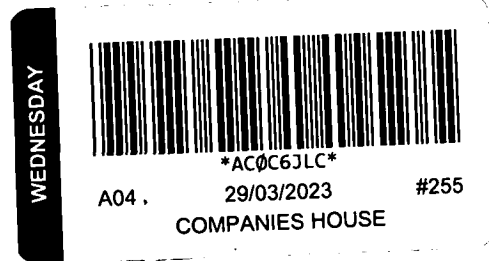


Company Registration No. 02584418 (England and Wales)

OMNIPLEX (GROUP) LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2022



OMNIPLEX (GROUP) LIMITED

COMPANY INFORMATION

Directors	M D Lloyd D Byrne P Jocelyn
Secretary	M D Lloyd
Company number	02584418
Registered office	Omniplex Learning 45 Grosvenor Road St Albans Hertfordshire AL1 3AW
Auditor	RSM UK Audit LLP Chartered Accountants 3 Hardman Street Manchester M3 3HF

OMNIPLEX (GROUP) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2022

The directors present the strategic report for the year ended 30 June 2022.

Principal activities

Omniplex (Group) Limited is the trading name of Omniplex Learning ("Omniplex" or "the company"). The principal activity of the Company is the provision of e-Learning software and solutions to organisations.

Fair review of the business

The Company reported a successful year of growth across its core markets, with revenue growing 31% to £14.4m (2021: £11.0m). The company generated an operating profit of £2.1m (2021: £1.3m), and continues to be strongly cash generative, finishing the year with a cash level of £4.1m (2021: £3.4m).

During the financial year, Omniplex invested in people, systems and infrastructure to support and deliver high levels of future growth. Average headcount grew from 35 to 53, with associated growth in Administrative Expenses to £4.6m (2021: £3.6m).

Three events outside of the normal course of business occurred in the Company during the financial year, namely an acquisition, the hive-up of the trade and assets of that acquisition, and the disposal of a foreign subsidiary.

During the financial year, the Company identified an opportunity in Digital Adoption Platforms. The market for Digital Adoption Platforms has been growing at 12% per annum over recent years and is c.\$13bn globally. On 17 March 2022, the decision was made to acquire Nickelled Limited who had developed a Digital Adoption Platform. The result of this is that the Company has its own IP development software and development team.

On 30 June 2022 the trade and assets of Nickelled Limited were hived up to the Company, leading to goodwill of £1.6m being recognised and £0.8m of contingent consideration at the year end.

The Company decided to divest its small Chinese subsidiary in May 2021 and on 1 January 2022 the management of Omniplex China Inc completed a management buy-out, resulting in the disposal of the subsidiary. Costs in relation to this amounting to £65k (2021: £213k) were incurred during the year.

Key performance indicators

Revenue is the leading indicator of the Company, and performed strongly in the financial year, growing by 31% to £14.4m (2021: £11.0m).

Gross Profit Margin increased by 1.7 percentage points to 46.3% (2021: 44.6%) and Operating Profit Margin by 2.8 percentage points to 14.7% (2021: 11.9%).

The Company generated an Operating Profit of £2.1m (2021: £1.3m), and continues to be strongly cash generative, finishing the year with a cash level of £4.1m (2021: £3.4m).

Principal risks and uncertainties

The Company, like all businesses, has been navigating through a period of disruption, as it has responded to the practical and macro-economic impacts of COVID-19. The Company may be subject to inherent risks arising from the aftereffects of the COVID-19 pandemic.

A proportion of the Company's cost base is denominated in US Dollars. Fluctuations in exchange rates between Sterling and US Dollar could cause sales and balance sheet volatility. Currency movement can have either a positive or a negative impact on the Company, and it adopts a hedging policy to mitigate short-term currency risk which it deems to be effective.

The Company, like all businesses, is at risk of Cyber attacks which globally are becoming more frequent and could result in interrupted service or data theft. Data security is very important to the Company, as failure to appropriately process, store or share information could result in the loss of IP or the loss of data, whether it be Company data, or that of employees or customers. The Company continues to review and invest in the development and maintenance of an IT infrastructure, systems and processes that seek to mitigate threats from Cyber security.

