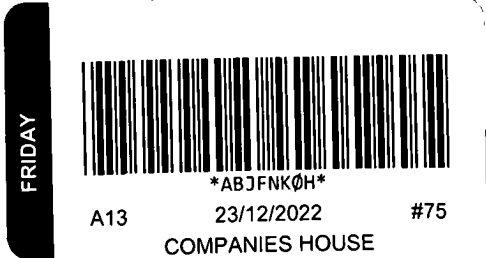

CHORUS INTELLIGENCE LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**



CHORUS INTELLIGENCE LIMITED

COMPANY INFORMATION

DIRECTORS

N Lawson
B D Mulvey

REGISTERED NUMBER

07814100

REGISTERED OFFICE

6 Quay Point
Station Road
Woodbridge
Suffolk
IP12 4AL

INDEPENDENT AUDITORS

Peters Elworthy & Moore
Chartered Accountants & Statutory Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA

CHORUS INTELLIGENCE LIMITED

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CHORUS INTELLIGENCE LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

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

PRINCIPAL ACTIVITY

The principal activity of the Group and Company during the year was the provision of data analytic software.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £2,256,488 (2021 - loss £932,884).

No dividends were paid or recommended in the current year (2021 - £NIL).

DIRECTORS

The directors who served during the year were:

N Lawson
B D Mulvey

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Accounting Standards ("IAS"). 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 the Company and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IASs have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

CHORUS INTELLIGENCE LIMITED

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

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- as far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, Peters Elworthy & Moore, have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed.

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 and signed on its behalf by:

Boyd Mulvey

**B D Mulvey
Director**

Date: 16 December 2022

CHORUS INTELLIGENCE LIMITED

**INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

OPINION

We have audited the financial statements of Chorus Intelligence Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 March 2022, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 March 2022, and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- the Parent Company financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or 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.

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

CHORUS INTELLIGENCE LIMITED

**INDEPENDENT AUDITORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

OTHER INFORMATION

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate accounting records have not been kept 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;
- certain disclosures of directors' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

CHORUS INTELLIGENCE LIMITED

**INDEPENDENT AUDITORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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.

AUDITORS' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the Group and Parent Company through discussions with management and from our commercial knowledge and experience of the software industry;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements, including IFRS, the Companies Act 2006 and relevant taxation legislation in the jurisdictions in which the Group operates, or the operations of the Group and Parent Company including data protection, employment matters and safety and Information Security quality standards;
- we obtained an understanding of the Group and Parent Company's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence available.

CHORUS INTELLIGENCE LIMITED

**INDEPENDENT AUDITORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

We assessed the susceptibility of the Group and Parent Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of fraud through management bias and override of controls. In addressing the risk of fraud through management override of controls we:

- tested the appropriateness of journal entries and other adjustments;
- designed procedures to identify unexpected and unusual journal entries and performed testing to confirm the validity of such postings;
- assessed whether the significant accounting judgements and estimates made in the financial statements were indicative of potential bias; and
- evaluated the business rationale of any significant transactions that were unusual or outside the normal course of business.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

CHORUS INTELLIGENCE LIMITED

**INDEPENDENT AUDITORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

USE OF OUR REPORT

This report is made solely to the Company's members 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 Auditors' 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 for our audit work, for this report, or for the opinions we have formed.

Callum Dunsmore (Senior Statutory Auditor)
for and on behalf of
Peters Elworthy & Moore
Chartered Accountants
Statutory Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 16 December 2022

CHORUS INTELLIGENCE LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
REVENUE	3	3,928,669	3,096,496
Cost of sales		<u>(1,045,527)</u>	(800,124)
GROSS PROFIT		2,883,142	2,296,372
Administrative expenses		<u>(5,337,914)</u>	(3,572,690)
OPERATING LOSS		(2,454,772)	(1,276,318)
ADJUSTED OPERATING LOSS		(1,281,888)	(383,428)
Amortisation of intangible assets	11	<u>(584,745)</u>	(356,770)
Share based payment expense	22	<u>(345,731)</u>	(152,632)
Non-underlying costs	26	<u>(242,408)</u>	(383,488)
OPERATING LOSS		(2,454,772)	(1,276,318)
Finance income	8	144	2,937
Finance charges	8	<u>(79,347)</u>	(13,750)
LOSS BEFORE TAX		(2,533,975)	(1,287,131)
Taxation	9	<u>277,487</u>	354,247
LOSS FOR THE YEAR		(2,256,488)	(932,884)
OTHER COMPREHENSIVE INCOME			
Foreign currency translation (loss)/gain - foreign operations		<u>(104,230)</u>	65,284
OTHER COMPREHENSIVE INCOME FOR THE YEAR		(104,230)	65,284
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(2,360,718)	(867,600)
ATTRIBUTABLE TO:			
Owners of the parent		<u>(2,360,718)</u>	(867,600)

All amounts relate to continuing operations.

The accompanying notes form part of these financial statements.

CHORUS INTELLIGENCE LIMITED
REGISTERED NUMBER: 07814100

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
NON-CURRENT ASSETS			
Property, plant and equipment	10	615,955	709,466
Intangible assets	11	1,566,238	1,180,500
Other receivables	13	62,000	62,000
TOTAL NON-CURRENT ASSETS		<u>2,244,193</u>	<u>1,951,966</u>
CURRENT ASSETS			
Trade and other receivables	13	1,137,528	1,203,423
Cash and cash equivalents	14	3,162,395	1,260,969
TOTAL CURRENT ASSETS		<u>4,299,923</u>	<u>2,464,392</u>
TOTAL ASSETS		<u>6,544,116</u>	<u>4,416,358</u>
EQUITY			
Share capital	15	4	4
Share premium		3,210,857	2,904,562
Foreign exchange reserve		(43,914)	60,316
Accumulated losses		(5,402,216)	(3,491,459)
TOTAL EQUITY		<u>(2,235,269)</u>	<u>(526,577)</u>
NON-CURRENT LIABILITIES			
Deferred tax	16	60,422	-
Other loans	17	2,698,897	-
Lease obligation	18	176,169	281,078
Deferred revenue	19	838,873	1,488,624
TOTAL NON-CURRENT LIABILITIES		<u>3,774,361</u>	<u>1,769,702</u>
CURRENT LIABILITIES			
Other loans	17	1,000,000	-
Lease obligation	18	104,443	101,645
Deferred revenue	19	2,959,118	2,439,666
Trade and other payables	20	941,463	631,922
TOTAL CURRENT LIABILITIES		<u>5,005,024</u>	<u>3,173,233</u>
TOTAL EQUITY AND LIABILITIES		<u>6,544,116</u>	<u>4,416,358</u>

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 by:

Boyd Mulvey

B D Mulvey

Director

Date: 16 December 2022

The accompanying notes form part of these financial statements.

