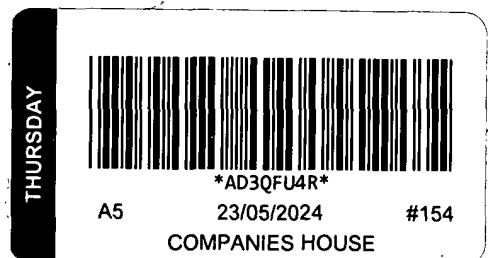


REGISTERED NUMBER: 07793895 (England and Wales)

**Concirus Ltd.
Group Strategic Report,
Directors' Report and
Consolidated Financial Statements
for the Year Ended 31 December 2022**



Concirus Ltd (Registered number: 07793895)

**Contents of the Consolidated Financial Statements
for the year ended 31 December 2022**

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Concirrus Ltd

**Company Information
for the year ended 31 December 2022**

Directors: Jeffrey Alan Silver

Registered office: The St Botolph Building
138 Houndsditch
London
EC3A 7AR

Registered number: 07793895 (England and Wales)

Auditors: Cooper Parry Group Limited
Statutory Auditor
New Derwent House
69-73 Theobalds Road
London
WC1X 8TA

**Group Strategic Report
for the year ended 31 December 2022**

The directors present their strategic report of the Company and the Group for the year ended 31 December 2022.

Review of business

During 2022, our business navigated a challenging global venture capital market and a scarcity of capital by making the difficult decision to "right size" the Group as a whole. This included reducing our headcount to a sustainable level and closing our subsidiaries in Singapore and Israel to ensure the long-term viability of our operations.

Throughout the year, we remained committed to expanding our customer base for our core product, Quest Marine, and successfully retained key customers. However, we faced setbacks, such as discontinuing the development of our Quest Automotive product line. This decision led to a decline in revenues from our automotive customer segment. Despite these challenges, the growth in Quest Marine subscription revenues fully compensated for the reduction in Quest Personal Automotive subscription and hardware income.

Amidst global macro-economic headwinds, we maintained our revenue at over £3.2m, consistent with the previous year. The Group's net assets were significantly impacted, totalling a liability position of £0.9m, a decrease from a net asset position of £1.17m in the previous year.

Our commitment to advancing our core technology persisted, although our average headcount was adjusted to align with our strategic resizing efforts. Despite lower than anticipated revenues, our timely cost-control measures mitigated further financial strain, resulting in a loss £0.89m less than budgeted. The year-over-year decrease in net loss primarily stemmed from our previously planned increase in headcount, now adjusted to our new strategic direction.

Despite these challenges, we were poised to increase our global attainable market before making strategic decisions to consolidate our operations for sustainability.

Principal risks and uncertainties

The principal risks for the Group are financial losses or other material adverse impacts arising from:

Macro-Economic Risks

Global events affecting its addressable market. These risks affect the decision making process of potential customers, when it comes to deploying their capital expenditure.

Information Security Risks

Events that may affect the confidentiality, availability and integrity of its client's data.

Employee Attrition

The ability to retain specialist employees in a competitive job market, especially in the areas of Data Science and Product Engineering.

Commercial & Financial Risk

Events impacting our commercial and financial position including customer retention, new product adoption, gross margin, liquidity and funding availability.

Financial risks

Credit Risks

The Group's customers are mainly in the insurance sector acquiring software license products. The Group closely monitors credit risk and considers the current policies of credit checks and collection procedures meet its objectives of managing credit risk.

Liquidity Risk

The inability to meet its short term creditor obligations, due to the timing of debtor receipts in comparison to when creditors and loan repayments become due.

Cash Flow Risk

The long term inability to raise additional funds, increase sales receipts or control expenditure outflow.

Group Strategic Report
for the year ended 31 December 2022

The Group has a Risk Committee, to monitor what it considers to be its key risks, including all those listed above, with regular monitoring of both the impact and likelihood of those occurring. The Committee is chaired by a Non-Executive director to give independence to all due risk considerations. These risks are regularly discussed by the Committee with business management, with measures taken to mitigate each risk to the fullest extent possible. A quarterly summary of risks are reported to the director.

Key performance indicators:

The Group monitors its performance using the following metrics:

	2022 £	2021 £
Turnover	3,233,776	3,258,582
Operating loss	9,124,912	9,253,627
Average employees	84	107

The directors also note that deferred revenue, which relate to amounts receivable for work that has not yet been delivered, at 31 December 2022 amounted to £0.99m (2021: £0.97m).

Going concern

In preparing the financial statements, the directors have considered the ability of the Group and Company to continue as a going concern and have reviewed cash flow forecasts to inform their decisions.

As the Group and Company is still in the growth phase of its life-cycle, it has recorded a loss in this and previous periods. During this phase, the Group and Company is expected to continue to expend cash in operations.

