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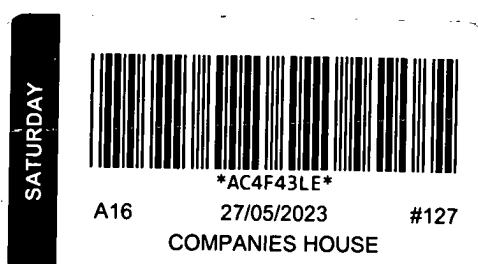
Company Registration No. 02967284

# Inspired Thinking Group (ITG) Limited

Annual report and financial statements

For the year ended

31 August 2022



# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

Annual report and financial statements for the year ended 31 August 2022

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# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

Annual report and financial statements for the year ended 31 August 2022

Officers and professional advisers

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## **Directors**

S Ward  
M Lovett

## **Secretary**

M Lovett

## **Registered Office**

Unit 315  
Fort Dunlop  
Fort Parkway  
Birmingham  
West Midlands  
B24 9FD  
United Kingdom

## **Auditor**

Grant Thornton UK LLP  
Statutory Auditor  
17th Floor  
103 Colmore Row  
Birmingham  
B3 3AG

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

Annual report and financial statements for the year ended 31 August 2022

## Strategic report

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The Directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

### Principal activity

The principal activity of the Company in the year under review was the provision of technology-led marketing services.

### Business review & key performance indicators

The primary objective of the Company is to help its customers significantly improve the efficiency and effectiveness of their marketing operations. The Company provides a range of best in class marketing execution capabilities organised in four distinct, but integrated delivery channels; Strategy & Creative, Creative Production, Online execution (digital and CRM) and Offline.

In addition to the Company's services expertise, the Company has a separate Technology division which develops and maintains proprietary technology solutions which help customers control, streamline and automate their marketing operations across all channels. The Company continued to invest heavily in its technology solutions during the year.

Financial performance for the year has been strong, with the Group continuing to add to its prestigious customer base across all lines of business. Revenue has increased by 18% as a result of continued growth with new and existing customers.

Operating profit for the year of £7,929,417 (2021: £9,160,561) decreased by 14%. This is as a result of increased legal, professional and advisory fees.

The Directors have implemented a range of key performance indicators (KPIs) across the business which are aligned to the strategic objectives of the Company. As well as traditional financial KPIs, the Company also measures and reports monthly KPIs in relation to employee development and satisfaction, customer metrics (including service level performance and customer satisfaction) and operational utilisation. The Company was recently rated as the 31st Best Large Company to work for in the UK, in the 'Best Companies' league tables. This followed 'The Big Questions' employee survey that was sent round in October 2022. Several of the Company's largest customers renewed their contracts with us this year and operational utilisation is tracking in line with prior periods.

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

Annual report and financial statements for the year ended 31 August 2022

Strategic report (continued)

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## Management of principal risks & uncertainties

The Directors consider that the principal risks and uncertainties facing the Company are as follows:

<b>Risk</b>	<b>Potential Impact</b>	<b>Mitigation</b>
<i>Currency Risk</i>	Significant movements in foreign exchange (FX) rates can cause volatility in the Company's profitability and cashflow.	The Board of Directors have implemented a foreign exchange hedging policy and facility in order to mitigate, as far as is possible, the impact of any volatility to the group's statement of comprehensive income from significant movements in FX rates.
<i>Competitive Risk</i>	Could adversely impact future growth plans and ability to service debt.	The Company operates in a competitive marketplace across its range of services. The Company's proposition is differentiated by its approach to customer service and the continued development of its proprietary technology platforms. During the year the group has invested heavily in developing its technology and services capabilities to ensure it can deliver against all customers evolving needs. The Directors continually monitor performance of each customer account to ensure high standards are maintained and to identify opportunities to drive more value to customers, which supports the Company's growth and retention plans. Staff feedback is periodically reviewed, and action taken to ensure that key personnel are retained. There are a number of experienced key personnel in the business lending robustness to the Company's operating model.
<i>Credit Risk</i>	The Company has a number of large contracts where an adverse credit event / large bad debt expense could materially impact the performance of the Company.	The Company generally deals with large, established and financially robust retailers and brands. Credit risk is assessed at the start of each contract and monitored regularly to mitigate any potential exposure. Payment terms are enforced. During the year the Company took out credit insurance to mitigate the impact of any future debt impairment.
<i>Liquidity Risk</i>	Risk to future growth if the Group (of which the Company is part) is unable to service the Senior Debt, or remain with the covenants set on the Senior Debt.	The Picasso Topco Limited Group (of which the Company is a subsidiary) holds a relatively modest level of debt, and so has headroom on both the covenants and the forecast cashflow required to service this debt, without the need to deliver aggressive growth targets.