CHORUS INTELLIGENCE LIMITED
REGISTERED NUMBER: 07814100

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
NON-CURRENT ASSETS			
Property, plant and equipment	10	559,846	678,090
Intangible assets	11	1,566,238	1,180,500
Investments	12	7,955	7,955
Other receivables	13	62,000	62,000
TOTAL NON-CURRENT ASSETS		<u>2,196,039</u>	<u>1,928,545</u>
CURRENT ASSETS			
Trade and other receivables	13	3,618,111	2,360,952
Cash and cash equivalents	14	3,132,790	1,246,262
TOTAL CURRENT ASSETS		<u>6,750,901</u>	<u>3,607,214</u>
TOTAL ASSETS		<u>8,946,940</u>	<u>5,535,759</u>
EQUITY			
Share capital	15	4	4
Share premium		3,210,857	2,904,562
Accumulated losses		(3,004,800)	(2,302,937)
TOTAL EQUITY		<u>206,061</u>	<u>601,629</u>
NON-CURRENT LIABILITIES			
Deferred tax	16	60,422	-
Other loans	17	2,698,897	-
Lease obligation	18	176,169	281,078
Deferred revenue	19	838,873	1,488,624
TOTAL NON-CURRENT LIABILITIES		<u>3,774,361</u>	<u>1,769,702</u>
CURRENT LIABILITIES			
Other loans	17	1,000,000	-
Lease obligation	18	104,443	101,645
Deferred revenue	19	2,940,648	2,437,983
Trade and other payables	20	921,427	624,800
TOTAL CURRENT LIABILITIES		<u>4,966,518</u>	<u>3,164,428</u>
TOTAL EQUITY AND LIABILITIES		<u>8,946,940</u>	<u>5,535,759</u>

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 by:

Boyd Mulvey

B D Mulvey

Director

Date: 16 December 2022

The accompanying notes form part of these financial statements.

CHORUS INTELLIGENCE LIMITED

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

	Note	Share capital £	Share premium £	Foreign exchange reserve £	Accumulated losses £	Total equity £
BALANCE AT 1 APRIL 2021		4	2,904,562	60,316	(3,491,459)	(526,577)
COMPREHENSIVE LOSS FOR THE YEAR						
Loss for the year		-	-	-	(2,256,488)	(2,256,488)
Other comprehensive loss for the year		-	-	(104,230)	-	(104,230)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		-	-	(104,230)	(2,256,488)	(2,360,718)
TRANSACTIONS WITH OWNERS						
Issue of shares	15	-	306,295	-	-	306,295
Share based payment expense	22	-	-	-	345,731	345,731
TOTAL TRANSACTIONS WITH OWNERS		-	306,295	-	345,731	652,026
BALANCE AT 31 MARCH 2022		4	3,210,857	(43,914)	(5,402,216)	(2,235,269)

The accompanying notes form part of these financial statements.

CHORUS INTELLIGENCE LIMITED

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

	Note	Share capital £	Share premium £	Foreign exchange reserve £	Accumulated losses £	Total equity £
BALANCE AT 1 APRIL 2020		4	2,904,468	(4,968)	(2,711,207)	188,297
COMPREHENSIVE LOSS FOR THE YEAR						
Loss for the year		-	-	-	(932,884)	(932,884)
Other comprehensive income for the year		-	-	65,284	-	65,284
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		-	-	65,284	(932,884)	(867,600)
TRANSACTIONS WITH OWNERS						
Issue of shares	15	-	94	-	-	94
Share based payment expense	22	-	-	-	152,632	152,632
TOTAL TRANSACTIONS WITH OWNERS		-	94	-	152,632	152,726
BALANCE AT 31 MARCH 2021		4	2,904,562	60,316	(3,491,459)	(526,577)

The accompanying notes form part of these financial statements.

CHORUS INTELLIGENCE LIMITED

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

	Note	Share capital £	Share premium £	Accumulated losses £	Total equity £
BALANCE AT 1 APRIL 2021		4	2,904,562	(2,302,937)	601,629
COMPREHENSIVE LOSS FOR THE YEAR					
Loss for the year and total comprehensive loss for the year		-	-	(1,047,594)	(1,047,594)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		-	-	(1,047,594)	(1,047,594)
TRANSACTIONS WITH OWNERS					
Issue of shares	15	-	306,295	-	306,295
Share based payment expense	22	-	-	345,731	345,731
TOTAL TRANSACTIONS WITH OWNERS		-	306,295	345,731	652,026
BALANCE AT 31 MARCH 2022		4	3,210,857	(3,004,800)	206,061

The accompanying notes form part of these financial statements.

CHORUS INTELLIGENCE LIMITED

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

	Note	Share capital £	Share premium £	Accumulated losses £	Total equity £
BALANCE AT 1 APRIL 2020		4	2,904,468	(2,233,160)	671,312
COMPREHENSIVE LOSS FOR THE YEAR					
Loss for the year and total comprehensive loss for the year		-	-	(222,409)	(222,409)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		-	-	(222,409)	(222,409)
TRANSACTIONS WITH OWNERS					
Issue of shares	15	-	94	-	94
Share based payment expense	22	-	-	152,632	152,632
TOTAL TRANSACTIONS WITH OWNERS		-	94	152,632	152,726
BALANCE AT 31 MARCH 2021		4	2,904,562	(2,302,937)	601,629

The accompanying notes form part of these financial statements.

CHORUS INTELLIGENCE LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(2,533,975)	(1,287,131)
ADJUSTMENTS FOR:			
Depreciation of property, plant and equipment	10	263,889	228,656
Amortisation of intangible assets	11	584,745	356,770
(Profit)/loss on disposal of property, plant and equipment		-	(538)
Net foreign exchange differences		(106,632)	68,304
Finance income	8	(144)	(2,937)
Finance charges	8	79,347	13,750
Share based payment expense	22	345,731	152,632
Decrease/(increase) in trade and other receivables		66,029	(421,619)
Increase in trade and other payables		148,622	1,028,586
Corporate taxes received		337,775	153,659
NET CASH (USED IN)/FROM OPERATING ACTIVITIES		<u>(814,613)</u>	<u>290,132</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	10	(167,976)	(266,078)
Proceeds from sale of property, plant and equipment		-	1,100
Capitalisation of development costs	11	(970,483)	(968,034)
Interest received		144	2,937
NET CASH USED IN INVESTING ACTIVITIES		<u>(1,138,315)</u>	<u>(1,230,075)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
New other loans	17	3,698,897	-
Proceeds from issue of share capital	15	306,295	94
Payment of lease obligations	18	(113,523)	(96,731)
Loan interest paid		(37,315)	-
NET CASH FROM/(USED IN) FINANCING ACTIVITIES		<u>3,854,354</u>	<u>(96,637)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,901,426	(1,036,580)
Cash and cash equivalents at beginning of year		1,260,969	2,297,549
CASH AND CASH EQUIVALENTS AT END OF YEAR	14	<u>3,162,395</u>	<u>1,260,969</u>

The accompanying notes form part of these financial statements.

