

ASITE SOLUTIONS LIMITED

FINANCIAL STATEMENTS

30 JUNE 2022

**ArmstrongWatson<sup>®</sup>**  
Accountants, Business & Financial Advisers

**ASITE SOLUTIONS LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	N R Doughty N A Martin R Tchenguiz D Gera A C Pickworth (resigned 6 June 2022)
<b>Company secretary</b>	Sandip Gadhia
<b>Registered number</b>	04040122
<b>Registered office</b>	7th Floor Leconfield House Curzon Street London W1J 5JA
<b>Independent auditor</b>	Armstrong Watson Audit Limited Statutory Auditors & Chartered Accountants Third Floor 10 South Parade Leeds LS1 5QS

**ASITE SOLUTIONS LIMITED**

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# ASITE SOLUTIONS LIMITED

## STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2022

### Introduction

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

### Business review

I am pleased to report that the Company has continued its growth and increased its global footprint over the past 12 months. For the year ended 30 June 2022 revenue increased by 9% from £10,647,840 to £11,636,731 and the operating loss was £5,434,650, a decrease of £6,237,989 from an operating profit of £803,339 in the year ended 30 June 2021.

Asite's vision is to connect people and help the world build better.

Our Asite Platform continues to push the boundaries of research and innovation in the fields of digital engineering and data logistics on behalf of our customers. This positions us well to deliver on our strategic plan to become the world's leading data logistics platform for the built environment, providing the software to connect the physical, digital, and human.

### Key performance indicators

Asite continues to manage the business through both financial Key Performance Indicators (KPIs) as listed below, and non-financial KPIs such as number of users, number of clients and churn rate.

The Directors consider Earnings Before Interest, Tax, Depreciation, and Amortisation (EBITDA), Global Headcount, and Annual Recurring Revenue (ARR) to be strategically important KPIs for the business and we continuously monitor these KPIs in accordance with the key metrics of the business:

**2022** 2021

Turnover (£)	11,636,731	10,647,840
EBITDA (£)	(4,539,128)	1,622,555
As a % of Turnover	(39)	15

The year on year decrease in EBITDA is largely attributable to the increased strategic investment into Sales & Marketing headcount in both new and existing regions.

### Headcount KPI

**2022** 2021

Headcount (Average)	73	49
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Average Headcount has increased by 49% year on year.

### Annual Recurring Revenue KPI

**2022** 2021

Annual Recurring Revenue (£m)	10.7	7.8
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Annual Recurring Revenue has increased by 37% year on year.

**ASITE SOLUTIONS LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2022**

**Principal risks and uncertainties**

We undertake a continuous risk review strategy of our operations and continue to implement appropriate mitigation strategies for those risks which we have assessed as critical to the ongoing operations of the Company. Significant risks identified cover recruitment and retention of key staff, system performance, technology obsolescence, client base plurality, product diversity and regulatory environment. The Company continues to monitor these risks and to update and amend mitigating strategies as appropriate.

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

.....  
**N R Doughty**

Director

Date: 30 June 2023

## ASITE SOLUTIONS LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2022

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

#### Directors' responsibilities statement

The directors are responsible for preparing the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

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

#### Principal activity

The principal activity of the Company is to provide a Software as a Service (SaaS) digital engineering platform to integrate supply chains for capital projects, infrastructure developments, and asset management.

#### Results and dividends

The loss for the year, after taxation, amounted to £7,177,980 (2021 - profit £1,478,815).

No dividends were paid during the year (2021: £2,200,000). The Directors do not recommend the payment of a final dividend.

#### Directors

The directors who served during the year were:

N R Doughty  
N A Martin  
R Tchenguiz  
D Gera  
A C Pickworth (resigned 6 June 2022)

#### Future developments

The directors are not expecting to make any significant changes in the nature of the business in the near future but continued growth via investment in marketing, R&D and ecosystem partnerships remain a key focus for the Company's growth.