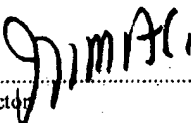
Cash-flow forecasts have been prepared identifying all contractual cash commitments for the next 12 months post approval of the financial statements; these have been compared to current cash holdings and expected revenues and other cash inflows.

The Group and Company's going concern status is contingent upon continued financial support from Applied Underwriters, Inc, the 'Ultimate Controlling Party'.

Future developments

After the year end and in response to prevailing Global economic circumstances, the directors have performed a full line by line review of all global business expenses to reduce the cash burn. As a result, employee and operating expenses are expected to be significantly reduced. Notwithstanding this, core operations with a focus on customer growth and retention, product development and key employees will be maintained in our principal offices located in the UK and India.

On behalf of the board:


.....
Director

Date: May 21, 2024
.....

Concirus Ltd (Registered number: 07793895)

**Directors' Report
for the year ended 31 December 2022**

The directors present their report with the financial statements of the Company and the Group for the year ended 31 December 2022.

Principal activity

The principal activity was the development and provision of Quest, a real-time behavioural insights software application for commercial marine and insurers.

Dividends

No dividends will be distributed for the year ended 31 December 2022.

The loss for the year, after taxation, amounted to £8,245,596 (2021: £8,621,528).

The directors do not propose a dividend for the year ended 31 December 2022 (2021: £Nil).

Directors

The following directors held office during the period from 1 January 2022 to 31 December 2022 and have since resigned:

IQ Capital Directors Nominees Ltd (Resigned 6 March 2023)
Jonathan Mead Kalman (Resigned 6 March 2023)
Richard Patrick Little (Resigned 6 March 2023)
Andrew James Yeoman (Resigned 6 March 2023)

The following director has subsequently been appointed since 31 December 2022 and remains the sole director at date of this report:

Jeffrey Alan Silver (Appointed 6 March 2023)

Disclosure in the strategic report

The Group's business activities, factors likely to affect future development, performance and position and disclosure of the Group's principal and financial risks are set out in the Strategic Report.

Statement of directors' responsibilities

The directors are responsible for preparing the Group Strategic Report, 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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group 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;
- 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 and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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 Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Concirus Ltd (Registered number: 07793895)

Directors' Report
for the year ended 31 December 2022

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

On behalf of the board:

Director 

Date: May 21, 2024

**Independent Auditors' Report to the Members of
Concirus Ltd**

Opinion

We have audited the financial statements of Concirus Ltd (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Directors' Report, but does not include the financial statements and our Auditors' Report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

**Independent Auditors' Report to the Members of
Concirus Ltd**

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 Group 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 Group Strategic Report and the Directors' Report have 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 Group Strategic Report or the Directors' Report.

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, 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 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:

We gained an understanding of the legal and regulatory framework applicable to the Company and the Group and the industry in which they operate, and considered the risk of acts by the Company and the Group that were contrary to applicable laws and regulations, including fraud. We discussed with the directors the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance.

During the audit we focussed on laws and regulations which could reasonably be expected to give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

**Independent Auditors' Report to the Members of
Concirus Ltd**


Our procedures in relation to fraud included but were not limited to: inquires of management whether they have any knowledge of any actual, suspected or alleged fraud and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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 as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Jepson (May 21, 2024 17:14 GMT+1)

Andrew Jepson FCCA (Senior Statutory Auditor)
for and on behalf of Cooper Parry Group Limited
Statutory Auditor
New Derwent House
69-73 Theobalds Road
London
WC1X 8TA

Date: May 21, 2024

Concirrus Ltd (Registered number: 07793895)

Consolidated
Income Statement
for the year ended 31 December 2022

	Notes	2022 £	2021 £
Turnover	3	3,233,776	3,258,582
Cost of sales		<u>(897,200)</u>	<u>(1,119,950)</u>
Gross profit		2,336,576	2,138,632
Administrative expenses		<u>(11,461,488)</u>	<u>(11,392,259)</u>
Operating loss	6	<u>(9,124,912)</u>	<u>(9,253,627)</u>
Interest receivable and similar income		<u>1,250</u>	<u>504</u>
		<u>(9,123,662)</u>	<u>(9,253,123)</u>
Interest payable and similar expenses	8	<u>(175,264)</u>	<u>(15,992)</u>
Loss before taxation		<u>(9,298,926)</u>	<u>(9,269,115)</u>
Tax on loss	9	<u>1,053,330</u>	<u>647,587</u>
Loss for the financial year		<u><u>(8,245,596)</u></u>	<u><u>(8,621,528)</u></u>
Loss attributable to: Owners of the parent		<u><u>(8,245,596)</u></u>	<u><u>(8,621,528)</u></u>

The notes form part of these financial statements

Concirus Ltd (Registered number: 07793895)

