
EQUAL EXPERTS UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

EQUAL EXPERTS UK LIMITED

COMPANY INFORMATION

Directors	T Granier S McGregor R Sikorsky
Company secretary	K Collier
Registered number	06191086
Registered office	Verulam Point Station Way St Albans AL1 5HE
Independent auditors	WMT Chartered Accountants and Statutory Auditors Verulam Point Station Way St Albans Hertfordshire AL1 5HE

EQUAL EXPERTS UK LIMITED

CONTENTS

	Page
Group Strategic Report	1 - 3
Directors' Report	4 - 7
Independent Auditors' Report	8 - 12
Consolidated Profit and Loss Account	13
Consolidated Statement of Comprehensive Income	14
Consolidated Balance Sheet	15 - 16
Company Balance Sheet	17
Consolidated Statement of Changes in Equity	18
Company Statement of Changes in Equity	19
Consolidated Statement of Cash Flows	20 - 21
Consolidated Analysis of Net Debt	22
Notes to the Financial Statements	23 - 47

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Introduction

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

Business review

The principal activity of Equal Experts UK Limited continues to be that of providing Consulting Services in Technology and Software Engineering.

Revenue

The Group has continued to achieve sales growth, with revenue growing by 32.6% from £125.3M in 2020/21 to £166.1M for this year. Despite the disruption caused by the pandemic we continue to have a good mix of blue-chip private sector customers and have increased our public sector customers. Our portfolio has shifted over the year towards the public sector, particularly in the UK, but it is still balanced equally between private and public. Outside the UK, we have been focused sales growth on the European Union (EU), USA and Australia. There has been significant growth in our revenue in Germany, and a steady increase in customer acquisition in Australia and the USA. Our clients continue to value our work, in line with our strategy of using a large network of very experienced professionals with an associate-based business model that continues to grow rapidly in the UK. We have a strong employee-based model in other territories that are also growing in line with our strategy, particularly in the UK, India and South Africa.

Net Profit

The operating margin of the business in the year was 18.5% (up from 16.6% in 2020/21). This has reflected a strong position on customer rates and we have started to see the investments in South Africa contributing well due to strong collaboration with the UK and USA offices. Our overall operating costs have remained low, despite investments in marketing largely because our travel expenditure did not increase as fast we predicted.

Outlook

We have continued to take a cautious financial position as we came out of the worst of the pandemic, and the business has grown strongly during the year. We do not anticipate this changing in the short- to medium- term. We have maintained good margins with our key customers throughout the year, and we expect this to continue for next year. Our order book in 2022 is stable, with new customers replacing revenue where project have been coming to an end..

We are optimistic that we will continue to operate in the coming year, maintaining our lean operations and excellent cash position. We continue to invest strongly in hiring more people to build our capability in the core skills we expect customers to need. We have also started to build some of our operational functions, particularly in marketing.

Our business model continues to hold up, with a strong and growing network of experienced specialists in the UK and across all our Business Units, particularly in the EU and South Africa.

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Principal risks and uncertainties

We continue to manage our business risks through our operational framework of principles and policies that balance flexibility for our business unit subsidiaries with group-level controls. This balance helps us to manage key risks across the group to ensure sound financial, legal and regulatory management.

We monitor the following risks to the business group:

The Off-Payroll legislation changes that came into force in April 2021 require us to determine the taxation status of each of our subcontracting associates. We continue to manage our robust processes and mature working practices that give us a sound audit trail as required by the legislation.

Data Protection compliance is increasingly complex with many engagements as we are doing more work with data engineering, which includes cross-border data sharing, particularly in the EU and USA.

Our key clients (by revenue) are monitored continuously to alert us to any change in our strategic position that disrupts our business.

Increased remote working practices across the group and in the wider market is changing how our suppliers and employees work. We are monitoring the increased complexity of delivering successful outcomes with data confidentiality and legal compliance.

The economic environment we operate in is more volatile this year and we're monitoring the likely impacts, particularly of inflation and risk of default from more higher risk customers.

Financial key performance indicators

The Board monitors the company through the following high-level KPIs.