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

Annual report and financial statements for the year ended 31 August 2022

Strategic report (continued)

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<b>Risk</b>	<b>Potential Impact</b>	<b>Mitigation</b>
<i>Covid-19</i>	The impact of Covid-19 on the group (of which the Company is part) is split into two components, the impact on the Group's operations and the impact on the Group's clients.	The Group's client base is broad and covers many sectors of the economy across the UK, Europe and the rest of the world. Accordingly the impact of Covid-19 has varied, with some clients benefiting from increased demand and others undergoing significant financial stress. The Group's Technology and services are ideally positioned to help clients transition to omnichannel marketing. The pandemic has prompted many of the Group's clients to accelerate adoption across Technology and Online channels and the Group has worked to deliver this to future proof both client's operations and the Group's relationships. Whilst particular sectors remain very exposed to the economic impact of the virus (for example hospitality), the Group is confident that the majority of its clients will survive the next few months of volatile trading.
<i>Global economic downturn</i>	The Group (of which the Company is part) is subject to increased market and economic uncertainty.	<p>In light of the military invasion in Ukraine and a UK cost of living crisis, there is significant economic and market uncertainty, which could persist for some time, and bring with it great uncertainty and challenge for many businesses, including the Group. It is not possible for the directors to assess with any certainty the implications of these events on the Group, either in terms of how long the current crises may continue or in terms of their impact, potential or actual, on ITG's business. This uncertainty is also likely to result in a divergence of investor attitudes and decisions depending on their risk appetite, influenced by their sources of capital, return objectives and investment horizon.</p> <p>Management and the board of Directors have assessed their expectations of the potential impact on ITG as reflected in any projections utilised within the operating of the business and note the potential for greater variation between projected and actual performance than it might otherwise have been.</p>

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

Annual report and financial statements for the year ended 31 August 2022

Strategic report (continued)

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## Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The directors consider, both individually and collectively, that they have acted in a way they consider, in good faith, would be the most likely to promote the success of the company for the benefit of its members as a whole whilst having due regard to the interests of stakeholders and matters set out in s172(1)(a-f), in particular by reference to the Three Year Plan looking out to FY 2025.

The plan is designed to deliver a long-term beneficial impact to shareholders and stakeholders alike through controlled and manageable growth with strict budgetary control and regular performance review whilst ensuring reputational and environmental issues are always fully considered.

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. This is achieved through formal and informal meetings, the Group intranet and face-to-face business briefing sessions. Independent employee surveys are undertaken each year. These are used to further improve employee engagement which has led to monthly briefings at all of the Group's locations for all employees, as well as periodic open forums with the CEO. The Directors undertake a series of quarterly roadshows to all Group sites to present to employees progress of the business and plans for the future.

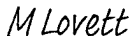
Key to the success of the business is our relationship with our business partners including clients, suppliers and subcontractors. The board fully understand the need to give this due consideration in the company's decision making process and often, these parties are invited to collaborate in making decisions at operational level. Regular meetings are held at board level with our key clients and our well developed and integrated procurement systems and processes ensure that our suppliers and subcontractors are always kept up to date and well informed of our business requirements.

The group recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to mitigate any adverse impact that might be caused by its activities. The group also undergoes assessment as part of our ongoing ESOS compliance with the Environment Agency.

As the board of directors, our intention is to behave responsibly and ensure that management operate the business in a responsible and ethical manner, maintain exemplary standards of business conduct and governance expected of a business such as ours. It is our continuing intention to nurture our reputation, through the construction and delivery of our plan, which reflects our responsible behaviour and approach.

Further, it is our intention to behave responsibly towards our shareholders and treat them fairly and equally so that they will all benefit from the successful delivery of our plan.

Approved by the Board of Directors and signed on behalf of the Board:



M Lovett (May 26, 2023 12:08 GMT+1)

**M Lovett**

Director

26 May 2023

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

Annual report and financial statements for the year ended 31 August 2022

## Directors' report

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The Directors present their annual report with the audited financial statements of the Company for the year ended 31 August 2022.

Certain information in relation to financial performance and financial risk management have been included in the Strategic Report on pages 2 to 5 and forms part of this Directors' report by cross reference.

### Dividends

During the year, Inspired Thinking Group (ITG) Limited declared a dividend to Inspired Thinking Group Holdings Limited of £13,908 (2021: £nil).