Consolidated
Other Comprehensive Income
for the year ended 31 December 2022

	Notes	2022 £	2021 £
Loss for the year		(8,245,596)	(8,621,528)
Other comprehensive income			
Currency translation differences		(8,842)	21,337
Income tax relating to other comprehensive income		—	—
Other comprehensive income for the year, net of income tax		<u>(8,842)</u>	<u>21,337</u>
Total comprehensive income for the year		<u>(8,254,438)</u>	<u>(8,600,191)</u>
Total comprehensive income attributable to Owners of the parent		<u>(8,254,438)</u>	<u>(8,600,191)</u>

The notes form part of these financial statements

Concirrus Ltd (Registered number: 07793895)

Consolidated Balance Sheet
31 December 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Intangible assets	11		-		721,182
Tangible assets	12		164,659		188,325
Investments	13		-		-
			<u>164,659</u>		<u>909,507</u>
Current assets					
Stocks	14			933	
Debtors	15	2,691,680		2,101,618	
Cash at bank		<u>651,566</u>		<u>2,330,102</u>	
		3,343,246		4,432,653	
Creditors					
Amounts falling due within one year	16	<u>4,414,916</u>		<u>2,651,796</u>	
Net current (liabilities)/assets			<u>(1,071,670)</u>		<u>1,780,857</u>
Total assets less current liabilities			<u>(907,011)</u>		<u>2,690,364</u>
Creditors					
Amounts falling due after more than one year	17		-		(1,500,000)
Provisions for liabilities	20		-		<u>(15,541)</u>
Net (liabilities)/assets			<u>(907,011)</u>		<u>1,174,823</u>
Capital and reserves					
Called up share capital	21		723		639
Share premium	22		33,886,686		27,946,030
Currency translation reserve	22		24,789		15,947
Share based payments reserve	22		1,262,097		1,047,917
Merger reserve	22		513,893		513,893
Retained earnings	22		<u>(36,595,199)</u>		<u>(28,349,603)</u>
			<u>(907,011)</u>		<u>1,174,823</u>

The financial statements were approved by the Board of Directors and authorised for issue on May 21, 2024..... and were signed on its behalf by:

Director

The notes form part of these financial statements

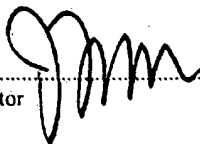
Concirus Ltd (Registered number: 07793895)

Company Balance Sheet
31 December 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Intangible assets	11	-	-	-	-
Tangible assets	12	-	107,485	-	134,256
Investments	13	-	<u>1,151</u>	-	<u>1,151</u>
			108,636		135,407
Current assets					
Stocks	14	-	-	933	-
Debtors	15	3,244,859	-	2,704,830	-
Cash at bank		<u>632,074</u>	-	<u>2,109,325</u>	-
		3,876,933		4,815,088	
Creditors					
Amounts falling due within one year	16	<u>4,675,645</u>	-	<u>2,640,327</u>	-
Net current (liabilities)/assets			<u>(798,712)</u>		<u>2,174,761</u>
Total assets less current liabilities			(690,076)		2,310,168
Creditors					
Amounts falling due after more than one year	17	-	-	-	(1,500,000)
Provisions for liabilities	20	-	-	-	(15,541)
Net (liabilities)/assets			<u>(690,076)</u>		<u>794,627</u>
Capital and reserves					
Called up share capital	21	-	723	-	639
Share premium	22	33,886,686	-	27,946,030	-
Share based payments reserve	22	1,262,097	-	1,047,917	-
Merger reserve	22	513,893	-	513,893	-
Retained earnings	22	<u>(36,353,475)</u>	-	<u>(28,713,852)</u>	-
		(690,076)		794,627	
Company's loss for the financial year			<u>(7,639,623)</u>		<u>(8,799,391)</u>

The financial statements were approved by the Board of Directors and authorised for issue on May 21, 2024 and were signed on its behalf by:

Director



The notes form part of these financial statements

Concirrus Ltd (Registered number: 07793895)

Consolidated Statement of Changes in Equity
for the year ended 31 December 2022

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2021	639	(19,728,075)	27,946,030
Changes in equity			
Total comprehensive income	-	(8,621,528)	-
Balance at 31 December 2021	<u>639</u>	<u>(28,349,603)</u>	<u>27,946,030</u>
Changes in equity			
Issue of share capital	84	-	5,940,656
Total comprehensive income	-	(8,245,596)	-
Balance at 31 December 2022	<u>723</u>	<u>(36,595,199)</u>	<u>33,886,686</u>

	Currency translation reserve £	Share based payments reserve £	Merger reserve £	Total equity £
Balance at 1 January 2021	(5,390)	641,788	1	8,854,993
Changes in equity				
Total comprehensive income	21,337	406,129	513,892	(7,680,170)
Balance at 31 December 2021	<u>15,947</u>	<u>1,047,917</u>	<u>513,893</u>	<u>1,174,823</u>
Changes in equity				
Issue of share capital	-	-	-	5,940,740
Total comprehensive income	8,842	214,180	-	(8,022,574)
Balance at 31 December 2022	<u>24,789</u>	<u>1,262,097</u>	<u>513,893</u>	<u>(907,011)</u>