OMNIPLEX (GROUP) LIMITED

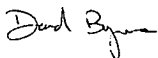
STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

Future developments

The Company continues its strategy to provide e-Learning software and solutions to its customers. Further growth is expected in the coming years, and the financial year ending 30 June 2023 has started strongly with growth in revenue, cash and headcount. The Company also continues to invest in its people, operating systems and IT infrastructure.

On behalf of the board



.....
D Byrne
Director

Date: 23/03/23
.....

OMNIPLEX (GROUP) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2022

The directors present their annual report and financial statements for the year ended 30 June 2022.

Principal activities

The principal activity of the company continued to be that of the sale and distribution of e-learning software, e-learning content development and associated training and support.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. At the year end the company had net current assets of £728,275 (2021: £220,820) including cash of £4,075,582 (2021: £3,439,050), and profit before taxation of £2,144,459 (2021: £1,254,338). Following the year end additional facilities have been entered into and certain loan note capital and interest has been repaid. The directors have prepared forecasts looking forward for 12 months and therefore continue to adopt the going concern basis in the preparation of these financial statements.

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M D Lloyd
D Byrne
P Jocelyn

(Appointed 1 August 2022)

Qualifying third party indemnity provisions

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

Post reporting date events

After the year end the group entered into a long term lease for a new office space in St. Albans (45 Grosvenor Road).

A wholly owned subsidiary of Omniplex (Group) Limited, Omniplex (UK) Limited, acquired the trade and assets of Educational Systems Limited trading as Good E-learning on 30 January 2023 for a total cash outflow of £466k comprising cash consideration, the assumption of certain historic liabilities and transaction fees to be settled from cash reserves.

On 10 February 2023, Omniplex (Group) Limited commenced a revolving credit facility with OakNorth Bank. The facility allows access to a £2,000,000 working capital facility and £1,000,000 capital facility.

On 13 February 2023, Omniplex (Group) Limited repaid £4,044,791 of loan note capital and interest.

Auditor

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

Strategic report

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

OMNIPLEX (GROUP) LIMITED

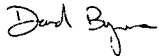
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



.....
D Byrne
Director

Date: 23/03/23
.....

OMNIPLEX (GROUP) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2022

The directors are responsible for preparing the Strategic Report and 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OMNIPLEX (GROUP) LIMITED

Opinion

We have audited the financial statements of Omniplex (Group) Limited (the 'company') for the year ended 30 June 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 June 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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

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 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 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.

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

We have nothing to report in this regard.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OMNIPLEX (GROUP) LIMITED (CONTINUED)

Matters on which we are required to report by exception

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 material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OMNIPLEX (GROUP) LIMITED (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and the Companies Act 2006. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to General Data Protection Regulation. We performed audit procedures to inquire of management whether the company is in compliance with these law and regulations and inspected correspondence where available.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates applied in revenue recognition.

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

Use of our report

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

Jonathan Lowe

Jonathan Lowe (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF
24/03/23.....

OMNIPLEX (GROUP) LIMITED

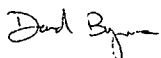
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 £	2021 £
Turnover	3	14,441,365	10,967,889
Cost of sales		(7,761,333)	(6,076,784)
Gross profit		6,680,032	4,891,105
Administrative expenses (including 2022 exceptional costs of £395,763 (2021: £289,080))	4	(4,561,101)	(3,588,879)
Operating profit	7	2,118,931	1,302,226
Interest receivable and similar income	8	25,528	62
Interest payable and similar expenses	9	-	(47,950)
Profit before taxation		2,144,459	1,254,338
Tax on profit	10	(432,108)	(129,975)
Profit for the financial year		1,712,351	1,124,363