## ASITE SOLUTIONS LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

#### Research and development activities

The Company continues to invest in research and development in the field of digital engineering. Research and development costs incurred during the year to 30 June 2022 totalled £2,525,272 (2021: £832,607) all of which was capitalised. The directors regard investment in this area as a prerequisite for success in the medium to long term future.

#### Financial instruments

##### Objectives and policies

The Company is exposed to price risk, credit risk, liquidity risk, cash flow and foreign currency risk. The directors review risk management strategies regularly.

##### Price

The Company has minimal exposure to price risk as all prices are pre-set by management.

##### Credit

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is mainly exposed to credit risk from credit sales. Credit risk is managed by monitoring payments against contractual agreements and if required suspension of dealing with customers in case of non-payments. A debt collection agency was also engaged to support collections in defined instances.

##### Liquidity

Liquidity risk arises from the Company's management of working capital and the finance charges on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Board receives regular cash flow statements as well as information regarding cash balances. At the end of the financial year, the cashflow projections indicated that the Company is expected to have sufficient liquidity. The decisions taken by management to reduce costs has mitigated any immediate liquidity risk without prohibiting the business from delivering its core functions.

##### Cash flow

The Company is exposed to cash flow risk as a result of the timing between paying suppliers and the receipt of money from customers and management manage this through regular review.

##### Foreign currency

The Company is exposed to foreign currency risk through its overseas investments and operations in various countries across the world. The Company hedges against these currency risks.

#### Creditor payment policy

The Company does not have a policy to follow any code or standard on payment practice. However, the Company will continue to settle the terms of payment with its suppliers and, when agreeing the terms of each transaction, will ensure that those suppliers are aware of the terms of payment and will abide by those terms of payment, unless subsequently renegotiated.

## ASITE SOLUTIONS LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

#### Going concern

The directors have prepared the financial statements on a going concern basis notwithstanding a loss of £7,177,980 during the year, and a further substantial loss post year end.

As set out in the strategic report, the losses have been incurred as a result of significant investment in headcount, in particular sales and marketing. Following the year end, the directors have taken steps to reduce the company's cost base. Significant savings have already been made and will continue to be made over the coming months, with the directors expecting the company to return to a monthly cash profit by August 2023, and the forecasts for the year ended June 2024 showing a return to profitability.

In preparing the forecasts on which the going concern basis has been based, the directors have considered the existence of a material uncertainty which may cast doubt upon the company's ability to continue as a going concern. The view of the directors is that the only area of material judgement within the forecasts are the assumptions around future sales growth. While the directors are optimistic about the company's ability to increase its recurring revenues, even on a sensitised basis assuming zero growth to the company's current monthly recurring revenues, the company would still have sufficient headroom within its cash and borrowing facilities to meet its liabilities as they fall due and continue as a going concern.

On this basis, the directors are confident that no material uncertainty exists and that it is appropriate to prepare the financial statements on a going concern basis.

#### Directors liabilities

Directors' and officers' liability insurance has been purchased by the Company during the year. The company's Articles of Association provide, subject to the provision of UK legislation, an indemnity for the directors and officers of the company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers. This includes any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted or alleged to have been done or omitted, by them as officers or employees of the company. Appropriate directors' and officers' liability insurance cover is in place in respect of all of the company's directors.

#### Disclosure of information to auditor

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

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

#### Post balance sheet events

There have been no significant events affecting the Company since the year end.

**ASITE SOLUTIONS LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2022**

**Auditor**

The auditor, Armstrong Watson Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 30 June 2023 and signed on its behalf.