The notes form part of these financial statements

Concirrus Ltd (Registered number: 07793895)

Company Statement of Changes in Equity
for the year ended 31 December 2022

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2021	639	(19,914,461)	27,946,029
Changes in equity			
Issue of share capital	-	-	1
Total comprehensive income	-	(8,799,391)	-
Balance at 31 December 2021	<u>639</u>	<u>(28,713,852)</u>	<u>27,946,030</u>
Changes in equity			
Issue of share capital	84	-	5,940,656
Total comprehensive income	-	(7,639,623)	-
Balance at 31 December 2022	<u>723</u>	<u>(36,353,475)</u>	<u>33,886,686</u>
	Share based payments reserve £	Merger reserve £	Total equity £
Balance at 1 January 2021	641,788	-	8,673,995
Changes in equity			
Issue of share capital	-	-	1
Total comprehensive income	406,129	513,893	(7,879,369)
Balance at 31 December 2021	<u>1,047,917</u>	<u>513,893</u>	<u>794,627</u>
Changes in equity			
Issue of share capital	-	-	5,940,740
Total comprehensive income	214,180	-	(7,425,443)
Balance at 31 December 2022	<u>1,262,097</u>	<u>513,893</u>	<u>(690,076)</u>

The notes form part of these financial statements

Concirus Ltd (Registered number: 07793895)

Consolidated Cash Flow Statement
for the year ended 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	(7,377,736)	(8,438,297)
Interest paid		(175,264)	(15,992)
Tax paid		(17,683)	734,099
Net cash from operating activities		(7,570,683)	(7,720,190)
Cash flows from investing activities			
Purchase of tangible fixed assets		(58,686)	(136,867)
Acquisition of subsidiary net of cash			(209,130)
Interest received		1,250	504
Net cash from investing activities		(57,436)	(345,493)
Cash flows from financing activities			
New loans in year			2,000,000
Share issue		5,940,741	(6)
Net cash from financing activities		5,940,741	1,999,994
Decrease in cash and cash equivalents			
Cash and cash equivalents at beginning of year	2	2,330,102	8,375,092
Effect of foreign exchange rate changes		8,842	20,699
Cash and cash equivalents at end of year	2	651,566	2,330,102

The notes form part of these financial statements

Concirrus Ltd (Registered number: 07793895)

Notes to the Consolidated Cash Flow Statement
for the year ended 31 December 2022

1. Reconciliation of loss before taxation to cash generated from operations

	2022	2021
	£	£
Loss before taxation	(9,298,926)	(9,269,115)
Depreciation charges	74,900	89,306
Equity settled share based payments	214,180	406,129
Investment additions	(69,662)	(459)
Amortisation charges	728,634	48,491
Finance costs	175,264	15,992
Finance income	(1,250)	(504)
	<u>(8,176,860)</u>	<u>(8,710,160)</u>
Decrease in stocks	933	
Decrease/(increase) in trade and other debtors	493,386	(50,597)
Increase in trade and other creditors	<u>304,805</u>	<u>322,460</u>
Cash generated from operations	<u>(7,377,736)</u>	<u>(8,438,297)</u>

2. Cash and cash equivalents

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2022

	31/12/22	1/1/22
	£	£
Cash and cash equivalents	<u>651,566</u>	<u>2,330,102</u>

Year ended 31 December 2021

	31/12/21	1/1/21
	£	£
Cash and cash equivalents	<u>2,330,102</u>	<u>8,375,092</u>

3. Analysis of changes in net funds/(debt)

	At 1/1/22	Cash flow	At 31/12/22
	£	£	£
Net cash			
Cash at bank	<u>2,330,102</u>	<u>(1,678,536)</u>	<u>651,566</u>
	<u>2,330,102</u>	<u>(1,678,536)</u>	<u>651,566</u>
Debt			
Debts falling due within 1 year	(500,000)	(1,670,556)	(2,170,556)
Debts falling due after 1 year	<u>(1,500,000)</u>	<u>1,500,000</u>	<u>-</u>
	<u>(2,000,000)</u>	<u>(170,556)</u>	<u>(2,170,556)</u>
Total	<u>330,102</u>	<u>(1,849,092)</u>	<u>(1,518,990)</u>

The notes form part of these financial statements

Notes to the Consolidated Financial Statements
for the year ended 31 December 2022

1. **Statutory information**

Concirus Ltd is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

2. **Accounting policies**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Set out below is a summary of principal accounting policies, all of which have been consistently applied throughout the period, except as otherwise stated.

The financial statements are presented in Pound Sterling (£). Monetary amounts in these financial statements are rounded to the nearest £.