	2022	2021
Turnover Growth	32.6%	20.1%
Gross Margin %	31.5%	30.9%
Operating Profit % (pre-tax)	18.5%	16.6%

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Directors' statement of compliance with duty to promote the success of the Group

The board of directors of Equal Experts (UK) Ltd consider that they have fulfilled their individual and collective duty under section 172(1) of the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of shareholders as a whole and in doing so, have regard to a number of broader matters which are set out below.

Our staff are at the heart of our business and we recognise that we operate in a competitive market for their skills. As well as ensuring they are compensated through regular benchmarking against our competitors, we also have a generous profit share scheme that all employees participate in, across the globe.

Strong relationships with clients, suppliers and partners maintain our long viability and we are focused on these relationships through the following teams:

- Engagement Managers are directly responsible for our client relationships ensuring we are meeting their needs, both directly in terms of our contractual obligations, but also indirectly through understanding the context of their business and how we can constantly help them.
- People Managers and Operational Managers ensure that staff consultants and associate consultants are focused on our projects and understand how they add value to our clients.
- Operational Managers maintain our partner relationships with technical and professional advisors, to support the business in managing our capabilities and business risks.

We encourage staff and suppliers to engage with our communities through charity activities, such as sponsoring events and working with campaigns that are close to peoples' interests. We have been encouraging these activities after the pandemic restrictions have been lifted in most of our locations.

Our clients have an increasing expectation of us to meet high standards in our business dealings. We ensure that all projects are properly contracted and that we define and share our policies, particularly code of conduct, whistleblowing and dignity at work. We continue to develop our initiatives on maintaining psychological safety at work, particularly around remote working.

The Company Directors acknowledge their responsibility for ensuring the fair treatment of all shareholders in accordance with our articles of association and shareholders' agreements.

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

S McGregor
Director

Date: 15 December 2022

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

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

Directors' responsibilities statement

The Directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £25,971,905 (2021 - £17,937,501).

An interim dividend was paid amounting to £2,051,263 (2021: £2,974,345). The Directors do not recommend payment of a final dividend.

Directors

The Directors who served during the year were:

T Granier
S McGregor
R Sikorsky

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

Principal risks and uncertainties

Financial risk management

The Company's Financial risk management policy is to minimise its exposure to the following risks:

Liquidity risk

The Company manages its cash requirements so as to maximise interest income and minimise interest expense. The Company's cash balances are held at financial institutions that have credit ratings that meet the Board's criteria.

Credit risk

The Company regularly performs credit checks on clients. The Company maintains a strong credit control system to keep trade debtors within acceptable levels. Trade debtors are reviewed on a regular basis and provision made for doubtful debts when necessary.

Cash flow risk

The Company manages its cash flow risk by utilising an invoice factor to smooth cash flow while also ensuring that sufficient cash reserves are held to meet day to day expenditure as it falls due.

Price risk

The pricing structure for subcontractors is regularly reviewed to ensure that the Company continues to pay a fair price for the services received.

Competition from rivals could have an adverse impact on the price the company can charge for its services. To counteract this pressure the Company continues to invest in staff and development to ensure that a competitive advantage is maintained over rivals.

Environmental, Social and Governance

From this year, we are highlighting some of our ESG activities.

We have a well-diversified supply chain of SME companies, offering work in the UK to 750 small companies, up from around 500 last year. We operate clear service contracts with work orders and now pay 99% of invoices on 30-day payment terms, up from 95% last year.

We recognise the significant shift in working patterns for our employees and suppliers towards more remote working and offer flexible working hours and monitor holiday leave to ensure people take sufficient holidays.

Future developments

The Directors intend to continue with their present management policies for the foreseeable future, and will continue to seek to grow the business through a combination of organic growth and development of our own intellectual property.

EQUAL EXPERTS UK LIMITED

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

Engagement with suppliers, customers and others

The Directors are responsible for ensuring that the Company engages with suppliers, customers and other stakeholders about fostering good business relationships. This is described in the Group Strategic Report, and we report further details here:

Customers are our key commercial stakeholders, and we focus considerable effort on them. As well as the multiple relationships that are essential for our project delivery, our Business Unit Leads maintain regular contact with them, and our Executive team meets with them every year, and sometimes more frequently for strategic accounts.