CHORUS INTELLIGENCE LIMITED

**COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(1,325,162)	(576,732)
ADJUSTMENTS FOR:			
Depreciation of property, plant and equipment	10	243,308	210,002
Amortisation of intangible assets	11	584,745	356,770
(Profit)/loss on disposal of property, plant and equipment		-	(538)
Finance income	8	(144)	(2,937)
Finance charges	8	79,347	13,750
Share based payment expense	22	345,731	152,632
Increase in trade and other receivables		(1,257,025)	(1,015,128)
Increase in trade and other payables		118,921	1,019,781
Corporate taxes received		337,856	153,735
NET CASH (USED IN)/FROM OPERATING ACTIVITIES		<u>(872,423)</u>	<u>311,335</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	10	(125,064)	(255,298)
Proceeds from sale of property, plant and equipment		-	1,100
Capitalisation of development costs	11	(970,483)	(968,034)
Acquisition of investments	12	-	-
Interest received		144	2,937
NET CASH USED IN INVESTING ACTIVITIES		<u>(1,095,403)</u>	<u>(1,219,295)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
New other loans	17	3,698,897	-
Proceeds from issue of share capital	15	306,295	94
Payment of lease obligations	18	(113,523)	(96,731)
Loan interest paid		(37,315)	-
NET CASH FROM/(USED IN) FINANCING ACTIVITIES		<u>3,854,354</u>	<u>(96,637)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,886,528	(1,004,597)
Cash and cash equivalents at beginning of year		1,246,262	2,250,859
CASH AND CASH EQUIVALENTS AT END OF YEAR	14	<u><u>3,132,790</u></u>	<u><u>1,246,262</u></u>

The accompanying notes form part of these financial statements.

CHORUS INTELLIGENCE LIMITED

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

1. GENERAL INFORMATION

Chorus Intelligence Limited is a private company limited by shares and incorporated in England and Wales. The address of its registered office is given on the company information page. The nature of the Group and Company's operations and principal activities are set out in the Directors' Report on pages 1 to 2.

These financial statements are presented in pounds sterling (£) because that is the currency of the primary economic environment in which the Group operates.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below.

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared under the historical cost convention and in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006.

The consolidated financial statements include the results of Chorus Intelligence Limited and all its subsidiary undertakings made up to the same accounting date. All intra-group balances, transactions, income and expenses are eliminated in full on consolidation. The results of subsidiary undertakings acquired or disposed of during the year are included or excluded from the income statement from date of acquisition or disposal. Subsidiary company results are adjusted, where appropriate, to conform to Group accounting policies.

The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and Loss Account. The loss for the year dealt with in the accounts of the Company was £1,047,594 (2021 - loss of £222,409).

2.2 GOING CONCERN

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

In making their assessment the directors have prepared forward trading and cash flow forecasts for the Group to March 2024, including due consideration of the current UK and global economic outlook. In spite of the ongoing uncertainty, the Group remains resilient due to its customer base being predominantly law enforcement and other governmental agencies. The Group is performing well against its targets in the post year end period, and the fact that most revenue is invoiced in advance and included in liabilities, further ensures there is sufficient liquidity to support its plans.

On the basis of their review, the directors believe they are well placed to manage the Group's business risks successfully in the current economic climate and remain satisfied that the going concern assessment is appropriate.

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
2.3 NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

The following new and revised Standards and Interpretations have been adopted in the current year.

International Accounting Standard (IAS/IFRS)	Effective Date
<i>Amendments to:</i>	
IFRS 16 COVID-19 Related Rent Concessions	1 April 2021

This amendment has not had a material impact on the Group in the current year.

2.4 STANDARDS, AMENDMENTS AND INTERPRETATIONS TO EXISTING STANDARDS THAT ARE NOT YET EFFECTIVE AND HAVE NOT BEEN ADOPTED EARLY BY THE GROUP

At the date of authorisation of these financial statements the following standards, amendments and interpretations to existing standards were in issue but not yet effective and have not been applied to these financial statements:

International Accounting Standard (IAS/IFRS)	Effective Date
<i>Amendments to:</i>	
IAS 1 'Presentation of Financial Statements' - Classification of Liabilities	1 April 2023

These amendments are not expected to have a material impact on the entity in future reporting periods.

2.5 REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable in the normal course of business, net of discounts, VAT and other sales related taxes. The Group generates its revenue from customers through licence subscription fees and the provision of consulting services.

In respect of licence subscription fees, a customer pays a regular fixed amount (usually annually in advance) in exchange for a right to access the Chorus software and associated technical support. In accordance with IFRS 15 revenue is recognised on a straight line basis over the duration of the contract since the customer benefits from the right to access the software evenly throughout the contract term.

The majority of contracts which the Group enters into with customers are 12 months in length; occasionally the Group incurs a third-party commission in connection with procurement policies adopted by customers, in such instances the Group has chosen to use the practical expedient under IFRS 15 to expense this cost.

Revenue from the provision of consulting services, which can include discrete training assignments, is recognised on completion of the engagement.

Income from out-of-pocket expenses, which can include the sourcing of hardware, and which is incurred by the Group in fulfilling its performance obligations is recognised on completion of the activity, in line with when it is contractually earned and recorded separately as Other income.

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.6 PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment is stated at cost. Expenditure on repairs and maintenance is charged to the Statement of Comprehensive Income as incurred. Additions and improvements are capitalised. The cost and related accumulated depreciation on property, plant and equipment sold or otherwise disposed of are removed from the accounts and any gain or loss is reported within administrative expenses. Depreciation is charged so as to write off the cost of the assets over their estimated useful economic lives, using the straight-line method, on the following basis:

Depreciation is charged so as to write off the cost of the assets over their estimated useful economic lives, using the straight-line method, on the following basis:

Hardware & cloud hosting environment	•	3 years
Leasehold, fixtures & fittings	•	2 to 3 years
Office equipment	•	2 to 3 years
Right-of-use assets	•	over the expected term of the lease

2.7 INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is charged so as to write off the cost of the assets over their estimated useful economic lives, using the straight-line method, on the following basis:

Development costs	•	2 to 3 years
Intellectual property	•	2 to 10 years

2.8 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 IMPAIRMENT OF NON-CURRENT ASSETS

At the date of the statement of financial position, the Group reviews the carrying amounts of its non-current assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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

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

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 TRADE AND OTHER RECEIVABLES

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade and other receivables are initially recognised at fair value and subsequently held at amortised cost, less provision for impairment. Any change in their value through impairment or reversal of impairment is recognised in profit and loss. The Group meets the relevant criteria enabling it to apply the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance.