### Directors

The Directors who have held office from 1 September 2021 to the date of this report unless otherwise stated are as follows:

S Ward  
M Lovett

The Company provides qualifying third party indemnity provisions to certain directors.

### Going concern

The directors consider that the group (of which the company is part of) and the company has adequate resources to continue in operational existence for the foreseeable future. Consequently, they have continued to adopt the going concern basis in preparing the financial statements. Despite the net liability position presented in the consolidated balance sheet, which is a function of the Group's capital structure and acquisition accounting, the group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate comfortably within the level of its current borrowing facility for a period of at least twelve months from the date of approval of the balance sheet. A reverse stress test has been carried out which shows non-compliance with covenants is highly remote.

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

Annual report and financial statements for the year ended 31 August 2022

Directors' report

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## Future developments

The Directors expect the Company to continue growing in the coming year and are confident that the Picasso Topco Group of companies has sufficient resources to support the Company. At the balance sheet date, the Company had a very strong new sales pipeline which supports further strong growth anticipated for the future. To support the growth in customer base, geographical reach and diversity in skills required, the Company will continue to invest heavily in its technology platform and the development of its employees.

## Events after the balance sheet date

As at the date of this report the Directors are not aware of any major changes in the Company's principal activities in the year ahead and there have been no significant events after the balance sheet date.

## Environment

The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to mitigate any adverse impact that might be caused by its activities.

## Energy and carbon reporting

Energy and greenhouse gas emissions

Calculation of UK GHG emissions from energy use;

Energy Source	31 August 2022 1GHG Emissions		31 August 2021 1GHG Emissions	
	MWh used	(Tonnes)	MWh used	(Tonnes)
Gasoil	434	94	204	44
Electricity (assumed produced from coal)	560	397	512	363
<b>Total</b>	<b>994</b>	<b>491</b>	<b>716</b>	<b>407</b>

## Energy efficiency review

The Company undertook an annual energy efficiency review in accordance with ISO14001 requirements. The two main areas of focus to reduce energy consumption across the business were gas oil and road fuel reduction. A review of the group's working from home policy took place during the year which led to a largely reduced road fuel energy consumption. During the year ITG launched an electric vehicle scheme to reduce their road fuel energy consumption for their employees in the wider environment.

## Energy efficiency actions taken during 2022

The business actively promotes a culture of environmental responsibility including recycling and reducing carbon output where possible by using public transport, car sharing or working from home. Our electricity consumption is managed by auto sensor lighting throughout our offices and virtual collaboration is efficiently utilised. The electric vehicle scheme has been launched during the year and ITG have set themselves a target of being carbon neutral by the end of 2023. To achieve this a number of initiatives have been launched including the planting of 1 million trees.

## Employees

Details of the number of employees and related costs can be found in note 4 to the financial statements.

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

Annual report and financial statements for the year ended 31 August 2022

Directors' report (continued)

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## Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

## Employee consultation

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings, the Company intranet and face-to-face business briefing sessions. Independent employee surveys are undertaken each year. These are used to further improve employee engagement which has led to monthly briefings at all of the Company's locations for all employees, as well as periodic open forums with the CEO. The Directors undertake a series of quarterly roadshows to all Company sites to present to employees progress of the business and plans for the future.

## Auditor

The Directors confirm that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Grant Thornton UK LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board by:

M Lovett

M Lovett (May 26, 2023 12:08 GMT+1)

**M Lovett**

Director

26 May 2023

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

Annual report and financial statements for the year ended 31 August 2022

## Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions 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. The Directors are responsible for preparing the annual report in accordance with applicable law and regulations. The Directors consider the annual report and financial statements as a whole, provides the information necessary to assess the company's performance.

Approved by the Board of Directors and signed on behalf of the Board:

M Lovett

M Lovett (May 26, 2023 12:08 GMT+1)

**M Lovett**

Director

26 May 2023

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

Annual report and financial statements for the year ended 31 August 2022

Independent auditor's report to the members of Inspired Thinking Group (ITG) Limited

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## Opinion

We have audited the financial statements of Inspired Thinking Group (ITG) Limited (the 'Company') for the year ended 31 August 2022, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Covid-19 and the cost of living crisis, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

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

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

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

Annual report and financial statements for the year ended 31 August 2022

Independent auditor's report to the members of Inspired Thinking Group (ITG) Limited  
(continued)

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## Other information

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

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

We have nothing to report in this regard.