Our global workforce is increasingly involved in international projects, working in complex teams across time zones and cultures. As well as the normal practices within our Business Units we have implemented Town Hall events for all employees every two months for the Executive team to outline the company's finances, prospects and allow Q and A sessions.

Suppliers represent an important stakeholder group, particularly in supporting our legislative and regulatory activities that are increasingly important in data sharing, contract management and accounting practices.

Qualifying third party indemnity provisions

Directors' qualifying third party indemnity insurance is included in the Company's insurance policies and has been in place throughout the year.

Greenhouse gas emissions, energy consumption and energy efficiency action

In accordance with the SECR legislation, we have identified the following consumption for the UK business:

	2022	2021
Annual emissions (tCO ₂)	180 tonnes	5.8 tonnes
Energy Consumption (kWh)	12,000 kWh	21,000 kWh
Intensity Ratio	1.09	0.0559

We have re-baselined our emissions and energy consumption this year to measure scope 3 more accurately to include:

- All equipment and cloud usage for the year
- Estimates for home use assuming a significant portion of time working from home
- Included all travel and accommodation activities based for employees based on data provided by our travel agency

The Intensity Ratio is calculated as CO₂ (in tCO₂) / revenue (in £m). Our non-UK subsidiaries fall outside the criteria for this reporting and are exempt.

We have not reported on non-UK subsidiaries as they fall outside the criteria for this reporting period, and therefore are exempt.

Disclosure of information to auditors

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 and the Group's auditors are 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 and the Group's auditors are aware of that information.

EQUAL EXPERTS UK LIMITED

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

Auditors

The auditors, WMT, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

S McGregor

Director

Date: 15 December 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EQUAL EXPERTS UK LIMITED

Opinion

We have audited the financial statements of Equal Experts UK Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2022, which comprise the Group Profit and Loss Account, the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company 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 Group's and of the parent Company's affairs as at 31 March 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EQUAL EXPERTS UK LIMITED (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EQUAL EXPERTS UK LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EQUAL EXPERTS UK LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and distributable profits legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the financial statements include health and safety legislation, employment law and data protection.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EQUAL EXPERTS UK LIMITED (CONTINUED)

of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

Graham Wintle (Senior Statutory Auditor)

for and on behalf of

WMT

Chartered Accountants and Statutory Auditors

Verulam Point
Station Way
St Albans
Hertfordshire
AL1 5HE

15 December 2022

EQUAL EXPERTS UK LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Turnover	4	166,093,781	125,296,070
Cost of sales		(113,692,084)	(86,576,623)
Gross profit		52,401,697	38,719,447
Administrative expenses		(21,689,172)	(17,878,193)
Other operating income	5	-	19,491
Fair value movements		(16,254)	-
Operating profit	6	30,696,271	20,860,745
Income from other participating interests		42,326	-
Income from other fixed asset investments		9,471	-
Amounts written off investments		(14,033)	-
Interest receivable and similar income	11	12,546	14,495
Interest payable and similar expenses	12	(14,617)	(2,242)
Profit before tax		30,731,964	20,872,998
Tax on profit	13	(4,760,059)	(2,935,497)
Profit for the financial year		25,971,905	17,937,501
Profit for the year attributable to:			
Owners of the parent		25,971,905	17,937,501
		25,971,905	17,937,501

The notes on pages 23 to 47 form part of these financial statements.

EQUAL EXPERTS UK LIMITED

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

	Note	2022 £	2021 £
Profit for the financial year		25,971,905	17,937,501
Other comprehensive income			
Currency translation differences		110,924	(372,493)
Other comprehensive income for the year		110,924	(372,493)
Total comprehensive income for the year		<u>26,082,829</u>	<u>17,565,008</u>
Profit for the year attributable to:			
Owners of the parent Company		25,971,905	17,937,501
		<u>25,971,905</u>	<u>17,937,501</u>
Total comprehensive income attributable to:			
Owners of the parent Company		26,082,829	17,565,008
		<u>26,082,829</u>	<u>17,565,008</u>

The notes on pages 23 to 47 form part of these financial statements.