OMNIPLEX (GROUP) LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2022**

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Goodwill	11		1,607,289		-
Other intangible assets	11		210,649		-
Total intangible assets			1,817,938		-
Tangible assets	12		234,765		164,845
			2,052,703		164,845
Current assets					
Debtors	15	3,530,684		2,648,519	
Cash at bank and in hand		4,075,582		3,439,050	
		7,606,266		6,087,569	
Creditors: amounts falling due within one year	16	(6,877,991)		(5,866,749)	
Net current assets			728,275		220,820
Total assets less current liabilities			2,780,978		385,665
Creditors: amounts falling due after more than one year	17		(635,200)		-
Provisions for liabilities	19		(459,230)		(431,719)
Net assets/(liabilities)			1,686,548		(46,054)
Capital and reserves					
Called up share capital	22		10,000		10,000
Share premium account	23		126,157		126,157
Share based payment reserve	23		20,251		-
Profit and loss reserves	23		1,530,140		(182,211)
Total equity			1,686,548		(46,054)

The financial statements were approved by the board of directors and authorised for issue on 23/03/23 and are signed on its behalf by:



D Byrne
Director

OMNIPLEX (GROUP) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Share capital	Share premium account	Share based payment reserve	Profit and loss reserves	Total
	£	£	£	£	£
Balance at 1 July 2020	10,000	126,157	-	(1,306,574)	(1,170,417)
Year ended 30 June 2021:					
Profit and total comprehensive income for the year	-	-	-	1,124,363	1,124,363
Balance at 30 June 2021	10,000	126,157	-	(182,211)	(46,054)
Year ended 30 June 2022:					
Profit and total comprehensive income for the year	-	-	-	1,712,351	1,712,351
Credit to equity for equity settled share-based payments	-	-	20,251	-	20,251
Balance at 30 June 2022	10,000	126,157	20,251	1,530,140	1,686,548

OMNIPLEX (GROUP) LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022		2021	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	24		2,653,578		3,924,724
Interest paid			-		(47,950)
Income taxes paid			(800,000)		(350,950)
Net cash inflow from operating activities			1,853,578		3,525,824
Investing activities					
Purchase of intangible assets		(225,135)		-	
Purchase of tangible fixed assets		(142,511)		(136,565)	
Purchase of subsidiaries		(874,049)		-	
Proceeds from other investments and loans		-		342,265	
Interest received		663		62	
Dividends received		24,865		-	
Net cash (used in)/generated from investing activities			(1,216,167)		205,762
Financing activities					
Repayment of borrowings		-		(881,639)	
Repayment of bank loans		-		(38,932)	
Payment of finance leases obligations		(879)		(867)	
Net cash used in financing activities			(879)		(921,438)
Net increase in cash and cash equivalents			636,532		2,810,148
Cash and cash equivalents at beginning of year			3,439,050		628,902
Cash and cash equivalents at end of year			4,075,582		3,439,050

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

Company information

Omniplex (Group) Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Omniplex Learning, 45 Grosvenor Road, St Albans, Hertfordshire, AL1 3AW.

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

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

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

- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;

The financial statements of the company are consolidated in the financial statements of Omniplex Learning Group Limited (formerly known as Odyssey Bidco Limited). These consolidated financial statements are available from its registered office, Omniplex Learning, 45 Grosvenor Road, St Albans, Hertfordshire, United Kingdom, AL1 3AW.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Omniplex (Group) Limited is a wholly owned subsidiary of Omniplex Learning Group Limited (formerly known as Odyssey Bidco Limited) and the results of Omniplex (Group) Limited are included in the consolidated financial statements of Omniplex Learning Group Limited (formerly known as Odyssey Bidco Limited) which are available from Omniplex Learning, 45 Grosvenor Road, St Albans, Hertfordshire, United Kingdom, AL1 3AW.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. At the year end the company had net current assets of £728,275 (2021: £220,820) including cash of £4,075,582 (2021: £3,439,050), and profit before taxation of £2,144,459 (2021: £1,254,338). Following the year end additional facilities have been entered into and certain loan note capital and interest has been repaid. The directors have prepared forecasts looking forward for 12 months and therefore continue to adopt the going concern basis in the preparation of these financial statements.