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

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

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

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

## Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

Annual report and financial statements for the year ended 31 August 2022

Independent auditor's report to the members of Inspired Thinking Group (ITG) Limited  
(continued)

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## Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

## Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting frameworks (FRS 102 and Companies Act 2006).
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We enquired of management and those charged with governance, concerning the Company's policies and procedures relating to:
  - i) the identification, evaluation and compliance with laws and regulations; and
  - ii) the detection and response to the risks of fraud.
- We enquired of management and those charged with governance, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We corroborated the results of our enquires to relevant supporting documentation.
- Audit procedures performed by the engagement team included:
  - i) evaluation of the programmes and controls established to address the risks related to irregularities and

fraud;

## Inspired Thinking Group (ITG) Limited

Company Number: 02967284

Annual report and financial statements for the year ended 31 August 2022

Independent auditor's report to the members of Inspired Thinking Group (ITG) Limited  
(continued)

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- ii) testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions;
- iii) identifying and testing related party transactions.
  - These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
  - Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
    - i) understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
    - ii) knowledge of the industry in which the client operates;
    - iii) understanding of the legal and regulatory requirements specific to the Company including:
    - iv) the provisions of the applicable legislation;
    - v) the applicable statutory provisions.
  - We did not identify any matters relating to non-compliance with laws and regulation and fraud.

### Use of our report

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

Grant Thornton UK LLP  
Grant Thornton UK LLP (May 26, 2023 12:21 GMT+1)

David White BA FCA  
Senior Statutory Auditor  
For and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Birmingham  
26 May 2023

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Statement of comprehensive income

For the year ended 31 August 2022

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	Notes	2022 £'000	2021 £'000
<b>Turnover</b>	3	139,975	119,125
Cost of sales		(57,540)	(48,901)
<b>Gross profit</b>		82,435	70,224
Other operating income	5	11	1,143
Administrative expenses		(74,801)	(62,206)
<b>Operating profit</b>	5	7,645	9,161
Interest receivable and similar income	6	8	-
Interest payable and similar charges	7	(192)	(350)
<b>Profit before taxation</b>		7,461	8,811
Taxation	8	(1,451)	(1,429)
<b>Profit for the financial year</b>		6,010	7,382

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

The notes on pages 17 to 32 form part of these financial statements.

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Balance sheet

As at 31 August 2022

	Notes	2022 £'000	2021 £'000
<b>Fixed assets</b>			
Intangible assets	9	5,077	4,838
Tangible assets	10	5,398	2,420
		<u>10,475</u>	<u>7,258</u>
<b>Current assets</b>			
Stocks	11	3,432	3,370
Debtors	12	40,766	44,009
Cast at bank and in hand		11,946	11,584
		<u>56,144</u>	<u>58,963</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(43,603)</u>	<u>(36,846)</u>
<b>Net current assets</b>		<u>12,541</u>	<u>22,117</u>
<b>Total assets less current liabilities</b>		<u>23,016</u>	<u>29,375</u>
<b>Net assets</b>		<u>23,016</u>	<u>29,375</u>
<b>Capital and reserves</b>			
Called up share capital	15	-	-
Capital contribution reserve		1,539	-
Profit and loss account		21,477	29,375
		<u>23,016</u>	<u>29,375</u>
<b>Shareholders' funds</b>		<u>23,016</u>	<u>29,375</u>

The notes on pages 17 to 32 form part of these financial statements.

The financial statements of Inspired Thinking Group (ITG) Limited, registered number 02967284 were approved by the Board of Directors and authorised for issue on 26 May 2023.

Signed on behalf of the Board of Directors

M Lovett

M Lovett (May 26, 2023 12:08 GMT+1)

**M Lovett**  
Director

## Inspired Thinking Group (ITG) Limited

Company Number: 02967284

### Statement of changes in equity

For the year ended 31 August 2022

	Called up Share Capital £'000	Capital Contribution Reserve £'000	Profit & Loss Account £'000	Total £'000
<b>At 1 September 2020</b>	-	-	21,993	21,993
Total comprehensive income for the year to 31 August 2021	-	-	7,382	7,382
<b>At 31 August 2021</b>	-	-	<b>29,375</b>	<b>29,375</b>
Income for the period	-	-	6,010	6,010
Total comprehensive income for the year to 31 August 2022	-	-	6,010	6,010
Share based payment charge	-	1,539	-	1,539
Dividends	-	-	(13,908)	(13,908)
Total contributions by and distributions to owners	-	1,539	(13,908)	23,016
<b>As at 31 August 2022</b>	-	<b>1,539</b>	<b>21,477</b>	<b>23,016</b>

The notes on pages 17 to 32 form part of these financial statements.