Basis of consolidation

The Group consolidated financial statements include the financial statements of the Company and all its subsidiary undertakings made up to 31 December 2022.

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

Any subsidiary undertakings or associates sold or acquired during the period are included up to, or from, the dates of change of control or change of significant influence respectively.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Significant judgements and estimates

In applying the Group's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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.

Critical judgements in applying the Group's accounting policies

The critical judgement that the directors have made in the process of applying the Parent Company and Group's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

(i) Assessing indicators and impairment

In assessing whether there have been any indicators or impairment of assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience or recoverability. Impairment indicators have been identified in the calculation of goodwill in the current year relating to the acquisition in 2021 of Spark Insights.

Notes to the Consolidated Financial Statements - continued
for the year ended 31 December 2022

2. Accounting policies - continued

Key sources of estimation uncertainty

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

(ii) Determining residual values and useful economic lives of tangible and intangible assets

The Group depreciates tangible assets and amortises intangible assets over their estimated useful lives. The estimation of the useful lives is based on historical performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes. Judgement is applied by management when determining the residual values for tangible and intangible assets. When determining the residual value management aim to assess the amount that the Group would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

(ii) Share options

In determining whether the share options issued to directors and employees have a material value for recognition purposes. The share options have been valued using the Black-Scholes model, with certain inputs requiring judgement and estimation. The most significant estimate applied in valuing the options is the application of a 60% discount to the price of the Series A shares issued during the year as a basis for market value of the Ordinary shares over which the options are held. Had a different view been taken, it would have likely had a material impact on the share based payment charge.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Subscription revenue

Turnover generated from subscriptions is recognised in the period to which it relates.

Consulting revenue

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be reliably measured;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be reliably measured.

Solution revenue

Where the Group enters into multi-element contracts including different products, consideration is allocated across the revenue streams on the basis of estimated stand-alone selling prices. Should the contractual prices not align with the estimated stand-alone selling prices, a fair value adjustment is recorded to bring forward or defer revenues as appropriate.

Notes to the Consolidated Financial Statements - continued
for the year ended 31 December 2022

2. Accounting policies - continued

Sale of hardware devices

Turnover from the sale of hardware devices is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the hardware devices sold;
- the amount of turnover can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Contract costs

Costs that are directly attributable to securing a new customer contract and are incremental, such as associated commissions, are recognised as contract assets and released to the Income Statement over the term of the contract.

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the over its Income Statement over its useful economic life, which has been assessed as three years.

Intangible assets

Other intangible assets are recognised on business combinations if they are separable from the acquired entity and give rise to other contractual/legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques (see section related to critical estimates and judgements below).

Tangible fixed assets

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

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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

Depreciation is provided on the following basis:

- | | |
|---|---------------|
| Fixtures, fittings, office and computer equipment | - 33% of cost |
|---|---------------|

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

Investments in subsidiaries

Investment in subsidiary undertakings are measured at cost less accumulated impairment.

Notes to the Consolidated Financial Statements - continued
for the year ended 31 December 2022

2. Accounting policies - continued

Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Income Statement.

Financial instruments

Financial assets and liabilities are recognised when the Group becomes party to the contractual provisions of the financial instrument. The Group holds financial instruments which comprise cash and cash equivalents, trade and other receivables, trade and other payables, loans and borrowings. The Group has chosen to apply the provisions of FRS102 Section 11 Basic Financial Instruments in full.

Financial assets and liabilities - classified as basic financial instruments

(i) Cash and cash equivalents

This includes cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

(ii) Trade and other receivables

Trade and other receivables are initially recognised at the transaction price, including any transaction costs, and subsequently measured at amortised cost including the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

At the end of each reporting period, the Group assesses whether there is objective evidence that a receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in the Income Statement.

(iii) Trade and other payables and loans and borrowings

Trade and other payables and loans and borrowings are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

Notes to the Consolidated Financial Statements - continued
for the year ended 31 December 2022

2. **Accounting policies - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Balance Sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

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

At each year end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

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

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

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in £, which is the Company's functional and the Group's presentation currency.

On consolidation, the results of overseas operations are translated into sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date, including any goodwill in relation to that entity. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

Finance costs

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

Cash and cash equivalents

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

Notes to the Consolidated Financial Statements - continued
for the year ended 31 December 2022

2. Accounting policies - continued

Interest income

Interest income is recognised in the Income Statement using the effective interest method.

Borrowing costs

All borrowing costs are recognised in the Income Statement in the year in which they are incurred.

Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Income Statement in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Income Statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Income Statement on a straight-line basis over the lease term.

Pension costs and other post-retirement benefits

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

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

Going concern

In preparing the financial statements, the directors have considered the ability of the Group and Company to continue as a going concern and have reviewed cash flow forecasts to inform their decisions.