.....  
N R Doughty  
Director

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASITE SOLUTIONS LIMITED**

**Opinion**

We have audited the financial statements of Asite Solutions 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 and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2022 and of its 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 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 United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASITE SOLUTIONS LIMITED (CONTINUED)**

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report 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 3, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASITE SOLUTIONS LIMITED (CONTINUED)

**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.

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 obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the UK Companies Act, tax legislation and occupational health and employment legislation.
- We enquired of the directors, reviewed correspondence with HMRC and reviewed directors meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the directors have in place to ensure compliance.
- We gained an understanding of the controls that the directors have in place to prevent and detect fraud. We enquired of the directors about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: revenue recognition.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the directors and third-party advisors about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

**ASITE SOLUTIONS LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASITE SOLUTIONS LIMITED (CONTINUED)**

**Use of our report**

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

Matthew Osbourne (Senior Statutory Auditor)

for and on behalf of

**Armstrong Watson Audit Limited**

Statutory Auditors

Chartered Accountants

Leeds

30 June 2023

**ASITE SOLUTIONS LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2022**

	<b>Note</b>	<b>2022</b>	2021
		£	£
Turnover	4	11,636,731	10,647,840
Cost of sales		(1,504,980)	(1,156,015)
<b>Gross profit</b>		<b>10,131,751</b>	9,491,825
Distribution costs		(7,332,506)	(4,759,529)
Administrative expenses		(8,233,895)	(3,946,435)
Other operating income	5	-	62,070
Other operating charges		-	(44,592)
<b>Operating (loss)/profit</b>		<b>(5,434,650)</b>	803,339
Interest receivable and similar income	9	2,119	-
<b>(Loss)/profit before tax</b>		<b>(5,432,531)</b>	803,339
Tax on (loss)/profit	10	(1,745,449)	675,476
<b>(Loss)/profit for the financial year</b>		<b>(7,177,980)</b>	1,478,815

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

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

The notes on pages 14 to 29 form part of these financial statements.

**ASITE SOLUTIONS LIMITED**  
**REGISTERED NUMBER: 04040122**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	12	4,325,193	2,530,447
Tangible assets	13	176,735	163,394
Investments	14	72,623	72,623
		4,574,551	2,766,464
<b>Current assets</b>			
Debtors: amounts falling due within one year	15	5,842,340	7,220,803
Cash at bank and in hand	16	483,269	1,567,704
		6,325,609	8,788,507
Creditors: amounts falling due within one year	17	(9,863,316)	(3,340,147)
<b>Net current (liabilities)/assets</b>		<b>(3,537,707)</b>	5,448,360
<b>Total assets less current liabilities</b>		<b>1,036,844</b>	8,214,824
<b>Net assets</b>		<b>1,036,844</b>	8,214,824
<b>Capital and reserves</b>			
Called up share capital		7,160	7,160
Profit and loss account	19	1,029,684	8,207,664
		<b>1,036,844</b>	8,214,824

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 June 2023.

.....  
**N R Doughty**  
Director

The notes on pages 14 to 29 form part of these financial statements.

ASITE SOLUTIONS LIMITED

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

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
<b>At 1 July 2020</b>	7,160	14,727,442	(5,798,593)	8,936,009
Profit for the year	-	-	1,478,815	1,478,815
<b>Total comprehensive income for the year</b>	-	-	1,478,815	1,478,815
<b>Contributions by and distributions to owners</b>				
Dividends: Equity capital	-	-	(2,200,000)	(2,200,000)
Transfer to/from profit and loss account	-	(14,727,442)	14,727,442	-
<b>Total transactions with owners</b>	-	(14,727,442)	12,527,442	(2,200,000)
<b>At 1 July 2021</b>	7,160	-	8,207,664	8,214,824
Loss for the year	-	-	(7,177,980)	(7,177,980)
<b>Total comprehensive income for the year</b>	-	-	(7,177,980)	(7,177,980)
<b>At 30 June 2022</b>	<u>7,160</u>	<u>-</u>	<u>1,029,684</u>	<u>1,036,844</u>

The notes on pages 14 to 29 form part of these financial statements.