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies (Continued)

Turnover

Revenue from the provision of software and IT services, and otherwise, is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue and costs can be reliably measured. Revenue is measured as the fair value for the consideration received or receivable, excluding discount, rebates, value add tax and other sales taxes. For continuing services, revenue is recognised when the stage of completion can be reliably measured using a percentage of completion method.

Intangible fixed assets - goodwill

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

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

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

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

Software	3 years straight line
Website development costs	3 years straight line

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

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

Computer & office equipment	1 - 5 years straight line
-----------------------------	---------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies (Continued)

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

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

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

Cash and cash equivalents

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

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies (Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and loans from fellow group companies, are initially recognised at transaction price.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

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

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

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

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

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

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

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies (Continued)

Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

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

Share-based payments

Equity-settled share-based payments on share options over the parent company shares are measured at fair value at the date of grant. The fair value of the share options has been arrived at using entity specific observable market data, namely a recent transaction in the entity's shares following an independent valuation. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies (Continued)

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

Foreign exchange

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

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

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

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no critical judgements or key sources of uncertainty in the financial statements.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Share options

The company uses certain valuation modelling techniques to value its share-based payments and these necessarily require judgements to be made in regard to volatility and corporate valuation in order to arrive at a reasonable valuation. In calculating the fair value of the options the company also takes into account recent transactions in the entity's shares and the probability of non-market vesting conditions occurring in deriving the number of equity instruments likely to vest.

Key sources of estimation uncertainty

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

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, where it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions which have required estimation amount to £357,582 (2021: £397,449).

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

3 Turnover and other revenue

	2022	2021
	£	£
Turnover analysed by class of business		
Sale of goods	14,441,365	10,967,889
	<u> </u>	<u> </u>
	2022	2021
	£	£
Other revenue		
Interest income	663	62
Dividends received	24,865	-
	<u> </u>	<u> </u>
	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	12,616,213	9,422,186
Rest of Europe	1,294,856	1,142,114
North America	416,999	257,108
Rest of the world	113,297	146,481
	<u> </u>	<u> </u>
	<u>14,441,365</u>	<u>10,967,889</u>

4 Exceptional item

	2022	2021
	£	£
Expenditure		
Exceptional item - Administrative costs	395,763	289,080
	<u> </u>	<u> </u>

Omniplex Inc, a subsidiary of the company, materially ceased operations in 2018. In the prior year, the company recovered in full against the amount owed by Omniplex Inc. of £79,280, which had previously been impaired.

On 4 April 2021 Omniplex Inc was dissolved and the company incurred costs of £4,429 (2021 - £Nil).

In May 2021 the board made the decision to divest Omniplex China and the company disposed of its shares during the year. Costs in relation to this amounting to £65,037 (2021 - £233,960) were incurred during the year.

During the year the company purchased 100% of the share capital of Nickelled Limited, costs were expensed in relation to this of £160,725 (2021 - £Nil).

During the year employee restructuring costs were incurred of £125,490 (2021 - £Nil).

During the year the net assets of the company's subsidiary Nickelled Limited were hived up into the company. Due to this the company impaired its investment in Nickelled in full which amounted to a cost being incurred of £35,548 (2021: £Nil) and costs incurred in connection of the hive up of £4,535 (2021: £Nil).

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

5 Employees

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

	2022 Number	2021 Number
Administration	40	27
Operations	10	6
Management	3	2
Total	<u>53</u>	<u>35</u>

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	2,390,207	1,943,858
Social security costs	315,239	233,041
Pension costs	43,005	29,937
	<u>2,748,451</u>	<u>2,206,836</u>

6 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	382,355	396,161
Company pension contributions to defined contribution schemes	2,532	2,703
	<u>384,887</u>	<u>398,864</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2021 - 2).