As the Group and Company is still in the growth phase of its life-cycle, it has recorded a loss for this and previous periods. During this phase, the Group and Company is expected to continue to expend cash in operations.

Cash-flow forecasts have been prepared identifying all contractual cash commitments for the next 12 months post approval of the financial statements; these have been compared to current cash holdings and expected revenues and other cash inflows.

The Group and Company's going concern status is dependent upon continued financial support from Applied Underwriters, Inc, the 'Ultimate Controlling Party'.

Concirrus Ltd (Registered number: 07793895)

Notes to the Consolidated Financial Statements - continued
for the year ended 31 December 2022

3. Turnover

The turnover and loss before taxation are attributable to the one principal activity of the Group.

An analysis of turnover by class of business is given below:

	2022	2021
	£	£
Subscription revenue	3,161,317	2,975,996
Consulting revenue	<u>72,459</u>	<u>282,586</u>
	<u>3,233,776</u>	<u>3,258,582</u>

An analysis of turnover by geographical market is given below:

	2022	2021
	£	£
United Kingdom	3,172,851	2,789,963
Rest of world	<u>60,925</u>	<u>468,619</u>
	<u>3,233,776</u>	<u>3,258,582</u>

4. Employees and directors

	2022	2021
	£	£
Wages and salaries	5,232,207	6,411,032
Social security costs	552,184	615,270
Other pension costs	<u>351,105</u>	<u>296,009</u>
	<u>6,135,496</u>	<u>7,322,311</u>

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

	2022	2021
Average number of employees	<u>84</u>	<u>107</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 84 (2021 - 107).

5. Directors' emoluments

	2022	2021
	£	£
Directors' remuneration	<u>191,000</u>	<u>765,672</u>

Concirus Ltd (Registered number: 07793895)

Notes to the Consolidated Financial Statements - continued
for the year ended 31 December 2022

5. **Directors' emoluments - continued**

During the year retirement benefits were accruing to one director (2021: one) in respect of defined contribution pension schemes.

During the year aggregate remuneration paid to key management personnel totalled £191,000 (2021: £765,672).

The highest paid director received remuneration of £191,000 (2021: £214,028), including £nil (2021: £41,220) paid to a related company. Company pension contributions of £9,000 (2021: £9,000) were made on their behalf.

6. **Operating loss**

The operating loss is stated after charging/(crediting):

	2022	2021
	£	£
Other operating leases	319,716	316,539
Depreciation - owned assets	74,858	89,306
Goodwill amortisation	-	48,491
Auditors' remuneration	75,000	2,673
Foreign exchange differences	<u>(129,276)</u>	<u>35,005</u>

7. **Exceptional items**

	2022	2021
	£	£
Exceptional items	<u>(817,703)</u>	<u>(370,797)</u>

8. **Interest payable and similar expenses**

	2022	2021
	£	£
Other Interest	<u>175,264</u>	<u>15,992</u>

9. **Taxation**

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	2022	2021
	£	£
Current tax:		
UK corporation tax	<u>(1,053,330)</u>	<u>(647,587)</u>
Tax on loss	<u>(1,053,330)</u>	<u>(647,587)</u>

UK corporation tax has been charged at 19%.

Notes to the Consolidated Financial Statements - continued
for the year ended 31 December 2022

9. Taxation - continued

Reconciliation of total tax credit included in profit and loss

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

	2022 £	2021 £
Loss before tax	<u>(9,298,926)</u>	<u>(9,269,115)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(1,766,796)	(1,761,132)
Effects of:		
Income not taxable for tax purposes	290,170	192,769
Depreciation in excess of capital allowances	1,668	217
R&D enhanced deduction	(1,053,330)	(1,332,567)
Adjustment in respect of prior periods	-	27,697
Remeasurement of deferred tax due to change in rates	-	44,489
Movement in deferred tax not recognised	1,052,614	1,166,287
Foreign tax	14,640	11,498
Losses surrendered for R&D tax credit	<u>407,704</u>	<u>1,003,155</u>
Total tax credit	<u>(1,053,330)</u>	<u>(647,587)</u>

Tax effects relating to effects of other comprehensive income

	Gross £	Tax £	2022 Net £
Currency translation differences	<u>(8,842)</u>	<u>-</u>	<u>(8,842)</u>

	Gross £	Tax £	2021 Net £
Currency translation differences	<u>21,337</u>	<u>-</u>	<u>21,337</u>

The Group has cumulative trading losses carried forward of £27,175,476 (2021: £18,614,284). No deferred tax asset has been recognised in respect of these losses in the financial statements as there is currently insufficient certainty about the availability of future taxable profits to offset these amounts.