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Notes to the financial statements

For the year ended 31 August 2022

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### 1 Accounting policies

#### General information

Inspired Thinking Group (ITG) Limited is a private Company limited by shares and is incorporated in the United Kingdom and registered in England and Wales under the Companies Act. The address of its registered office is Unit 315 Fort Dunlop, Fort Parkway, Birmingham, West Midlands B24 9FD. The nature of the Company's operations and principal activities are set out in the strategic report on page 2 and 5.

#### Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with Financial Reporting Standards (FRS 102) as issued by the Financial Reporting Council and Companies Act 2006.

#### FRS102 - reduced disclosure requirements

The Company has taken advantage of the following exemptions in preparing these financial statements as permitted by FRS102:

- Under Section 7 FRS102 and Section 3 FRS102 3.17 the Company is a qualifying entity and therefore exemption has been taken from preparing a cash flow statement on the grounds that the ultimate parent Company includes the subsidiary in its published consolidated financial statements.
- Under Section 33 FRS102 33.1A the Company is a wholly owned subsidiary, and has therefore taken advantage of the exemption available, and has not disclosed, balances or transactions which form part of the group qualifying as related parties.
- Under Sections 11 and 12 FRS102, the Company has taken the exemption to disclose certain financial instruments on the grounds that the relevant disclosures are included in the consolidated financial statements of the Group.
- The Company is a subsidiary and is therefore exempt from the requirement to prepare consolidated group financial statements in accordance with Section 401 of Companies Act 2006. Refer Note 16 for details on where the consolidated financial statements of the ultimate parent Company may be obtained.

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Notes to the financial statements (continued)

For the year ended 31 August 2022

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### 1 Accounting policies (continued)

#### Going concern

The directors consider that the group (of which the company is part of) and the company has adequate resources to continue in operational existence for the foreseeable future. The Directors are confident that the Picasso Topco Group of companies has sufficient resources to support the Company should it need it. Consequently, they have continued to adopt the going concern basis in preparing the financial statements. The base case forecast is based on the group's budget for the financial year as approved by the board. The forecast has been extended to the end of August 2024. Despite the net liability position presented in the consolidated balance sheet, which is a function of the Group's capital structure and acquisition accounting, the group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate comfortably within the level of its current borrowing facility for a period of at least twelve months from the date of approval of the balance sheet. Accordingly, they continue to adopt the going concern basis in preparing the annual report and consolidated financial statements.

Base case forecasts show that the Group has adequate resources and sufficient cash available to meet bank covenants and continue in operational existence for a period of at least 12 months from the date of signing the Group financial statements. A reasonable worst-case scenario over the forecast period indicates that the Group has sufficient headroom on its covenants and cash available to continue as a going concern. A material reduction in revenue below the forecast reasonable worst-case scenario is required to cause a breach of covenants and is considered to be highly remote.

As the going concern assessment has been carried out on a Group basis, the ultimate parent company, Picasso Topco Limited, has provided a letter of financial support for the company for at least twelve months from the date of signing these financial statements.

#### Financial instruments

##### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Interest-bearing borrowings classified as basic financial instruments*

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

##### *Derivative instruments*

The Company uses forward foreign currency contracts to reduce exposure to foreign exchange rates. Derivative financial instruments are initially measured at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value through profit or loss. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The fair value of the forward currency contracts is calculated by reference to current forward exchange contracts with similar maturity profiles.

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Notes to the financial statements (continued)

For the year ended 31 August 2022

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### 1 Accounting policies (continued)

#### Financial instruments (continued)

##### Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

##### Turnover

Revenue is stated net of VAT, trade discounts and volume rebates and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the supply of services for projects is recognised using the percentage of completion method based on milestones agreed with the customer at the outset of the project. Where a project has only been partially completed at the balance sheet date, turnover represents the fair value of the service provided to date, based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services the amounts are recorded as deferred income and included as part of creditors due within one year.

##### Government grants

Other operating income includes amounts receivable under the Coronavirus Job Retention Scheme (CJRS) to reimburse the company for the wages of certain employees who were furloughed during the period but who remained on the company's payroll. As this scheme involves a transfer of resources from government to the entity, it meets the definition of a government grant.

##### Software development

Software development costs are stated at cost less accumulated amortisation and less accumulated impairment losses. The useful economic life is four years.

##### Goodwill

Goodwill arising on acquisitions is capitalised and amortised evenly over its useful economic life which is between three and five years. Provision is made for any impairment.

##### Work in progress

Work in progress is valued at the lower of cost and net realisable value. Cost includes direct expenditure and people time costs.

##### Share based payments

The Group also operates an equity settled share-based payment scheme in relation to the C Ordinary Shares. These arrangements are accounted for as equity settled share-based payment transactions. The fair value of share-based payments has been calculated using Monte Carlo methodology.