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

	2022 £	2021 £
Remuneration for qualifying services	206,978	245,625
Company pension contributions to defined contribution schemes	1,211	1,315

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

7 Operating profit	2022	2021
	£	£
Operating profit for the year is stated after charging:		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	2,418	41,147
Fees payable to the company's auditor for the audit of the company's financial statements	55,000	18,000
Depreciation of owned tangible fixed assets	72,591	35,737
Amortisation of intangible assets	55,698	-
Share-based payments	20,251	-
Operating lease charges	79,860	81,356
	<u> </u>	<u> </u>
8 Interest receivable and similar income	2022	2021
	£	£
Interest income		
Interest on bank deposits	622	62
Other interest income	41	-
	<u> </u>	<u> </u>
Total interest revenue	663	62
Income from fixed asset investments		
Income from shares in group undertakings	24,865	-
	<u> </u>	<u> </u>
Total income	25,528	62
	<u> </u>	<u> </u>
9 Interest payable and similar expenses	2022	2021
	£	£
Other interest on financial liabilities	-	47,950
	<u> </u>	<u> </u>
10 Taxation	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	378,227	210,683
Adjustments in respect of prior periods	(13,497)	(112,380)
	<u> </u>	<u> </u>
Total current tax	364,730	98,303
	<u> </u>	<u> </u>

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

10 Taxation (Continued)

Deferred tax		
Origination and reversal of timing differences	67,378	24,465
Adjustment in respect of prior periods	-	7,207
	<u>67,378</u>	<u>31,672</u>
Total deferred tax	67,378	31,672
	<u>67,378</u>	<u>31,672</u>
Total tax charge	432,108	129,975
	<u>432,108</u>	<u>129,975</u>

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2022	2021
	£	£
Profit before taxation	2,144,459	1,254,338
	<u>2,144,459</u>	<u>1,254,338</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	407,447	238,324
Tax effect of expenses that are not deductible in determining taxable profit	98,147	48,079
Adjustments in respect of prior years	(13,497)	(112,380)
Group relief	(63,006)	(45,902)
Permanent capital allowances in excess of depreciation	-	(1,970)
Deferred tax adjustments in respect of prior years	-	7,207
Remeasurement of deferred tax for change in tax rates	14,957	8,225
Movement in deferred tax not recognised	5,063	(11,608)
Fixed asset differences	(12,279)	-
Group income	(4,724)	-
	<u>(4,724)</u>	<u>-</u>
Taxation charge for the year	432,108	129,975
	<u>432,108</u>	<u>129,975</u>

Factors affecting future tax charges

In the budget on 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021.

Deferred tax has been calculated at 25% (2021 - 25%) which was the tax rate substantively enacted at the period end.

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

11 Intangible fixed assets

	Goodwill	Software	Website development costs	Total
	£	£	£	£
Cost				
Additions - separately acquired	-	165,060	60,075	225,135
Additions - business combinations	1,648,501	-	-	1,648,501
At 30 June 2022	1,648,501	165,060	60,075	1,873,636
Amortisation and impairment				
Amortisation charged for the year	41,212	-	14,486	55,698
At 30 June 2022	41,212	-	14,486	55,698
Carrying amount				
At 30 June 2022	1,607,289	165,060	45,589	1,817,938
At 30 June 2021	-	-	-	-

12 Tangible fixed assets

	Computer & office equipment £
Cost	
At 1 July 2021	248,906
Additions	142,511
Disposals	(39,134)
At 30 June 2022	352,283
Depreciation and impairment	
At 1 July 2021	84,061
Depreciation charged in the year	72,591
Eliminated in respect of disposals	(39,134)
At 30 June 2022	117,518
Carrying amount	
At 30 June 2022	234,765
At 30 June 2021	164,845

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

13 Fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 July 2021	93,137
Additions	1,684,049
Transfer to goodwill	(1,648,501)
Disposals	(93,137)
At 30 June 2022	<u>35,548</u>
Impairment	
At 1 July 2021	93,137
Impairment losses	35,548
Disposals	(93,137)
At 30 June 2022	<u>35,548</u>
Carrying amount	
At 30 June 2022	<u><u>-</u></u>
At 30 June 2021	<u><u>-</u></u>

On 17 March 2022 the company purchased 100% of the ordinary share capital of Nickelled Limited for consideration of £1,480,000 and incurred transaction costs of £204,049. Out of the consideration of £1,480,000, £810,000 is contingent.