10. Individual income statement

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

Concirrus Ltd (Registered number: 07793895)

Notes to the Consolidated Financial Statements - continued
for the year ended 31 December 2022

11. Intangible fixed assets

Group	Goodwill £
Cost	
At 1 January 2022 and 31 December 2022	<u>839,335</u>
Amortisation	
At 1 January 2022	48,491
Impairments	<u>790,844</u>
At 31 December 2022	<u>839,335</u>
Net book value	
At 31 December 2022	<u>—</u>
At 31 December 2021	<u>790,844</u>

12. Tangible fixed assets

Group	Fixtures and fittings £
Cost	
At 1 January 2022	396,382
Additions	58,686
Disposals	<u>(24,588)</u>
At 31 December 2022	<u>430,480</u>
Depreciation	
At 1 January 2022	208,099
Charge for year	74,858
Eliminated on disposal	<u>(17,136)</u>
At 31 December 2022	<u>265,821</u>
Net book value	
At 31 December 2022	<u>164,659</u>
At 31 December 2021	<u>188,283</u>

Notes to the Consolidated Financial Statements - continued
for the year ended 31 December 2022

12. Tangible fixed assets - continued

Company

	Fixtures and fittings £
Cost	
At 1 January 2022	293,195
Additions	<u>53,336</u>
At 31 December 2022	<u>346,531</u>
Depreciation	
At 1 January 2022	158,939
Charge for year	<u>80,107</u>
At 31 December 2022	<u>239,046</u>
Net book value	
At 31 December 2022	<u>107,485</u>
At 31 December 2021	<u>134,256</u>

13. Fixed asset investments

Group

	Shares in group undertakings £
Cost	
At 1 January 2022	(69,662)
Additions	<u>69,662</u>
At 31 December 2022	<u>-</u>
Net book value	
At 31 December 2022	<u>-</u>
At 31 December 2021	<u>(69,662)</u>

Concirus Ltd (Registered number: 07793895)

**Notes to the Consolidated Financial Statements - continued
for the year ended 31 December 2022**

13. Fixed asset investments - continued

Company	Shares in group undertakings £
Cost	
At 1 January 2022	
and 31 December 2022	<u>1,151</u>
Net book value	
At 31 December 2022	<u>1,151</u>
At 31 December 2021	<u>1,151</u>

The Group or the Company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Concirus (India) Private Limited

Registered office: Graphix Tower, A-13A, 3rd Floor Sector-62 Noida, Uttar Pradesh - 201309, India
Nature of business: Provision of support services

Class of shares:	%
Ordinary	holding 99.00

Concirus Singapore (Pte) Limited

Registered office: 133 Cecil Street #15-03 Keck Seng Tower Singapore 069535
Nature of business: Sales and services

Class of shares:	%
Ordinary	holding 100.00

Concirus Inc

Registered office: 108 West 13th Street, Wilmington, DE 19801 USA
Nature of business: Sales and services

Class of shares:	%
Ordinary	holding 100.00

Spark Insights Inc

Registered office: Trust Centre, 1209 Orange Street, City of Wilmington, County of Castle, 19801 USA
Nature of business: Technology services

Class of shares:	%
Ordinary (Indirect)	holding 100.00

Spark Insights Inc is owned 100% by Concirus Inc.

Concirrus Ltd (Registered number: 07793895)

**Notes to the Consolidated Financial Statements - continued
for the year ended 31 December 2022**

13. Fixed asset investments - continued

Concirrus (Israel) Ltd

Registered office: 16 Through Abba Hillel, Ramat Gan 5250608 Israel

Nature of business: Provision supporting

Class of shares:	%
Ordinary	holding 100.00

Concirrus (Israel) Ltd was incorporated on the 9th February 2022 having previously been operated as a branch.

14. Stocks

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Finished goods	<u>-</u>	<u>933</u>	<u>-</u>	<u>933</u>

15. Debtors

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	350,069	553,454	271,718	553,454
Amounts owed by group undertakings	-	-	632,135	726,063
Other debtors	165,660	317,366	104,384	205,459
Contract costs	-	46,116	-	46,116
Tax	1,816,262	748,418	1,904,358	759,500
Accrued income	-	60,000	-	60,000
Prepayments	<u>359,689</u>	<u>347,000</u>	<u>332,264</u>	<u>324,974</u>
	<u>2,691,680</u>	<u>2,072,354</u>	<u>3,244,859</u>	<u>2,675,566</u>
Amounts falling due after more than one year:				
Contract costs	<u>-</u>	<u>29,264</u>	<u>-</u>	<u>29,264</u>
Aggregate amounts	<u>2,691,680</u>	<u>2,101,618</u>	<u>3,244,859</u>	<u>2,704,830</u>

Concirrus Ltd (Registered number: 07793895)

Notes to the Consolidated Financial Statements - continued
for the year ended 31 December 2022