2.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises cash in hand and other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2.12 EQUITY

Share capital represents the nominal value of shares that have been issued.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related tax benefits.

Foreign exchange reserve includes foreign exchange differences on consolidation of subsidiaries whose accounts are reported under a different functional currency.

Accumulated losses includes all current and previous period retained profits and accumulated losses.

2.13 CONVERTIBLE LOANS

The Group has designated the convertible loan notes at initial recognition to be measured at fair value through the profit and loss. The loan notes are assessed as financial liabilities on the basis of the obligation to settle cash on an exit or maturity. The loan notes include a term whereby a 20% discount is given on conversion based on the latest investor share issue price and hence the potential number of shares which would be issued on conversion is unknown at the loan inception date.

The fair value measurement utilises observable inputs and data as far as possible. Inputs used are categorised into different levels based on the fair value hierarchy:

Level 1 - quoted prices in active markets.

Level 2 - observable direct or indirect inputs other than Level 1 inputs.

Level 3 - inputs that are not based on observable market data.

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.14 TRADE AND OTHER PAYABLES**

Trade and other payables are stated at cost, which approximates fair value due to the short term nature of these liabilities.

2.15 FINANCIAL INSTRUMENTS

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs and subsequently at amortised cost.

The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at FVTPL. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss. All interest-related charges and changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

2.16 FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are translated at the rates of exchange in effect at the dates of the transaction. Resulting foreign currency denominated monetary assets and liabilities are translated at the rates of exchange in effect at the balance sheet date. Any exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded are recognised in the Statement of Comprehensive Income in the period in which they arise.

2.17 RESEARCH AND DEVELOPMENT

Expenditure on research is charged to the Statement of Comprehensive Income in the period in which it is incurred. In the event that an internally generated intangible asset arises from development activities then it will be recognised only if all of the following conditions are met:

- Completion of the asset is technically feasible;
- The Group intends to complete the intangible asset and use or sell it;
- The Group has the ability to use the asset or sell it;
- The intangible asset will generate probable future economic benefits. Among other things, this requires that there is a market for the output from the intangible asset, or, if it is to be used internally, the asset will be used in generating such benefits;
- There are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Internally generated intangible assets are amortised on a straight line basis over their estimated useful life. Amortisation commences when the asset is available for use. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 LEASES

Where the Group has substantially all of the economic benefits from use of a leased asset, leases are recognised on the statement of financial position in the form of a right-of-use asset and a lease liability.

Leases are recognised at their commencement date, being the date on which the underlying asset is available for use by the lessee. If the Group negotiates a lease before the underlying asset is available for use costs relating to the construction or design are accounted for under IFRS 16 and payments for the right-of-use asset are recognised as an asset until such time as the right-of-use asset and lease liability are recognised, unless the terms of the contract are considered onerous.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred and an estimate of costs to restore the underlying asset to its previous condition less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use asset or the end of the lease term. The estimated useful lives of right-to-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the Group's incremental borrowing rate.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options, or periods after termination options, are only included in the lease term if the lease is reasonably certain to be extended, or not terminated.

The lease liability is subsequently measured at amortised cost, using the effective interest method by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

Interest expenses on the lease liabilities are presented separately from the depreciation charge for the right-of-use asset. Interest expenses on the lease liabilities are components of finance costs, which is presented separately in the Statement of Comprehensive Income.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases with a duration of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis.

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 SHORT-TERM EMPLOYEE BENEFITS

Short term employee benefits, including holiday entitlement, are current liabilities measured at the undiscounted amount that the Group expects to pay as a result of the unused entitlement.

2.20 POST-EMPLOYMENT BENEFITS

The Group provides post-employment benefits through a defined contribution pension scheme.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into an independent entity. The Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution. The Group contributes to several schemes for individual employees that are defined contribution plans. Contributions to the plans are recognised as an expense in the period that relevant employee services are received.

2.21 SHARE BASED PAYMENTS

The Group has a share option plan under which it makes equity settled share based payments to certain employees. The plan does not feature any options for a cash settlement. Share options granted under the share option plan are accounted for using the fair value method.

Where employees are rewarded using share based payments, the fair values of employees' services are determined by reference to the fair value at the grant date of equity instruments issued by the Group. The fair value of these instruments (share options) is determined using the Black Scholes valuation model. The share based payment is recognised as an expense in the Statement of Comprehensive Income, together with a corresponding credit to equity. This expense is recognised on a straight-line basis based on the Group's estimate of the number of shares that will vest.

2.22 TAXATION

The tax credit or charge represents the sum of the tax currently receivable or payable and deferred tax.

The tax currently payable/receivable is based on taxable profit/loss for the year. Taxable profit/loss differs from net profit/loss as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the date of the statement of financial position.

Any tax credit receivable under the small company R&D tax scheme is included against the tax charge when there is reasonable probability of receipt.

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 TAXATION (CONTINUED)

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

2.23 CRITICAL ACCOUNTING ESTIMATES AND KEY JUDGEMENTS

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 of the revision and future periods if the revision affects both current and future periods. Key sources of estimation uncertainty relating to these financial statements are:

Revenue recognition

Management judgement is applied in determining the allocation and timing of the recognition of revenue on contracts. Contracts can include both the right to access the Chorus software and ongoing technical support and, where required, training and implementation services. In applying the five-step model set out in IFRS 15 management assess whether the services to be performed under the contract are distinct, and therefore separate performance obligations, or non-distinct with the contract accounted for as a single performance obligation. Management have made the critical judgement that in providing access to the Chorus software, any ancillary services supplied need to be grouped before they form a performance obligation because it is not possible to find utility from one component without having access to the other component and therefore they are not separately identifiable. Revenue is therefore recognised on a straight line basis over the duration of the licence contract.

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.23 CRITICAL ACCOUNTING ESTIMATES AND KEY JUDGEMENTS

Capitalisation of development costs

The point at which development costs meet the criteria for capitalisation is critically dependent on management's judgement of the probability and measurability of the future economic benefits. Development costs have been capitalised since the transition date of 1 April 2018 following strong technological developments in the data-analytics software combined with momentum in revenue generation; equity investment secured during the prior year has enabled the business to continue building its product roadmap with management confident as to the future economic benefits the developed assets will deliver.

Fair value of share options

Management uses valuation techniques to determine the fair value of share based payments. This involves developing estimates and assumptions consistent with how third parties would price the instruments. Given the early stage profile of the business, observable third party equivalent data is not always available and management have therefore used estimates based on best information available. The fair value of share-based payments has been estimated using the Black-Scholes model with the criteria used stated in note 20.