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Notes to the financial statements (continued)

For the year ended 31 August 2022

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### 1 Accounting policies (continued)

#### Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	over the lease term
Fixtures and fittings	4 years straight line method
Computer equipment	4 years straight line method

#### Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided using the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purpose. Tax deferred or accelerated is accounted for in respect of all material timing differences.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

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

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Notes to the financial statements (continued)

For the year ended 31 August 2022

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### 1 Accounting policies (continued)

#### Taxation (continued)

On 11 March 2021, the Finance Bill was published, and it was announced UK corporation tax will increase from 19% to 25% from April 2023, which was substantively enacted on 10 June 2021. Accordingly, this has been reflected in the valuation of deferred tax assets and liabilities at the 31 August 2022 Statement of Financial Position date, with deferred tax assets and liabilities are measured at the rate at which they are expected to reverse or be used.

There is no expiry date on timing differences, unused tax losses or tax credits.

#### Leasing commitments

Rentals paid under operating leases are charged to the income statement on a straight-line basis over the period of the lease. The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

#### Provisions

A provision is recognised in the balance sheet when the Company has a present legal obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

#### Pension costs

The Company operates a defined contribution pension scheme. Contributions payable to the Company's pension scheme are charged to the profit and loss account in the period to which they relate.

#### Foreign exchange

The Financial statements are presented in GBP which is also the functional currency of the parent company.

Transactions in foreign currencies are translated at the average rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

#### Deferred Consideration

Consideration which is contingent on future events is recognised based on the estimated amount if the contingent consideration is probable and can be measured reliably. Any subsequent changes to the fair value are treated as an adjustment to the cost of the acquisition. Where contingent consideration payments are linked to ongoing employment, the charge is taken directly to the profit and loss account in line with the timing of services rendered

#### Supplier Rebates

Supplier volume rebates are recognised based on expected entitlement in line with contractual terms and are net against revenue.

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Notes to the financial statements (continued)

For the year ended 31 August 2022

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### 2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, 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 in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

#### *Revenue recognition*

In determining the percentage completion for specific projects at the balance sheet date, the Company is required to make estimates of the costs to complete and the total costs for a project in order to calculate the amount of revenue to be recognised. Where costs can be reliably estimated and revenue is recognised, certain factors arising after the balance sheet date may result in significant changes to the cost to complete and total project costs which could impact the revenue recognised at the balance sheet date. As at the balance sheet date, the total value of revenue accrued within prepayments and accrued income was £1,765,672 (2021: £423,232) and revenue deferred within accruals and deferred income was £nil (2021: £2,974,740).

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Notes to the financial statements (continued)

For the year ended 31 August 2022

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### 3 Turnover

Turnover and profit before taxation are attributable to the one principal activity of the Company.

An analysis of turnover by geographical market is given below:

	2022	2021
	£'000	£'000
<b>By geographical area:</b>		
United Kingdom	123,424	101,856
European Union	13,842	13,854
Rest of Europe	758	1,018
America & Canada	1,597	2,010
Rest of World	354	387
	<u>139,975</u>	<u>119,125</u>

### 4 Staff costs

	2022	2021
	£'000	£'000
Wages and salaries	42,233	38,928
Social security costs	4,886	4,186
Other pension costs	1,605	1,463
	<u>48,724</u>	<u>44,577</u>

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

	2022	2021
	No.	No.
Administrative staff	<u>995</u>	<u>901</u>

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Notes to the financial statements (continued)

For the year ended 31 August 2022

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### 5 Operating profit

Operating profit is stated after charging/(crediting):

	2022	2021
	£'000	£'000
Hire of plant and machinery	146	69
Other operating leases	1,411	1,955
Depreciation - owned assets	1,275	1,426
Other operating income - government grant	(11)	(1,143)
Fees payable to the auditor for audit of the Company's annual financial statements	80	145
	<u>          </u>	<u>          </u>

Other operating income includes amounts receivable under the Coronavirus Job Retention Scheme (CJRS) to reimburse the company for the wages of certain employees who were furloughed during the period but who remained on the company's payroll. As this scheme involves a transfer of resources from government to the entity, it meets the definition of a government grant.