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

**1. General information**

The company is a private company limited by shares, incorporated and domiciled in the United Kingdom. The company is tax resident in the United Kingdom. It trades from its registered office address - 7th Floor Leconfield House, Curzon Street, London, England, W1J 5JA.

The principal activity of the company is to provide collaborative Software as a Service (SaaS) to the Architectural, Engineering and Construction (AEC) industry to promote successful supply chain collaboration.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Financial Reporting Standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Asite Limited as at 30 June 2022 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

**2.3 Exemption from preparing consolidated financial statements**

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

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

2. Accounting policies (continued)

2.4 Going concern

The directors have prepared the financial statements on a going concern basis notwithstanding a loss of £7,177,980 during the year, and a further substantial loss post year end.

As set out in the strategic report, the losses have been incurred as a result of significant investment in headcount, in particular sales and marketing. Following the year end, the directors have taken steps to reduce the company's cost base. Significant savings have already been made and will continue to be made over the coming months, with the directors expecting the group to return to a monthly cash profit by August 2023, and the forecasts for the year ended June 2024 showing a return to profitability.

In preparing the forecasts on which the going concern basis has been based, the directors have considered the existence of a material uncertainty which may cast doubt upon the company's ability to continue as a going concern. The view of the directors is that the only area of material judgement within the forecasts are the assumptions around future sales growth. While the directors are optimistic about the company's ability to increase its recurring revenues, even on a sensitised basis assuming zero growth to the company's current monthly recurring revenues, the company would still have sufficient headroom within its cash and borrowing facilities to meet its liabilities as they fall due and continue as a going concern.

On this basis, the directors are confident that no material uncertainty exists and that it is appropriate to prepare the financial statements on a going concern basis.

2.5 Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer (i.e., when the company delivers its performance obligation under the contract) at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

The company typically enters into multi-element arrangements which include software licence fees, consultancy and training services. Revenue is allocated to the elements of the arrangement based upon the fair value of each element.

The company sells a licence for access to its products which are hosted from the company's dedicated servers. The license fees grant access to web space for the duration of the customer's project and include maintenance and support. The revenue for the licence is recognised on an accruals basis to match the period of use by the customer until the end of the contract. The unrecognised element is included within 'deferred income' and the amount recognised prior to billing is included within 'accrued income'.

Training revenue relates to customer training to use the product. Consultancy revenue relates to the initial tailoring of the product to match the needs of the project and on-going consultancy work provided to the customer post implementation. Revenue is recognised on the consulting and training fees based on fixed daily rates as the service is provided. The fixed daily rates are predetermined at the contract signing date.

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

**2. Accounting policies (continued)**

**2.6 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is Pound Sterling as this is the currency of the primary economic environment in which the Company operates.

**Transactions and balances**

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

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

**2.7 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

**2.8 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which is considered to be 5 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**2.9 Interest income**

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

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

2. Accounting policies (continued)

2.10 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

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.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Website	-	5 years
Internally generated software development costs	-	5 years
Software licences	-	5 years

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

2. Accounting policies (continued)

2.11 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 & equipment	- 33% straight line
--------------------------------	---------------------

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

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

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.13 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.14 Debtors

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

2.15 Cash and cash equivalents

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

2.16 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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

2. Accounting policies (continued)

2.17 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.18 Pensions

**Defined contribution pension plan**

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

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

2.19 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

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

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

**ASITE SOLUTIONS LIMITED**

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

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

The preparation of these financial statements requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will be, by definition, seldom equal the related actual results.

The directors consider the key accounting estimates to be valuation and capitalisation of development costs, and residual values of intangible fixed assets, and provision for trade debtors.

At the start of an internally developed project management assess if it will generate probable future economic benefits and meet the criteria for the costs to be capitalised. Once management conclude it meets the criteria they then use their judgement to assess the allocation of costs that specifically relate to the project.

The residual values of intangible fixed assets are reviewed on an ongoing basis by the directors.