At the year end the assets and liabilities of Nickelled Limited were hived up into Omniplex Limited. The value of the net assets were £35,548, which is the full value of the investment. As no further value will be obtained from the investment, this amount is impaired in full.

During the year the company disposed of its shares in Omniplex China. The carrying value of the investment was £Nil.

14 Subsidiaries

Details of the company's subsidiaries at 30 June 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Cursim Limited	C/O Hjp Audley House, Northbridge Road, Berkhamsted, Herts, HP4 1EH	Dormant	Ordinary	100.00
Omniplex (UK) Limited	C/O Hjp Audley House, Northbridge Road, Berkhamsted, Herts, HP4 1EH	Dormant	Ordinary	100.00
Nickelled Ltd	C/O Hjp Audley House, Northbridge Road, Berkhamsted, Herts, HP4 1EH	Business and domestic software development	Ordinary	100.00

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

15 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	2,840,464	1,965,919
Corporation tax recoverable	366,150	44,990
Other debtors	151,635	526,269
Prepayments and accrued income	172,435	111,341
	<u>3,530,684</u>	<u>2,648,519</u>

16 Creditors: amounts falling due within one year

	2022	2021
	£	£
	Notes	
Obligations under finance leases	18	879
Trade creditors	2,257,654	972,900
Amounts owed to group undertakings	949,779	886,207
Corporation tax	-	114,110
Other taxation and social security	586,655	837,598
Deferred income	2,392,928	1,906,315
Other creditors	208,932	13,882
Accruals	482,043	1,134,858
	<u>6,877,991</u>	<u>5,866,749</u>

17 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Other creditors	635,200	-
	<u>635,200</u>	<u>-</u>

18 Finance lease obligations

	2022	2021
	£	£
Future minimum lease payments due under finance leases:		
Less than one year	-	879
	<u>-</u>	<u>879</u>

Finance lease payments represented rentals payable by the company for certain items of plant and machinery. Leases included purchase options at the end of the lease period, and no restrictions were placed on the use of the assets. The average lease term was 3 years. All leases were on a fixed repayment basis and no arrangements had been entered into for contingent rental payments.

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

19 Provisions for liabilities

	Notes	2022 £	2021 £
Commercial contract provision		220,170	220,175
Re-work and refund provision		34,756	60,582
Copyright claim and dilapidation provision		42,000	42,000
Software license and tax matters provision		60,656	74,692
		<u>357,582</u>	<u>397,449</u>
Deferred tax liabilities	20	101,648	34,270
		<u>459,230</u>	<u>431,719</u>

The company has recognised a £220,170 (2021 - £220,175) provision in relation to the recoverability and obligations arising from the operation of certain commercial contracts during the year, the timing and certainty of any expected outflows are deemed likely to occur within a period of 12 months.

The company has recognised a £34,756 (2021 - £60,582) provision for potential future costs on ongoing projects.

The company has recognised a £30,000 (2021 - £30,000) provision in relation to dilapidation costs and £12,000 (2021 - £12,000) in relation to an ongoing copyright claim.

The company has recognised a £24,697 (2021 - £24,692) provision for potential software license costs and a £35,959 (2021 - £50,000) provision for future tax related costs.

Movements on provisions apart from deferred tax liabilities:

	Commercial contract provision	Re-work and refund provision	Copyright claim and dilapidation provision	Software license and tax matters provision	Total
	£	£	£	£	£
At 1 July 2021	220,175	60,582	42,000	74,692	397,449
Utilisation of provision	(5)	(25,826)	-	(14,036)	(39,867)
At 30 June 2022	<u>220,170</u>	<u>34,756</u>	<u>42,000</u>	<u>60,656</u>	<u>357,582</u>

20 Deferred taxation

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

	Liabilities 2022 £	Liabilities 2021 £
Balances:		
Accelerated capital allowances	<u>101,648</u>	<u>34,270</u>

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

20 Deferred taxation (Continued)

	2022
	£
Movements in the year:	
Liability at 1 July 2021	34,270
Charge to profit or loss	67,378
Liability at 30 June 2022	<u>101,648</u>

The deferred tax liability set out above is expected to reverse in the foreseeable future and relates to accelerated capital allowances that are expected to mature within the same period.

