessee**

The Company has one lease contract for use of its office building. The amounts recognised in the financial statements in relation to this lease are as follows:

	<b>2022</b>
	<b>£</b>
<b>At 1 January 2022</b>	<b>17,339</b>
Additions	<b>115,884</b>
Cash payments	<b>(17,538)</b>
Accretion of interest	<b>1,028</b>
<b>At 31 December 2022</b>	<u><b>116,713</b></u>

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**LOGICEARTH LEARNING SERVICES LIMITED**

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

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**Lease (continued)**

Lease liabilities are due as follows:

	2022 £	2021 £
Lease liabilities due within one year	17,725	17,339
Lease liabilities due after more than one year	98,988	-
	<u>116,713</u>	<u>17,339</u>

The following amounts in respect of leases, where the Company is a lessee, have been recognised in profit or loss:

	2022 £	2021 £
Interest expense on lease liabilities	<u>1,028</u>	<u>1,135</u>

**19. Deferred taxation**

	2022 £	2021 £
At beginning of year	(68)	(372)
Credit/(charge) to the profit or loss	68	304
At end of year	<u>-</u>	<u>(68)</u>

The deferred taxation balance is made up as follows:

	2022 £	2021 £
Capital allowances in excess of depreciation	<u>-</u>	<u>(68)</u>

**20. Share capital**

	2022 £	2021 £
Authorised, allotted, called up and fully paid		
4 (2021 - 4) Ordinary shares of £1.00 each	<u>4</u>	<u>4</u>

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## LOGICEARTH LEARNING SERVICES LIMITED

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

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#### 21. Reserves

##### Other reserves

Other reserve relates to equity settled share based payments.

##### Profit & loss account

Includes all current and prior period retained profits and losses.

#### 22. Contingent liabilities

The Company has guaranteed certain bank loans and other loan facilities of Inizio Group Limited and subsidiaries (the Group). At 31 December 2022, the total amount of Group's borrowings and facilities guaranteed amounted to £2,114m (2021: £1,646m).

The Company is registered with HM Revenue & Customs as a member of a group for VAT purposes and as a result is jointly and severally liable on a continuing basis for amounts owing by any other members of that group in respect of unpaid VAT. At the balance sheet date the outstanding VAT group liability was £3m (2021: £3m).

#### 23. Events since year end

There were no subsequent events since year end and up to the date of approval of the financial statements, that require disclosure in, or adjustment to, these financial statements.

#### 24. Controlling party

At 31 December 2022, the Company was a wholly owned subsidiary of Huntsworth Limited, a company incorporated in the United Kingdom.

The ultimate controlling party of the Company is Clayton, Dubilier & Rice Holdings LLC, a company incorporated in the Cayman Islands.

The Company is included in the consolidated financial statements of its indirect parent company Inizio Group Limited (formerly known as Hunter Holdco 3 Limited). Inizio Group Limited is a company incorporated and domiciled in the United Kingdom. The consolidated financial statements are prepared in accordance with UK adopted international accounting standards. Copies of Inizio Group Limited's financial year 2022 consolidated financial statements, which include the Company, are available from its registered office at 8th Floor, Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN, United Kingdom.

#### 25. Approval of financial statements

The Board of Directors approved these financial statements for issue on 7 September 2023.