Provisions for trade debtors are reviewed by the directors on an ongoing basis who use their specific industry knowledge and experience to ensure the correct judgements.

**4. Turnover**

An analysis of turnover by class of business is as follows:

	2022	2021
	£	£
Software licence fees	9,192,662	7,376,998
Software development consultancy	2,146,795	2,974,954
Training services	297,274	295,888
	<b>11,636,731</b>	<b>10,647,840</b>

Analysis of turnover by country of destination:

	2022	2021
	£	£
United Kingdom and Europe	11,061,977	10,123,095
Rest of the world	574,754	524,745
	<b>11,636,731</b>	<b>10,647,840</b>

**ASITE SOLUTIONS LIMITED**

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

**5. Other operating income**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other operating income	-	62,070
	-	62,070
	-	62,070

**6. Auditor's remuneration**

During the year, the Company obtained the following services from the Company's auditor:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fees payable to the Company's auditor for the audit of the Company's financial statements	<b>18,000</b>	17,000

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Company.

**7. Employees**

Staff costs were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Salaries and wages	<b>3,377,965</b>	2,136,363
National Insurance	<b>540,458</b>	345,934
Pension costs	<b>106,426</b>	68,559
	<b>4,024,849</b>	2,550,856
	<b>4,024,849</b>	2,550,856

The average monthly number of employees, including directors, during the year was 73 (2021 - 49).

**8. Directors' remuneration**

The highest paid director received remuneration of £300,000 (2021 - £437,500).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £9,000 (2021 - £7,875).

The total accrued pension provision of the highest paid director at 30 June 2022 amounted to £750 (2021 - £750).

ASITE SOLUTIONS LIMITED

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

9. Interest receivable

	2022 £	2021 £
Interest receivable from group companies	2,119	-
	<u>2,119</u>	<u>-</u>

10. Taxation

	2022 £	2021 £
<b>Corporation tax</b>		
Current tax on profits for the year	(842,178)	-
	<u>(842,178)</u>	<u>-</u>
	<u>(842,178)</u>	<u>-</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	2,587,627	(54,446)
Changes to tax rates	-	(621,030)
	<u>2,587,627</u>	<u>(675,476)</u>
	<u>2,587,627</u>	<u>(675,476)</u>
<b>Taxation on profit/(loss) on ordinary activities</b>	<u>1,745,449</u>	<u>(675,476)</u>

**ASITE SOLUTIONS LIMITED**

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

**10. Taxation (continued)**

**Factors affecting tax charge for the year**

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
(Loss)/profit on ordinary activities before tax	<u><b>(5,432,531)</b></u>	<u>803,339</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	<b>(1,032,181)</b>	152,634
<b>Effects of:</b>		
Expenses not deductible for tax purposes	<b>1,778</b>	3,743
Increase or decrease in pension fund prepayment leading to an increase (decrease) in tax	-	1,428
Adjustment in research and development tax credit leading to a decrease in the tax charge	<b>(842,178)</b>	(205,654)
Unrecognised tax losses	<b>3,618,030</b>	-
Differences due to change in future tax rates	-	(621,030)
Other differences leading to an increase/(decrease) in the tax charge	-	(6,597)
<b>Total tax charge for the year</b>	<u><b>1,745,449</b></u>	<u>(675,476)</u>

**Factors that may affect future tax charges**

The Chancellor of the Exchequer delivered his Budget to Parliament on 3 March 2021 in which he confirmed that the Corporation Tax rate would increase from the current rate of 19% to 25% from 1 April 2023 for companies with profits greater than £50,000. Therefore, the rate at which tax balances are provided is likely to increase in future financial statements from the current 19%. As the rate that had been substantively enacted at the balance sheet date was 25%, deferred tax has been provided for on timing differences expected to reverse on or after 1 April 2023 at 25% in these financial statements.