EQUAL EXPERTS UK LIMITED
REGISTERED NUMBER: 06191086

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	386,345	450,588
Investments	17	-	87,117
		386,345	537,705
Current assets			
Debtors: amounts falling due within one year	18	38,495,582	26,907,108
Current asset investments	19	9,993,217	-
Cash at bank and in hand	20	39,563,632	29,443,172
		88,052,431	56,350,280
Creditors: amounts falling due within one year	21	(23,043,554)	(15,524,329)
Net current assets		65,008,877	40,825,951
Total assets less current liabilities		65,395,222	41,363,656
Provisions for liabilities			
Net assets excluding pension asset		65,395,222	41,363,656
Net assets		65,395,222	41,363,656
Capital and reserves			
Called up share capital	22	8,000	8,000
Revaluation reserve	23	(16,254)	-
Capital redemption reserve	23	2,000	2,000
Other reserves	23	2,217	2,217
Profit and loss account	23	65,399,259	41,351,439
Equity attributable to owners of the parent Company		65,395,222	41,363,656
		65,395,222	41,363,656

EQUAL EXPERTS UK LIMITED
REGISTERED NUMBER: 06191086

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

S McGregor
Director

Date: 15 December 2022

The notes on pages 23 to 47 form part of these financial statements.

EQUAL EXPERTS UK LIMITED
REGISTERED NUMBER: 06191086

COMPANY BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	131,090	171,702
Investments	17	22,808	1,716
		<u>153,898</u>	<u>173,418</u>
Current assets			
Debtors: amounts falling due within one year	18	42,903,699	32,998,226
Current asset investments	19	9,993,217	-
Cash at bank and in hand	20	27,082,151	22,973,448
		<u>79,979,067</u>	<u>55,971,674</u>
Creditors: amounts falling due within one year	21	(28,545,285)	(17,992,706)
Net current assets		<u>51,433,782</u>	<u>37,978,968</u>
Total assets less current liabilities		<u>51,587,680</u>	<u>38,152,386</u>
Net assets excluding pension asset		<u>51,587,680</u>	<u>38,152,386</u>
Net assets		<u><u>51,587,680</u></u>	<u><u>38,152,386</u></u>
Capital and reserves			
Called up share capital	22	8,000	8,000
Revaluation reserve	23	(16,254)	-
Capital redemption reserve	23	2,000	2,000
Profit and loss account	23	51,593,934	38,142,386
		<u>51,587,680</u>	<u>38,152,386</u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

S McGregor

Director

Date: 15 December 2022

The notes on pages 23 to 47 form part of these financial statements.

EQUAL EXPERTS UK LIMITED

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

	Called up share capital £	Capital redemption reserve £	Revaluation reserve £	Other reserves £	Profit and loss account £
At 1 April 2020	8,000	2,000	-	2,217	26,760,776
Profit for the year	-	-	-	-	17,937,501
Currency translation differences	-	-	-	-	(372,493)
Dividends: Equity capital	-	-	-	-	(2,974,345)
					Total equity £
At 1 April 2020					26,772,993
Profit for the year					17,937,501
Currency translation differences					(372,493)
Dividends: Equity capital					(2,974,345)
At 1 April 2021	<u>8,000</u>	<u>2,000</u>	<u>-</u>	<u>2,217</u>	<u>41,351,439</u>
Profit for the year	-	-	-	-	25,971,905
Currency translation differences	-	-	-	-	110,924
Dividends: Equity capital	-	-	-	-	(2,051,263)
Transfer to/from profit and loss account	-	-	(16,254)	-	16,254
At 31 March 2022	<u>8,000</u>	<u>2,000</u>	<u>(16,254)</u>	<u>2,217</u>	<u>65,399,259</u>
At 1 April 2021					41,363,656
Profit for the year					25,971,905
Currency translation differences					110,924
Dividends: Equity capital					(2,051,263)
Transfer to/from profit and loss account					-
At 31 March 2022					<u>65,395,222</u>

The notes on pages 23 to 47 form part of these financial statements.