Impairment of financial assets

An impairment loss is recognised for the amount by which an asset's carrying amount exceeds its recoverable amount. Management have considered the carrying value of intra-Group balances and reviewed for indicators of impairment. In determining the recoverable amount assumptions about timing, future levels of activity and operating results have been made. Management will continue to monitor performance and will prepare impairment reviews using a value in use method, if indicators of impairment are identified in the future. In light of this, in considering the requirements of IFRS 9 management have assessed the credit risk of the intra-Group balances and consider that it has a "low-credit risk".

Convertible loans

Management uses a valuation techniques to determine the fair value of the convertible loans notes since active market quotes are not available. This involves developing estimates and assumptions consistent with how investors would price the instrument and includes assumptions about expected future events regarding investor funding, exit and the relevant discount rate.

CHORUS INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

3. REVENUE

Analysis of revenue by type:

	2022	2021
	£	£
Software licences	3,276,946	2,668,737
Cloud hosting	527,647	269,362
Consulting services	72,618	143,600
Other income	51,458	14,797
	<u>3,928,669</u>	<u>3,096,496</u>

Analysis of revenue by country of destination:

	2022	2021
	£	£
United Kingdom	3,927,177	3,086,608
European Union	-	4,613
Rest of the World	1,492	5,275
	<u>3,928,669</u>	<u>3,096,496</u>

4. OPERATING LOSS

	2022	2021
	£	£
THIS IS STATED AFTER CHARGING/(CREDITING):		
Depreciation of property, plant and equipment	263,889	228,656
Amortisation of intangible assets	584,745	356,770
Research and development expenditure	377,651	290,353
Short term lease rentals	6,726	6,731
(Profit)/loss on disposal of property, plant and equipment	-	(538)
Net foreign exchange differences	(95,491)	75,915
Auditors' remuneration	15,000	14,000
Auditors' remuneration - services relating to taxation	6,250	7,225
Auditors' remuneration - other services	9,250	19,450
	<u>1,168,020</u>	<u>998,562</u>

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

5. EMPLOYEE EXPENSE

	2022	2021
	£	£
Wages, salaries and benefits	2,446,081	1,642,223
Social security costs	247,119	160,354
Pension costs	90,297	53,725
Share based payment expense	345,731	152,632
	<u>3,129,228</u>	<u>2,008,934</u>

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

	2022	2021
	No	No
Sales and marketing	14	7
Services and customer support	9	7
Product development	20	18
Management & administration	9	10
	<u>52</u>	<u>42</u>

6. DIRECTORS' REMUNERATION

	2022	2021
	£	£
Emoluments for qualifying services	217,180	188,443
Company pension contributions to defined contribution schemes	-	609
	<u>217,180</u>	<u>189,052</u>

During the year retirement benefits were accruing to no (2021 - 2) directors in respect of defined contribution pension schemes.

No directors hold share options over shares in Chorus Intelligence Limited and no directors exercised share options in the year (2021 - NIL).

As described in note 24, services of N Lawson in excess of his responsibilities as a director are provided through a service company, Ocean Wall Limited, and are not included above.

The highest paid director received the following remuneration:

	2022	2021
	£	£
Aggregate emoluments	205,180	174,997
Company pension contributions to defined contribution schemes	-	292
	<u>205,180</u>	<u>175,289</u>

CHORUS INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

7. KEY MANAGEMENT REMUNERATION

	2022	2021
	£	£
Short-term employee benefits	913,269	696,615
Post-employment benefits	22,889	13,222
Share based payments	243,517	64,184
	<u>1,179,675</u>	<u>774,021</u>

Key management includes directors and members of the management team who have the responsibility for planning, directing and controlling, directly or indirectly, the activities of the Group.

8. FINANCE INCOME AND CHARGES

	2022	2021
	£	£
FINANCE INCOME		
Bank interest received	144	2,937
	<u>144</u>	<u>2,937</u>
FINANCE CHARGES		
Interest on shareholder loans	67,935	-
Interest on lease obligation	11,412	13,750
	<u>79,347</u>	<u>13,750</u>

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

9. TAXATION

	2022	2021
	£	£
UK corporation tax credit	337,990	337,856
UK corporation tax credit - prior period	-	16,467
Foreign tax charge	(81)	(76)
UK deferred tax charge	(60,422)	-
TOTAL TAX CREDIT FOR THE YEAR	277,487	354,247

FACTORS EFFECTING TAX CREDIT FOR THE YEAR

The expected tax credit for the year based on the average UK tax rate for the period of 19.00% (2021 - 19.00%) and the reported tax credit for the year can be reconciled as shown below:

	2022	2021
	£	£
Loss before tax	<u>2,533,975</u>	<u>1,287,131</u>
Tax on loss at standard UK tax rate of 19.00% (2021 - 19.00%)	481,455	244,555
EFFECTS OF:		
Expenses not deductible	(111,399)	(65,442)
Depreciation in excess of capital allowances	-	-
Capital allowances in excess of depreciation	(515)	44,115
Other fixed asset differences	80,032	122,981
Short term timing differences	(416)	(1,311)
Additional deduction for R&D expenditure	250,326	250,226
Surrender of losses for R&D tax credit refund	(104,894)	(104,851)
Adjustment to tax charge in respect of prior periods	-	16,467
Deferred tax not recognised for unrelieved tax losses	(256,680)	(152,493)
Deferred tax charge	(60,422)	-
TOTAL TAX CREDIT FOR THE YEAR	277,487	354,247

Taxable timing differences relating to the UK operations are disclosed in note 16. Unrelieved trading losses relating to the overseas operations estimated at £2,397,000 (2021 - £1,188,000) remain available to offset against future taxable trading profits of the relevant entities in the Group. No deferred tax asset has been recognised in respect of the tax losses in these overseas jurisdictions due to uncertainty over the timing of their recovery.

FACTORS WHICH MAY AFFECT FUTURE TAX CHARGES

The closing deferred tax position has been calculated at 25% (2021 - 19%) in accordance with the rates enacted at the statement of financial position date. The Finance Act 2021, which confirmed the upcoming rise in headline rates of corporation tax to 25% from 1 April 2023, was substantively enacted on 24 May 2021.

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

10. PROPERTY, PLANT AND EQUIPMENT

	Hardware & cloud hosting environment £	Leasehold, fixtures & fittings £	Office equipment £	Right-of-use assets £	Total £
GROUP COST					
At 1 April 2020	-	35,291	677,520	333,140	1,045,951
Transfers between class	243,121	-	(243,121)	-	-
Additions	293,764	24,931	57,058	94,902	470,655
Disposals	-	-	(5,585)	-	(5,585)
Foreign exchange	(2,419)	-	(1,853)	-	(4,272)
At 31 March 2021	534,466	60,222	484,019	428,042	1,506,749
Additions	131,263	463	36,250	-	167,976
Foreign exchange	3,446	-	822	-	4,268
At 31 March 2022	669,175	60,685	521,091	428,042	1,678,993
DEPRECIATION					
At 1 April 2020	-	26,561	481,114	67,227	574,902
Transfers between class	95,835	-	(95,835)	-	-
Charge for the year	104,167	13,845	45,990	64,654	228,656
On disposals	-	-	(5,023)	-	(5,023)
Foreign exchange	(887)	-	(365)	-	(1,252)
At 31 March 2021	199,115	40,406	425,881	131,881	797,283
Charge for the year	153,372	8,898	35,094	66,525	263,889
Foreign exchange	1,437	-	429	-	1,866
At 31 March 2022	353,924	49,304	461,404	198,406	1,063,038
NET BOOK VALUE					
At 31 March 2022	315,251	11,381	59,687	229,636	615,955
At 31 March 2021	335,351	19,816	58,138	296,161	709,466

As at 31 March 2022, there were no contractual commitments for the acquisition of property, plant and equipment.