**11. Dividends**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Interim 2022 (2021: Interim 2021) paid	-	2,200,000
	<u>-</u>	<u>2,200,000</u>
	<u><b>-</b></u>	<u><b>2,200,000</b></u>

ASITE SOLUTIONS LIMITED

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

12. Intangible assets

	Website £	Internally generated software development costs £	Software licenses £	Total £
<b>Cost</b>				
At 1 July 2021	137,530	4,980,764	78,742	5,197,036
Additions	-	2,525,272	76,079	2,601,351
		<u>7,506,036</u>		
At 30 June 2022	<u>137,530</u>		<u>154,821</u>	<u>7,798,387</u>
<b>Amortisation</b>				
At 1 July 2021	2,185	2,654,425	9,979	2,666,589
Charge for the year on owned assets	27,506	754,054	25,045	806,605
		<u>3,408,479</u>		
At 30 June 2022	<u>29,691</u>		<u>35,024</u>	<u>3,473,194</u>
<b>Net book value</b>				
At 30 June 2022	<u>107,839</u>	<u>4,097,557</u>	<u>119,797</u>	<u>4,325,193</u>
		<u>2,326,339</u>		
At 30 June 2021	<u>135,345</u>		<u>68,763</u>	<u>2,530,447</u>

**ASITE SOLUTIONS LIMITED**

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

**13. Tangible fixed assets**

	<b>Fixtures, fittings and equipment £</b>
<b>Cost or valuation</b>	
At 1 July 2021	355,144
Additions	102,258
	457,402
At 30 June 2022	457,402
<b>Depreciation</b>	
At 1 July 2021	191,750
Charge for the year on owned assets	88,917
	280,667
At 30 June 2022	280,667
<b>Net book value</b>	
At 30 June 2022	176,735
<b>At 30 June 2021</b>	163,394

**ASITE SOLUTIONS LIMITED**

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

**14. Fixed asset investments**

	<b>Investments in subsidiary companies</b>	<b>Investments in associates</b>	<b>Total</b>
	£	£	£
<b>Cost or valuation</b>			
At 1 July 2021	28,416	44,207	72,623
At 30 June 2022	28,416	44,207	72,623

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Holding</b>
Asite Solutions Private Limited	A4, Shivalik Business Centre, Bh. Rajpath Club, Bodakdev, Ahmedabad 380015, Gujarat, India	99.7 %
Asite LLC	245 W. 29th Street, Unit 1601, New York City, New York 10001, United States	100 %
Asite Solutions PTY	320 Pitt Street, Sydney NSW 2000, Australia	100 %
Asite Solutions (HK) Limited	21/F, 14 Taikoo Wan Rd, Cityplaza Phase 3, Taikoo Shing, Hong Kong	100 %
Asite Solutions DMCC	Unit No: 1506, Saba Tower 1, Jumeirah Lakes Towers, Cluster E, Dubai, United Arab Emirates	100 %
Asite KSA	Olaya Street, Riyadh, Kingdom of Saudi Arabia Al Akaria Plaza, North Wing Gate D 5th Floor, Office #501, Riyadh 12244, Kingdom of Saudi Arabia	100 %
Asite BV	Weteringschans 165, 1017 XD Amsterdam, Netherlands	100 %
Asite Solutions Limited	7th Floor, Leconfield House, Curzon Street, London, England, W1J 5JA	99.4 %

**ASITE SOLUTIONS LIMITED**

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

**15. Debtors**

	<b>2022</b>	2021
	£	£
Trade debtors	<b>2,539,110</b>	3,056,976
Amounts owed by group undertakings	-	383,726
Other debtors	<b>2,224,592</b>	495,665
Prepayments and accrued income	<b>1,078,638</b>	696,809
Deferred taxation	-	2,587,627
	<b>5,842,340</b>	7,220,803
	<b>5,842,340</b>	7,220,803

Amounts owed by group undertakings are repayable on demand with interest charged at annual rates between 0% to EURIBOR 12 months interest rate +1.5% on amounts due.