EQUAL EXPERTS UK LIMITED

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

	Called up share capital £	Capital redemption reserve £	Fair value reserve £	Profit and loss account £	Total equity £
At 1 April 2020	8,000	2,000	-	26,401,237	26,411,237
Profit for the year	-	-	-	14,715,494	14,715,494
Dividends: Equity capital	-	-	-	(2,974,345)	(2,974,345)
At 1 April 2021	8,000	2,000	-	38,142,386	38,152,386
Profit for the year	-	-	-	15,486,557	15,486,557
Dividends: Equity capital	-	-	-	(2,051,263)	(2,051,263)
Transfer to/from profit and loss account	-	-	(16,254)	16,254	-
At 31 March 2022	<u>8,000</u>	<u>2,000</u>	<u>(16,254)</u>	<u>51,593,934</u>	<u>51,587,680</u>

The notes on pages 23 to 47 form part of these financial statements.

EQUAL EXPERTS UK LIMITED

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

	2022 £	2021 £
Cash flows from operating activities		
Profit for the financial year	25,971,905	17,937,501
Adjustments for:		
Profit on sales of joint venture	14,033	-
Depreciation of tangible assets	189,990	192,742
Loss on disposal of tangible assets	110,271	5,617
Government grants	-	(19,491)
Interest paid	14,617	2,242
Interest received	(22,017)	(14,495)
Taxation charge	4,760,059	2,935,497
(Increase)/decrease in debtors	(11,245,649)	1,946,330
Increase in creditors	7,526,381	1,646,222
Net fair value losses recognised in P&L	16,254	-
Share of operating (loss)/profit in joint ventures	(42,326)	-
Corporation tax (paid)	(4,981,784)	(1,779,292)
Net cash generated from operating activities	22,311,734	22,852,873
Cash flows from investing activities		
Purchase of tangible fixed assets	(177,564)	(176,260)
Sale of tangible fixed assets	(58,454)	(140)
Purchase of short-term unlisted investments	(10,009,471)	-
Government grants received	-	19,491
Sale of share in joint ventures	72,442	-
Interest received	12,546	14,495
Dividends received	9,471	-
Income from investments in related companies	42,326	-
Net cash from investing activities	(10,108,704)	(142,414)
Cash flows from financing activities		
Dividends paid	(2,051,263)	(2,974,345)
Interest paid	(14,617)	(2,242)
Net cash used in financing activities	(2,065,880)	(2,976,587)
Net increase in cash and cash equivalents	10,137,150	19,733,872
Cash and cash equivalents at beginning of year	29,407,412	9,673,540
Cash and cash equivalents at the end of year	39,544,562	29,407,412

EQUAL EXPERTS UK LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	£	£
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	39,563,632	29,443,172
Bank overdrafts	(19,070)	(35,760)
	<u>39,544,562</u>	<u>29,407,412</u>

EQUAL EXPERTS UK LIMITED

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2022

	At 1 April 2021	Cash flows	At 31 March
	£	£	2022
			£
Cash at bank and in hand	29,443,172	10,120,460	39,563,632
Bank overdrafts	(35,760)	16,690	(19,070)
	<u>29,407,412</u>	<u>10,137,150</u>	<u>39,544,562</u>

The notes on pages 23 to 47 form part of these financial statements.

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

1. General information

Equal Experts UK Limited is a limited company incorporated in England and Wales. The address of the registered office is given on the Company Information page. The nature of the Company's operations and its principal activities are disclosed in the Strategic Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, the Companies Act 2006 and FRC Abstracts.

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements.

These consolidated financial statements are presented in GBP on the going concern basis.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Group and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

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

2. Accounting policies (continued)

2.3 Foreign currency translation

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.

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

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

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in the Profit and Loss.

2.4 Revenue

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

Rendering of services

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

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

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

2. Accounting policies (continued)

2.5 Operating leases: the Group as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Research and development

The Group undertakes research and development activities as part of its service delivery to clients. Research and development expenditure is written off to the profit and loss account in the year in which it is incurred

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Profit and Loss Account in the same period as the related expenditure.

Government grants received relate to the furlough scheme provided as part of the government support for Covid-19.

2.8 Interest income

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

2.9 Finance costs

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

2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

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

2. Accounting policies (continued)

2.11 Pensions

Defined contribution pension plan

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

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

2.12 Share based payments

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

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

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

2. Accounting policies (continued)

2.13 Taxation

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 balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet 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 Group 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 balance sheet date.