The Group rents office space in Woodbridge and Cambridge, UK, under lease agreements. Office space is also rented in Canada and USA, albeit under short-term lease agreements for which the practical expedient available under IFRS 16 has been applied.

The Group must keep the offices in a good state of repair and return the offices in a condition as good as their original condition at the end of the lease.

CHORUS INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Hardware & cloud hosting environment £	Leasehold, fixtures & fittings £	Office equipment £	Right-of-use assets £	Total £
COMPANY					
COST					
At 1 April 2020	-	35,291	631,039	333,140	999,470
Transfers between class	208,995	-	(208,995)	-	-
Additions	281,598	24,931	55,046	94,902	456,477
Transfers intra-group	-	-	3,398	-	3,398
Disposals	-	-	(5,585)	-	(5,585)
At 31 March 2021	490,593	60,222	474,903	428,042	1,453,760
Additions	97,646	463	26,955	-	125,064
At 31 March 2022	588,239	60,685	501,858	428,042	1,578,824
DEPRECIATION					
At 1 April 2020	-	26,561	476,903	67,227	570,691
Transfers between class	93,997	-	(93,997)	-	-
Charge for the year	89,048	13,845	42,455	64,654	210,002
On disposals	-	-	(5,023)	-	(5,023)
At 31 March 2021	183,045	40,406	420,338	131,881	775,670
Charge for the year	136,493	8,898	31,392	66,525	243,308
At 31 March 2022	319,538	49,304	451,730	198,406	1,018,978
NET BOOK VALUE					
At 31 March 2022	268,701	11,381	50,128	229,636	559,846
At 31 March 2021	307,548	19,816	54,565	296,161	678,090

As at 31 March 2022, there were no contractual commitments for the acquisition of property, plant and equipment.

The Company rents office space in Woodbridge and Cambridge, UK, under lease agreements. The Woodbridge lease term is 15 years but includes termination provisions on the seventh and tenth anniversary from initial occupation (November 2018). Each lease is reflected on the Statement of Financial Position as a right-of-use asset and a lease liability.

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

11. INTANGIBLE ASSETS

	Development costs £	Intellectual property £	Total £
GROUP AND COMPANY COST			
At 1 April 2020	1,082,177	88,995	1,171,172
Additions	968,034	-	968,034
At 31 March 2021	2,050,211	88,995	2,139,206
Additions	970,483	-	970,483
At 31 March 2022	3,020,694	88,995	3,109,689
AMORTISATION			
At 1 April 2020	601,936	-	601,936
Charge for the year	317,870	38,900	356,770
At 31 March 2021	919,806	38,900	958,706
Charge for the year	545,846	38,899	584,745
At 31 March 2022	1,465,652	77,799	1,543,451
NET BOOK VALUE			
At 31 March 2022	1,555,042	11,196	1,566,238
At 31 March 2021	1,130,405	50,095	1,180,500

12. INVESTMENTS

	Investments in subsidiary companies £
COMPANY COST	
At 1 April 2020, 31 March 2021 and 31 March 2022	<u>7,955</u>
NET BOOK VALUE	
At 31 March 2021 and 31 March 2022	<u>7,955</u>

The subsidiaries held directly by Chorus Intelligence Limited and consolidated into these financial statements are as follows:

Subsidiary name	Country of incorporation	Percentage shareholding	Principal activity
Chorus Intelligence Inc	USA	100%	Provision of software services
Chorus Intelligence (Canada) Ltd	Canada	100%	Provision of software services

CHORUS INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

13. TRADE AND OTHER RECEIVABLES

	2022	2021
	£	£
GROUP DUE IN MORE THAN ONE YEAR		
Other receivables	<u>62,000</u>	<u>62,000</u>
GROUP DUE IN LESS THAN ONE YEAR		
Trade receivables	595,265	664,013
Current tax receivable	337,990	337,856
Other receivables	2,453	371
Prepayments	201,820	201,183
	<u>1,137,528</u>	<u>1,203,423</u>
	2022	2021
	£	£
COMPANY DUE IN MORE THAN ONE YEAR		
Other receivables	<u>62,000</u>	<u>62,000</u>
COMPANY DUE IN LESS THAN ONE YEAR		
Trade receivables	577,017	664,013
Amounts owed by group undertakings	2,517,027	1,159,731
Current tax receivable	337,990	337,856
Other receivables	1,300	-
Prepayments	184,777	199,352
	<u>3,618,111</u>	<u>2,360,952</u>

The net carrying value of trade and other receivables is considered to be a reasonable approximation of their fair value. As at 31 March 2022, the Group and Company did not recognise an allowance in respect of expected credit losses on trade receivables (2021 - £NIL). This is deemed appropriate as the Group and Company have no history of non-payment by customers, largely due to the customer base comprising predominantly law enforcement and other governmental agencies.

The carrying amount of trade and other receivables (excluding tax and prepayments) is denominated in the following currencies:

	2022	2021
	£	£
GROUP		
Great Britain Pound	640,317	726,013
United States Dollar	18,248	-
	<u>658,565</u>	<u>726,013</u>

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

	2022 £	2021 £
COMPANY		
Great Britain Pound	640,317	726,013
United States Dollar	2,058,594	907,115
Canadian Dollar	458,433	252,616
	<u>3,157,344</u>	<u>1,885,744</u>

14. CASH AND CASH EQUIVALENTS

	2022 £	2021 £
GROUP		
Cash at banks and on hand	<u>3,162,395</u>	<u>1,260,969</u>

	2022 £	2021 £
COMPANY		
Cash at banks and on hand	<u>3,132,790</u>	<u>1,246,262</u>

The net carrying value of cash and cash equivalents is considered to be a reasonable approximation of their fair value.