16. Creditors: amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans and overdrafts (see note 18)	2,170,556	500,000	2,170,556	500,000
Trade creditors	698,457	310,743	680,694	302,733
Amounts owed to group undertakings	-	-	315,406	126,134
Tax	-	3,169	-	3,169
Social security and other taxes	61,749	244,429	61,749	229,066
Other creditors	47,339	44,514	15,117	43,519
Deferred income	990,051	972,643	990,051	872,842
Accrued expenses	446,764	576,298	442,072	562,864
	<u>4,414,916</u>	<u>2,651,796</u>	<u>4,675,645</u>	<u>2,640,327</u>

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

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans (see note 18)	<u>-</u>	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>

18. Loans

An analysis of the maturity of loans is given below:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	<u>2,170,556</u>	<u>500,000</u>	<u>2,170,556</u>	<u>500,000</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>-</u>	<u>666,667</u>	<u>-</u>	<u>666,667</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>-</u>	<u>833,333</u>	<u>-</u>	<u>833,333</u>

19. Leasing agreements

Minimum lease payments fall due as follows:

Concirus Ltd (Registered number: 07793895)

Notes to the Consolidated Financial Statements - continued
for the year ended 31 December 2022

Group	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	303,465	217,773
Between one and five years	-	85,692
	<u>303,465</u>	<u>303,465</u>

The lease held within Concirus Ltd for 6 Devonshire Square, London, EC2M 4YE was surrendered on 31 March 2023.

20. Provisions for liabilities

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Other provisions	<u>-</u>	<u>15,541</u>	<u>-</u>	<u>15,541</u>
Aggregate amounts	<u>-</u>	<u>15,541</u>	<u>-</u>	<u>15,541</u>

21. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal Value:	2022	2021
			£	£
2,289,356 (2021: 2,006,192)	A Ordinary	0.0102p	234	205
4,796,507 (2021: 4,258,275)	Ordinary	0.0102p	489	434
			<u>723</u>	<u>639</u>

22. Reserves

Group	Retained earnings	Share premium	Currency translation reserve
	£	£	£
At 1 January 2022	(28,349,603)	27,946,030	15,947
Deficit for the year	(8,245,596)	-	-
Cash share issue	-	5,940,656	-
Currency translation	-	-	8,842
At 31 December 2022	<u>(36,595,199)</u>	<u>33,886,686</u>	<u>24,789</u>

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Notes to the Consolidated Financial Statements - continued
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22. Reserves - continued

Group

	Share based payments reserve £	Merger reserve £	Totals £
At 1 January 2022	1,047,917	513,893	1,174,184
Deficit for the year	-	-	(8,245,596)
Cash share issue	-	-	5,940,656
Share based payment charges	214,180	-	214,180
Currency translation	-	-	8,842
At 31 December 2022	<u>1,262,097</u>	<u>513,893</u>	<u>(907,734)</u>

Company

	Retained earnings £	Share premium £	Share based payments reserve £	Merger reserve £	Totals £
At 1 January 2022	(28,713,852)	27,946,030	1,047,917	513,893	793,988
Deficit for the year	(7,639,623)	-	-	-	(7,639,623)
Cash share issue	-	5,940,656	-	-	5,940,656
Share based payment charges	-	-	214,180	-	214,180
At 31 December 2022	<u>(36,353,475)</u>	<u>33,886,686</u>	<u>1,262,097</u>	<u>513,893</u>	<u>(690,799)</u>

The Group's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Share premium account

The share premium account includes the premium on issue of equity shares.

Share based payments reserve

The share based payment reserve represents the cumulative fair value of share based payments recognised in profit and loss.

Currency translation reserve

The currency translation reserve represents the cumulative foreign exchange differences on translation of overseas subsidiaries that have been recognised in other comprehensive income.

Merger reserve

The merger reserve represents the premium on the company's shares issued as part of the consideration for a business combination.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

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23. Enterprise management incentive scheme

Concirus Ltd operates an equity-settled share based remuneration scheme for employees. The options are exercisable on the occurrence of a sale or reconstruction, a compulsory acquisition event or a listing or at the discretion of the directors. Options lapse when an option holder ceases to hold office or employment or on the 10th anniversary of the date of grant.

	Weighted average price (pence) 2022	Number 2022	Weighted average price (pence) 2021	Number 2021
Outstanding at the beginning of the year	0.0102	903,550	0.0102	803,000
Granted during the year	0.0102	100,000	0.0102	98,500
Forfeited during the year	0.0102	0	0.0102	(60,303)
Exercised during the year	0.0102	88,611	0.0102	60,031
Exercised prior year adjustment	0.0102	0	0.0102	2,322
Expired during the year	0.0102	0	0.0102	-
Outstanding at the end of the year	0.0102	1,092,161	0.0102	903,550

The exercise price of options outstanding at the end of the year was £0.000102 (2021: £0.000102) and their weighted average contractual life was 7 years (2021 - 8 years).

The Black-Scholes option pricing model was used to value the share-based payment awards as it was considered that this approach would result in materially accurate estimate of the fair value of the options granted.