2.14 Employee Benefit Trust

The Company operates an Employee Benefit Trust over which Equal Experts UK Limited has de facto control. It therefore records the assets and liabilities and the results and cash flow of the Trust as its own where appropriate.

2.15 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.

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

2. Accounting policies (continued)

2.15 Tangible fixed assets (continued)

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:

Leasehold property improvement	- 20% Straight Line
Fixtures & fittings	- 33% Straight Line
Computer 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.

2.16 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.17 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

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

2. Accounting policies (continued)

2.18 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.19 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Profit and Loss Account includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Balance Sheet, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

2.20 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.

2.21 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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.22 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 31 MARCH 2022

2. Accounting policies (continued)

2.23 Financial instruments

The Group 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

2.24 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.

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

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means the actual outcomes could differ from those estimates. There are no judgments made that have a significant effect on the amounts recognised in the financial statements.

EQUAL EXPERTS UK LIMITED

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

4. Turnover

All turnover is attributable to the principal activity.

Analysis of turnover by country of destination:

	2022	2021
	£	£
United Kingdom	126,632,236	109,495,588
Rest of Europe	26,391,814	7,150,554
Rest of the world	13,069,731	8,649,928
	<u>166,093,781</u>	<u>125,296,070</u>

5. Other operating income

	2022	2021
	£	£
Government grants receivable	-	19,491
	<u>-</u>	<u>19,491</u>

6. Operating profit

The operating profit is stated after charging:

	2022	2021
	£	£
Exchange differences	48,654	56,198
Other operating lease rentals	<u>743,909</u>	<u>818,396</u>

EQUAL EXPERTS UK LIMITED

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

7. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>26,056</u>	<u>24,182</u>
Fees payable to the Group's auditor and its associates in respect of:		
Taxation compliance services	7,010	7,370
Services relating to corporate finance transactions	44,118	24,601
All other services	20,411	8,461
	<u>71,539</u>	<u>40,432</u>

8. Employees

Staff costs, including Directors' remuneration, were as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	27,859,733	20,358,613	15,895,465	11,274,267
Social security costs	1,589,608	1,056,731	1,589,608	1,056,731
Cost of defined contribution scheme	764,073	533,211	735,211	525,916
	<u>30,213,414</u>	<u>21,948,555</u>	<u>18,220,284</u>	<u>12,856,914</u>

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

	2022 No.	2021 No.
Software Development	298	253
Administration	58	49
Directors	3	3
	<u>359</u>	<u>305</u>

EQUAL EXPERTS UK LIMITED

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

9. Directors' remuneration

	2022	2021
	£	£
Directors' emoluments	304,500	252,816
Group contributions to defined contribution pension schemes	36,981	17,966
	341,481	270,782

During the year retirement benefits were accruing to 3 Directors (2021 - 3) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £264,500 (2021 - £211,680).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £33,901 (2021 - £17,966).

10. Income from investments

	2022	2021
	£	£
Income from current asset investments	(8,809)	-
	(8,809)	-
Dividends received from unlisted investments	(662)	-
	(662)	-

11. Interest receivable

	2022	2021
	£	£
Other interest receivable	12,546	14,495
	12,546	14,495

EQUAL EXPERTS UK LIMITED

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

12. Interest payable and similar expenses

	2022	2021
	£	£
Bank interest payable	14,617	2,242
	14,617	2,242

13. Taxation

	2022	2021
	£	£
Corporation tax		
Current tax on profits for the year	3,977,210	2,490,584
Adjustments in respect of previous periods	(6,751)	(18,970)
	3,970,459	2,471,614
Foreign tax		
Foreign tax on income for the year	789,600	463,883
	789,600	463,883
Total current tax	4,760,059	2,935,497
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	4,760,059	2,935,497

EQUAL EXPERTS UK LIMITED

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

13. Taxation (continued)

Factors affecting tax charge for the year

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

	2022 £	2021 £
Profit on ordinary activities before tax	<u>30,731,964</u>	<u>20,872,998</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	5,839,073	4,031,368
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	1,990
Higher rate taxes on overseas earnings	463,883	502,437
Adjustments to tax charge in respect of prior periods	(6,571)	(15,872)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(439,098)	(929,834)
Unrelieved tax losses carried forward	-	(665,963)
Other differences leading to an increase (decrease) in the tax charge	(1,097,228)	11,371
Total tax charge for the year	<u><u>4,760,059</u></u>	<u><u>2,935,497</u></u>

Factors that may affect future tax charges

A deferred tax asset of approximately £88,932 (2021: £0.1m) relating to unutilised tax losses arising from R&D claims has not been recognised due to uncertainty over the availability of sufficient future taxable profits.