The carrying amount of cash and cash equivalents is denominated in the following currencies:

	2022 £	2021 £
GROUP		
Great Britain Pound	3,123,331	1,246,074
United States Dollar	32,122	12,293
Canadian Dollar	6,942	2,602
	<u>3,162,395</u>	<u>1,260,969</u>

	2022 £	2021 £
COMPANY		
Great Britain Pound	3,123,331	1,246,074
United States Dollar	9,343	188
Canadian Dollar	116	-
	<u>3,132,790</u>	<u>1,246,262</u>

CHORUS INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

15. SHARE CAPITAL

	2022	2021
	£	£
ALLOTTED, CALLED UP AND FULLY PAID		
38,407 (2021 - 38,171) Ordinary shares of £0.0001 each	<u>4</u>	<u>4</u>

On 15 March 2022 the Company issued 236 Ordinary shares of £0.0001 each for total consideration of £306,295.

16. DEFERRED TAX LIABILITY

	2022	2021
	£	£
GROUP AND COMPANY		
Brought forward	-	-
Charge to profit or loss	60,422	-
At 31 March	<u>60,422</u>	<u>-</u>

The deferred tax liability is made up as follows:

	2022	2021
	£	£
GROUP AND COMPANY		
Fixed asset timing differences	460,205	277,896
Short term timing differences	(2,796)	(1,709)
Losses and other deductions	(396,987)	(274,450)
Deferred tax liability not recognised	-	(1,737)
At 31 March	<u>60,422</u>	<u>-</u>

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

17. OTHER LOANS

	2022 £	2021 £
GROUP		
Shareholder loans	1,000,000	-
Convertible loans	2,698,897	-
	<u>3,698,897</u>	<u>-</u>
PRESENTED AS:		
Loans expected to be repaid / convert in less than one year	1,000,000	-
Loans expected to be repaid / convert in more than one year	2,698,897	-
At 31 March	<u>3,698,897</u>	<u>-</u>
	2022 £	2021 £
COMPANY		
Shareholder loans	1,000,000	-
Convertible loans	2,698,897	-
	<u>3,698,897</u>	<u>-</u>
PRESENTED AS:		
Loans expected to be repaid / convert in less than one year	1,000,000	-
Loans expected to be repaid / convert in more than one year	2,698,897	-
At 31 March	<u>3,698,897</u>	<u>-</u>

Shareholder loans

During the period August to October 2021 Chorus Intelligence Limited received a total of £1,000,000 in shareholder loans which are repayable on demand after six months and have a backstop repayment date of one year from the date of inception of the loan. The loan notes are unsecured and carry an interest rate of 12%.

Convertible loans

On 15 March 2022 Chorus Intelligence Limited issued £2,698,897 in convertible loan notes which carry a 10% interest rate. The loan notes are repayable on 16 March 2027 or convertible at a 20% discount to the latest investor share price based on the terms of the instrument.

CHORUS INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

18. LEASE OBLIGATION

	2022 £	2021 £
GROUP AND COMPANY		
Brought forward	382,723	261,127
New leases	-	204,577
Finance costs incurred	11,412	13,750
Payments made during the year	(113,523)	(96,731)
At 31 March	280,612	382,723
PRESENTED AS:		
Lease obligation payable within one year	104,443	101,645
Lease obligation payable in more than one year	176,169	281,078
At 31 March	280,612	382,723

The remaining term on all of the Group's leases is within five years.

19. DEFERRED REVENUE

	2022 £	2021 £
GROUP		
Deferred revenue due in less than one year	2,959,118	2,439,666
Deferred revenue due in more than one year	838,873	1,488,624
	3,797,991	3,928,290
COMPANY		
Deferred revenue due in less than one year	2,940,648	2,437,983
Deferred revenue due in more than one year	838,873	1,488,624
	3,779,521	3,926,607

CHORUS INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

20. TRADE AND OTHER PAYABLES

	2022	2021
	£	£
GROUP		
Trade payables	228,963	322,380
Other taxation and social security	427,150	151,748
Other payables	30,061	11,103
Accruals	255,289	146,691
	<u>941,463</u>	<u>631,922</u>
	2022	2021
	£	£
COMPANY		
Trade payables	216,960	316,072
Other taxation and social security	427,150	151,748
Other payables	25,111	11,103
Accruals	252,206	145,877
	<u>921,427</u>	<u>624,800</u>

The net carrying value of trade and other payables is considered to be a reasonable approximation of their fair values and comprise amounts outstanding for trade purchases and ongoing costs. Normal credit terms for most suppliers are 30 days and the Group tries to adhere to these terms where possible. No interest is charged on trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frames.

The carrying amount of the trade and other payables (excluding tax and social security costs) is denominated in the following currencies:

	2022	2021
	£	£
GROUP		
Great Britain Pound	494,277	473,052
United States Dollar	15,415	4,742
Canadian Dollar	4,621	2,380
	<u>514,313</u>	<u>480,174</u>
	2022	2021
	£	£
COMPANY		
Great Britain Pound	<u>494,277</u>	<u>473,052</u>

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

21. FINANCIAL RISK MANAGEMENT**21.1 SUMMARY OF FINANCIAL ASSETS AND LIABILITIES BY CATEGORY**

The carrying amounts of the financial assets and liabilities as recognised at the balance sheet date of the periods under review may also be categorised as follows:

	2022	2021
	£	£
GROUP		
Loans and receivables:		
Trade and other receivables	658,565	726,013
Cash and cash equivalents	<u>3,162,395</u>	<u>1,260,969</u>
	<u>3,820,960</u>	<u>1,986,982</u>
Financial liabilities measured at amortised cost:		
Other loans	1,000,000	-
Lease obligation	280,612	382,723
Trade and other payables	<u>514,313</u>	<u>480,174</u>
	<u>1,794,925</u>	<u>862,897</u>
Financial liabilities measured at fair value through profit and loss:		
Other loans	<u>2,698,897</u>	-
	2022	2021
	£	£
COMPANY		
Loans and receivables:		
Trade and other receivables	3,157,344	1,885,744
Cash and cash equivalents	<u>3,132,790</u>	<u>1,246,262</u>
	<u>6,290,134</u>	<u>3,132,006</u>
Financial liabilities measured at amortised cost:		
Other loans	1,000,000	-
Lease obligation	280,612	382,723
Trade and other payables	<u>494,277</u>	<u>473,052</u>
	<u>1,774,889</u>	<u>855,775</u>
Financial liabilities measured at fair value through profit and loss:		
Other loans	<u>2,698,897</u>	-

There are no financial instruments that have been measured subsequent to initial recognition at fair value.

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

21. FINANCIAL RISK MANAGEMENT (CONTINUED)
21.2 FINANCIAL RISK FACTORS

The main risks arising from the Group's financial instruments are liquidity risk, interest rate risk, currency risk and credit risk.

21.2.1 LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in meeting its short term obligations associated with financial liabilities.

Liquidity needs are monitored by the Group to ensure it has sufficient funds to meet its liabilities when due, under normal and unexpected conditions, without incurring unacceptable losses.

21.2.2 INTEREST RATE RISK

Interest rate risk is the risk that changes in market interest rates will cause fluctuations to the fair values and cash flows of the Group's financial instruments.