21 Retirement benefit schemes

	2022	2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>43,005</u>	<u>29,937</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Creditors in relation to the defined contribution scheme at the year end was £24,155 (2021 - £13,882).

22 Share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

Ordinary share rights

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

23 Reserves

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

Share based payment reserve

The cumulative share-based payment expense.

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

24 Cash generated from operations

	2022 £	2021 £
Profit for the year after tax	1,712,351	1,124,363
Adjustments for:		
Taxation charged	432,108	129,975
Finance costs	-	47,950
Investment income	(25,528)	(62)
Amortisation and impairment of intangible assets	55,698	-
Depreciation and impairment of tangible fixed assets	72,591	35,737
Impairment of fixed asset investments	35,548	-
Equity settled share based payment expense	20,251	-
(Decrease)/increase in provisions	(39,867)	349,694
Movements in working capital:		
Increase in debtors	(561,005)	(507,433)
Increase in creditors	464,818	838,185
Increase in deferred income	486,613	1,906,315
Cash generated from operations	<u>2,653,578</u>	<u>3,924,724</u>

25 Analysis of changes in net funds

	1 July 2021 £	Cash flows £	30 June 2022 £
Cash at bank and in hand	3,439,050	636,532	4,075,582
Obligations under finance leases	(879)	879	-
	<u>3,438,171</u>	<u>637,411</u>	<u>4,075,582</u>

26 Financial commitments, guarantees and contingent liabilities

Loan notes of £9,732,091 (2021 - £8,845,051) are held by a company within the same group and are secured by a fixed and floating charge over all current and future assets of this company, via a cross-company guarantee.

The invoice discounting facility of £Nil (2021: £Nil) is secured by way of a fixed and floating charge on all of the property of the undertakings of the company. The charge was satisfied on 13/12/2022.

OMNIPLEX (GROUP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

27 Operating lease commitments

Lessee

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

	2022 £	2021 £
Within one year	10,760	46,080
Between one and five years	4,600	15,360
	<u>15,360</u>	<u>61,440</u>

28 Events after the reporting date

After the year end the group entered into a long term lease for a new office space in St. Albans (45 Grosvenor Road).

A wholly owned subsidiary of Omniplex (Group) Limited, Omniplex (UK) Limited, acquired the trade and assets of Educational Systems Limited trading as Good E-learning on 30 January 2023 for a total cash outflow of £466k comprising cash consideration, the assumption of certain historic liabilities and transaction fees to be settled from cash reserves.

On 10 February 2023, Omniplex (Group) Limited commenced a revolving credit facility with OakNorth Bank. The facility allows access to a £2,000,000 working capital facility and £1,000,000 capital facility.

On 13 February 2023, Omniplex (Group) Limited repaid £4,044,791 of loan note capital and interest.

29 Related party transactions

The company incurred a monitoring fee from a shareholder of its parent company of £75,000 (2021: £Nil).

The company charged Digital Learning as a Service income to a shareholder of its parent company of £103,950 (2021: £Nil). There was an amount due from them at the balance sheet date of £124,740 (2021: £Nil).

The company has taken advantage of the disclosure exemption relating to section 33.1A of the standard, with regards to the requirement of disclosing transactions with fellow group entities.

30 Directors' transactions

During the year, the company repaid its former directors £Nil (2021 - £345,060). At the year end, a balance was owed of £Nil (2021 - £Nil) to the former directors.

31 Ultimate controlling party

The parent company is Omniplex Learning Group Limited (formerly known as Odyssey Bidco Limited) which is the largest and smallest group of companies for which consolidated accounts are prepared. The consolidated accounts are available at its registered office Omniplex Learning, 45 Grosvenor Road, St Albans, Hertfordshire, United Kingdom, AL1 3AW.

The directors consider there to be no ultimate controlling party.