Included within other debtors at the year end is a balance of £1,364,472 (2021: £435,580) due from an associate. The balance is repayable on demand with no interest incurred on amounts due.

Included within trade debtors at the year end is a balance of £473,232 (2021: £168,393) due from an associate. The balance is repayable on demand with no interest incurred on amounts due.

**16. Cash and cash equivalents**

	<b>2022</b>	2021
	£	£
Cash at bank and in hand	<b>483,269</b>	1,567,704
	<b>483,269</b>	1,567,704
	<b>483,269</b>	1,567,704

**17. Creditors: Amounts falling due within one year**

	<b>2022</b>	2021
	£	£
Trade creditors	<b>999,781</b>	873,924
Amounts owed to group undertakings	<b>5,285,126</b>	-
Other taxation and social security	<b>704,191</b>	381,999
Other creditors	<b>22,650</b>	17,903
Accruals and deferred income	<b>2,851,568</b>	2,066,321
	<b>9,863,316</b>	3,340,147
	<b>9,863,316</b>	3,340,147

**ASITE SOLUTIONS LIMITED**

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

**18. Deferred taxation**

	<b>2022</b>	<i>2021</i>
	£	£
At beginning of year	<b>2,587,627</b>	1,912,151
Charged to profit or loss	-	675,476
Utilised in year	<b>(2,587,627)</b>	-
	<hr/>	<hr/>
<b>At end of year</b>	<b>-</b>	<b>2,587,627</b>
	<hr/> <hr/>	<hr/> <hr/>

The deferred tax asset is made up as follows:

	<b>2022</b>	<i>2021</i>
	£	£
Accelerated capital allowances	<b>(531,649)</b>	(528,562)
Recognition of deferred tax assets	<b>531,649</b>	3,116,189
	<hr/>	<hr/>
	<b>-</b>	<b>2,587,627</b>
	<hr/> <hr/>	<hr/> <hr/>

**19. Reserves**

**Share premium account**

Share premium is the amount received by the Company over and above the face value of its shares..

**Profit and loss account**

This reserve represents the accumulated distributable profits.

**20. Pension commitments**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £106,426 (2021 - £68,559). Contributions totalling £22,650 (2021 - £22,650) were payable to the fund at the balance sheet date and are included in creditors.

**ASITE SOLUTIONS LIMITED**

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

**21. Commitments under operating leases**

At 30 June 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	55,254	200,917
	<u>55,254</u>	<u>200,917</u>

**22. Related party transactions**

Included within other debtors at the year end is a balance of £1,364,472 (2021: £435,580) due from Openwage Limited, an associate. Included within trade debtors at the year end is a balance of £473,232 (2021: 168,393) due from Openwage Limited. The total sales in the year to this associate was £254,032 (2021: £168,393). The balances are repayable on demand with no interest incurred on amounts due.

Included within amounts owed to group undertakings at the year end is a balance of £1,605,198 (2021: £648,957) due to a subsidiary, Asite Solutions Private Limited. The total expenditure incurred in the year with this subsidiary was £4,826,479 (2021: £2,820,401). The balance is repayable on demand with no interest incurred on amounts due.

In the year sales of £18,000 (2021: £8,725) were made to R20 Advisory Limited, a company with common directors and shareholders. At the year end a balance of £1,800 (2021: £10,470) is included within trade debtors.

In the year expenditure of £77,068 (2021: £37,717) was incurred from R20 Advisory Limited, a company with common directors and shareholders.

**23. Controlling party**

The immediate parent undertaking and parent undertaking of the smallest and largest group in which the Company is consolidated is Asite Limited, a company incorporated in England and Wales. The registered office of Asite Limited is 7th Floor, Leconfield House, Curzon Street, London, W1J 5JA. Consolidated accounts of Asite Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling party is considered to be Victor And Violet Limited by virtue of a collective majority shareholding in Asite Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.