### Directors' remuneration

	2022	2021
	£'000	£'000
Directors' remuneration	524	646
Directors' pension contributions to money purchase schemes	10	10
	<u>          </u>	<u>          </u>

Information regarding the highest paid director is as follows:

	2022	2021
	£'000	£'000
Emoluments	307	630
	<u>          </u>	<u>          </u>

The numbers of directors to whom retirement benefits were accruing was as follows:

	2022	2021
	No.	No.
Money purchase schemes	2	2
	<u>          </u>	<u>          </u>

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Notes to the financial statements (continued)

For the year ended 31 August 2022

### 6 Interest receivable and similar charges

	2022 £'000	2021 £'000
Bank interest	8	-
	<u>8</u>	<u>-</u>

### 7 Interest payable and similar charges

	2022 £'000	2021 £'000
Bank interest	-	123
Interest due to parent undertakings	192	227
	<u>192</u>	<u>350</u>

### 8 Taxation

#### a) Tax on profit on ordinary activities

The tax charge on the profit on ordinary activities for the year is made up as follows:

	2022 £'000	2021 £'000
<b>Current tax:</b>		
UK corporation tax	1,251	1,495
Adjustment in respect of prior years	123	36
Total current tax	<u>1,374</u>	<u>1,531</u>
<b>Deferred tax:</b>		
Origination/(reversal) of timing difference	274	(35)
Adjustment in respect of previous years	(197)	1
Effect of rate change	-	(68)
Total deferred tax	<u>77</u>	<u>(102)</u>
Tax on profit	<u>1,451</u>	<u>1,429</u>

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Notes to the financial statements (continued)

For the year ended 31 August 2022

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### 8 Taxation (continued)

#### b) Factors affecting the total tax charge / (credit)

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

	2022 £'000	2021 £'000
Profit before tax	7,461	8,811
Profit multiplied by the effective standard rate of corporation tax in the UK of 19% (2021: 19%)	1,418	1,674
<u>Effects of:</u>		
Expenses not deductible for tax purposes	1,155	460
Fixed asset differences	215	-
Transfer pricing adjustments	(293)	206
Adjustment in respect of prior years	124	36
Adjustment in respect of prior years deferred tax	(197)	
Group relief (claimed) / surrendered for nil consideration	(940)	(871)
Tax rate changes	(31)	(76)
Total tax charge for the year	1,451	1,429

#### c) Factors that may affect future charges / (credits)

On 11 March 2021, the Finance Bill was published, and it was announced UK corporation tax will increase from 19% to 25% from April 2023, which was substantively enacted on 10 June 2021. Accordingly, this has been reflected in the valuation of deferred tax assets and liabilities at the 31 August 2022 Statement of Financial Position date, with deferred tax assets and liabilities are measured at the rate at which they are expected to reverse or be used.

There is no expiry date on timing differences, unused tax losses or tax credits.

## Inspired Thinking Group (ITG) Limited

Company Number: 02967284

### Notes to the financial statements (continued)

For the year ended 31 August 2022

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#### d) Deferred tax

Deferred tax included within debtors (see note 12) is as follows:

	2022	2021
	£'000	£'000
<b>Deferred tax:</b>		
Asset at start of the year	317	215
Deferred tax credit for the year	308	102
Adjustments in respect of prior years	-	-
	<u>625</u>	<u>317</u>
Asset at the end of the year	<u>625</u>	<u>317</u>
	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Fixed asset timing differences	168	38
Short term timing differences	457	279
	<u>625</u>	<u>317</u>
	<u>625</u>	<u>317</u>

Deferred tax assets and liabilities are offset only where the Company has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the Company.

Deferred tax asset as at 31 August 2022 and 31 August 2021 is included within debtors (refer to note 12).

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Notes to the financial statements (continued)

For the year ended 31 August 2022

### 9. Intangible assets

Group	Goodwill £'000	Software Development £'000	Total £'000
<b>Cost</b>			
At 1 September 2021	4,156	2,862	7,018
Additions	-	2,663	2,663
At 31 August 2022	4,156	5,525	9,681
<b>Amortisation</b>			
At 1 September 2021	(1,268)	(912)	(2,180)
Amortisation for the year	(1,444)	(980)	(2,424)
At 31 August 2022	(2,712)	(1,892)	(4,604)
<b>Net</b>			
At 31 August 2022	1,444	3,633	5,077
At 31 August 2021	2,888	1,950	4,838

### 10 Tangible fixed assets

	Leasehold Improvements £'000	Fixtures & Fittings £'000	Computer equipment £'000	Total £'000
<b>Cost</b>				
At 1 September 2021	2,261	1,684	4,671	8,616
Additions	3,247	49	1,011	4,307
Disposals	-	(3)	(51)	(54)
At 31 August 2022	5,508	1,730	5,631	12,869
<b>Depreciation</b>				
At 1 September 2021	(1,792)	(1,371)	(3,033)	(6,196)
Charge for the year	(243)	(154)	(878)	(1,275)
At 31 August 2022	(2,035)	(1,525)	(3,911)	(7,471)
<b>Net book value</b>				
At 31 August 2022	3,473	205	1,720	5,398
At 31 August 2021	469	313	1,638	2,420

None of the fixed assets included in the above are held under hire purchase contracts.