The Group is exposed to changes in market interest rates through its funds held in bank accounts, which are subject to variable interest rates. The Group does not have any significant external borrowings which are subject to variable interest rates.

The following table illustrates the sensitivity of the net result for the period and the equity to a reasonably possible change in interest rates of +5.0% (2021 - +0.5%), with effect from the beginning of the period. These changes are considered to be reasonably possible based on observations of current market conditions. The calculations are based on the Group's financial instruments held at the statement of financial position date. All other variables are held constant.

	2022	2021
	£	£
	+5.0%	+0.5%
Net result for the year	<u>23,161</u>	<u>9,293</u>
Equity	<u>23,161</u>	<u>9,293</u>

21.2.3 CURRENCY RISK

Currency risk is the risk that changes in foreign exchange rates will cause fluctuations to the fair values of the Group's financial instrument holdings that are denominated in a currency other than the functional currency in which they are measured. The Group is exposed to currency risk arising from various currency exposures, primarily with respect to the US Dollar and Canadian Dollar. The Group does not hedge anticipated cash flows. As the Group's international exposure increases the directors will continue to monitor any change in its exposure to foreign currencies and will consider implementing further risk management strategies.

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

21.2 FINANCIAL RISK FACTORS (CONTINUED)

21.2.4 CREDIT RISK

Credit risk is the risk of financial loss to the Group if the counterparty fails to meet its obligation. Credit risk arises from the Group's operating activities from trade and other receivables, financing activities from cash and cash equivalents and deposits with banks and financial institutions.

Credit risk from trade and other receivables is minimised by establishing credit policies such as determining and monitoring customer credit limits, requiring credit approvals, and the monitoring of customer credit risks by grouping customers according to their credit characteristics. Other monitoring procedures are in place to recover overdue customer accounts and to assess impairment.

Credit risk from financing activities is minimised by establishing investment policies in liquid securities with high credit ratings and maintaining accounts in reputable financial institutions with high quality credit ratings.

21.3 CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide adequate return to shareholders by balancing its trading performance with continuing investment to fund its activities and product development.

The Group considers capital to be shareholders' equity as shown in the Statement of Financial Position, as the Group is primarily funded by equity finance. To maintain or adjust the capital structure the Group may return capital to shareholders and issue new shares.

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

22. SHARE-BASED PAYMENTS

The Group has established a share option plan under which options may be granted to directors, officers, employees and consultants. Options granted have an exercise price of not less than the market price of the shares as agreed with HMRC.

The number of ordinary shares for which the Group employees hold options and the period for which the options are exercisable, and their weighted average exercise prices are as follows:

	As at 31 March 2022		As at 31 March 2021	
	Options No	Weighted average exercise price per share £	Options No	Weighted average exercise price per share £
Outstanding brought forward	2,666	2.45	2,068	2.25
Options granted	2,063	2.78	628	2.70
Options lapsed / surrendered	(849)	2.72	-	-
Options exercised	-	-	(30)	3.15
Outstanding carried forward	<u>3,880</u>	<u>2.57</u>	<u>2,666</u>	<u>2.45</u>
Exercisable at the balance sheet date	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The inputs into the Black-Scholes model are as follows:

	2022	2021
Share price, £	213 - 1,704	213 - 642
Exercise price, £	0.01 - 3.26	0.01 - 3.26
Expected volatility	40%	40%
Expected option life, years	5	5
Expected dividend yield	0%	0%
Risk free interest rate	0.44% - 0.79%	0.44% - 0.79%

As the Company's shares are not traded, the expected volatility has been estimated with reference to comparable companies.

The Group recognised total expenses in the period of £345,731 (2021 - £152,632) in respect of equity-settled share based payment transactions.

23. POST EMPLOYMENT BENEFIT PLANS

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost represents contributions payable by the Group to the fund and amounted to £90,297 (2021 - £53,725). Contributions of £11,185 (2021 - £8,996) were payable to the fund at the balance sheet date.

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

24. RELATED PARTY TRANSACTIONS

As at 31 March 2022 Chorus Intelligence Limited was owed £2,058,594 (2021 - £907,115) by Chorus Intelligence Inc.

As at 31 March 2022 Chorus Intelligence Limited was owed £458,433 (2021 - £252,616) by Chorus Intelligence (Canada) Ltd.

During the year ended 31 March 2022 the Group was given a short term loan totalling £150,000 (2021 - £NIL) by B Mulvey, a director and shareholder of Chorus Intelligence Limited. Interest is charged at a rate of 12% and during the year totalled £11,786 (2021 - £NIL), which remains unpaid.

During the year ended 31 March 2022 the Group was given a short term loan totalling £100,000 (2021 - £NIL) by Ocean Wall Limited, a company which is majority owned by N Lawson, a director and shareholder of Chorus Intelligence Limited. Interest is charged at a rate of 12% and during the year totalled £7,825 (2021 - £NIL), which remains unpaid.

During the year ended 31 March 2022 the Group was charged £102,000 (2021 - £118,000) for investor relation services provided by Ocean Wall Limited, a company which is majority owned by N Lawson. The amount charged by this advisory company during the year is not included in directors' remuneration (note 6) since it does not relate directly to the services provided in his role as director. As at 31 March 2022 Chorus Intelligence Limited owed £NIL (2021 - £12,000) to Ocean Wall Limited.

During the year ended 31 March 2022 the Group was charged £12,000 (2021 - £5,000) for board services provided by N Lawson through the Angus Lawson Memorial Trust, a charity in which N Lawson is a trustee. This amount has been included in directors' remuneration (note 6). As at 31 March 2022 Chorus Intelligence Limited owed £7,000 (2021 - £8,000) to Angus Lawson Memorial Trust.

25. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	2022 £	2021 £
LEASE OBLIGATION		
Brought forward at 1 April	382,723	261,127
Cash flows:		
Payments made during the year	(113,523)	(96,731)
Non-cash:		
New leases	-	204,577
Finance costs incurred	11,412	13,750
Carried forward at 31 March	280,612	382,723

CHORUS INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

26. NON-UNDERLYING COSTS

The Group incurs some costs that are not representative of the underlying performance of the business. In such instances, those costs are excluded from Adjusted Operating Loss and recorded separately.

During the year ended 31 March 2022 non-underlying costs were £242,408 (2021 - £383,488), of which £242,408 (2021 - £251,117) related to professional fees and costs incurred in connection with strategic growth activities. In the prior year, recruitment fees of £132,371 were incurred reflecting investment in growth, including a number of senior appointments to position the Group operationally with a strengthened leadership team. Going forward it is not anticipated that significant increases in key personnel are needed in order to scale.

27. IMMEDIATE AND ULTIMATE CONTROLLING PARTY

The Company is under the control of its shareholders and no single shareholder exercises overall control.