## Inspired Thinking Group (ITG) Limited

Company Number: 02967284

### Notes to the financial statements (continued)

For the year ended 31 August 2022

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#### 11 Stocks

	2022 £'000	2021 £'000
Work in progress	3,432	3,370

#### 12 Debtors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade debtors	32,759	26,082
Amounts owed by group undertakings	3,115	14,511
Other debtors	126	400
Deferred tax (note 8)	625	317
Corporation tax	160	-
Prepayments	2,215	2,598
Accrued Income	1,766	-
Derivative Financial Instrument	-	101
	<u>40,766</u>	<u>44,009</u>

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

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Notes to the financial statements (continued)

For the year ended 31 August 2022

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

	2022 £'000	2021 £'000
Trade creditors	18,061	19,062
Amounts owed to group undertakings	11,336	3,512
Accruals	2,595	5,021
Deferred Income	3,842	2,975
Social security and other taxes	3,114	3,171
Other creditors	2,900	4,423
Corporation tax	1,705	1,085
Provisions	50	572
	<u>43,603</u>	<u>36,846</u>

Included within other creditors is £288,626 (2021: £268,112) of unpaid contributions to the Company's defined contribution Group Personal Pension Scheme.

Derivative financial instruments relate to Euro and US Dollar foreign exchange rate swaps. These instruments are taken out from time to time to mitigate foreign exchange risk on non-sterling cash flows. The length and terms of the instruments vary.

Amounts owed by group undertaking includes a loan from the parent company with interest accruing at 9% per annum on the principal. The loan is for an unspecified term and is repayable on demand. The remaining amounts are interest free.

### 14 Provisions

	2022 £'000	2021 £'000
Balance at 1 September	572	-
Provisions made during the year	-	803
Provisions used during the year	(522)	(231)
Balance at 31 August	<u>50</u>	<u>572</u>

On 1 October 2020, the Company vacated one of its leasehold buildings. An onerous lease provision was provided for the expected future cash flows to the first available break clause of the lease term being 19 June 2023.

## Inspired Thinking Group (ITG) Limited

Company Number: 02967284

### Notes to the financial statements (continued)

For the year ended 31 August 2022

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#### 14 Commitments under operating leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 Land & buildings £'000	2021 Land & buildings £'000	2022 Other £'000	2021 Other £'000
Within one year	1,456	1,393	62	167
Between one and five years	3,690	4,371	63	34
Total	<u>5,146</u>	<u>5,764</u>	<u>125</u>	<u>201</u>

#### 15 Called up share capital

	2022 £	2021 £
<b>Allotted, issued and fully paid</b>		
3 ordinary shares of £1	<u>3</u>	<u>3</u>

#### 16 Ultimate parent company

The immediate parent company is Inspired Thinking Group Holdings Limited, a company incorporated in the UK and registered in England and Wales. The ultimate parent company is Picasso Topco Limited, a company incorporated in the UK and registered in England and Wales.

The consolidated financial statements of Picasso Topco Limited are available on request from Unit 315 Fort Dunlop, Fort Parkway, Birmingham, B24 9FD.

#### 17 Related party disclosures

During the year, there were sales from Intrepia Limited to Inspired Thinking Group (ITG) Limited of £Nil (2021: £Nil) and sales from Inspired Thinking Group (ITG) Limited to Intrepia Limited of £Nil (2021: £197,193). As at 31 August 2022, £Nil (2021: £894,674) was due from Inspired Thinking Group (ITG) Limited to Intrepia Limited.

Included with other debtors are amounts payable from directors for unpaid share capital and share premium totalling £95,781 (2021: £165,000).

Note 5 contains disclosure of the Directors' remuneration for the year.

As permitted by FRS 102 (Section 33.1a) the Company's other related party transactions were with wholly owned subsidiaries and so have not been disclosed.

# Inspired Thinking Group (ITG) Limited

Company Number: 02967284

## Notes to the financial statements (continued)

For the year ended 31 August 2022

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### 18 Ultimate controlling party

There is no ultimate controlling party.

### 19 Events after the balance sheet date

As at the date of this report the Directors are not aware of any major changes in the Company's principal activities in the year ahead and there have been no significant events after the balance sheet date.