14. Dividends

	2022 £	2021 £
Dividends paid on equity capital	2,051,263	2,974,345
	<u><u>2,051,263</u></u>	<u><u>2,974,345</u></u>

EQUAL EXPERTS UK LIMITED

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

15. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements. The profit after tax of the parent Company for the year was £15,486,557 (2021 - £14,715,494).

16. Tangible fixed assets

Group

	S/Term Leasehold Property £	Plant & machinery £	Fixtures & fittings £	Total £
Cost or valuation				
At 1 April 2021	264,985	700,369	635,482	1,600,836
Additions	-	68,825	108,739	177,564
Disposals	(185,658)	(365,624)	(19,524)	(570,806)
At 31 March 2022	<u>79,327</u>	<u>403,570</u>	<u>724,697</u>	<u>1,207,594</u>
Depreciation				
At 1 April 2021	185,667	463,224	501,357	1,150,248
Charge for the year on owned assets	41,229	114,644	34,117	189,990
Disposals	(156,105)	(355,528)	(7,356)	(518,989)
At 31 March 2022	<u>70,791</u>	<u>222,340</u>	<u>528,118</u>	<u>821,249</u>
Net book value				
At 31 March 2022	<u>8,536</u>	<u>181,230</u>	<u>196,579</u>	<u>386,345</u>
At 31 March 2021	<u>79,318</u>	<u>237,145</u>	<u>134,125</u>	<u>450,588</u>

The net book value of land and buildings may be further analysed as follows:

	2022 £	2021 £
Short leasehold	8,536	79,318
	<u>8,536</u>	<u>79,318</u>

EQUAL EXPERTS UK LIMITED

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

16. Tangible fixed assets (continued)

Company

	S/Term Leasehold Property £	Plant & machinery £	Total £
Cost or valuation			
At 1 April 2021	264,985	465,867	730,852
Additions	-	92,555	92,555
Disposals	(185,658)	(355,528)	(541,186)
	<u>79,327</u>	<u>202,894</u>	<u>282,221</u>
At 31 March 2022			
Depreciation			
At 1 April 2021	185,667	373,483	559,150
Charge for the year on owned assets	41,229	62,385	103,614
Disposals	(156,105)	(355,528)	(511,633)
	<u>70,791</u>	<u>80,340</u>	<u>151,131</u>
At 31 March 2022			
Net book value			
At 31 March 2022	<u>8,536</u>	<u>122,554</u>	<u>131,090</u>
At 31 March 2021	<u>79,318</u>	<u>92,384</u>	<u>171,702</u>

The net book value of land and buildings may be further analysed as follows:

	2022 £	2021 £
Short leasehold	8,536	79,318
	<u>8,536</u>	<u>79,318</u>

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

17. Fixed asset investments

Group

	Investments in subsidiary companies	Unlisted investments	Investment in joint ventures	Total
	£	£	£	£
Cost or valuation				
At 1 April 2021	642	700,628	86,475	787,745
Additions	(642)	-	-	(642)
Disposals	-	-	(86,475)	(86,475)
At 31 March 2022	-	700,628	-	700,628
Impairment				
At 1 April 2021	-	700,628	-	700,628
At 31 March 2022	-	700,628	-	700,628
Net book value				
At 31 March 2022	-	-	-	-
At 31 March 2021	<u>642</u>	<u>-</u>	<u>86,475</u>	<u>87,117</u>

EQUAL EXPERTS UK LIMITED

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

17. Fixed asset investments (continued)

Company

	Investments in subsidiary companies	Unlisted investments	Total
	£	£	£
Cost or valuation			
At 1 April 2021	1,716	700,628	702,344
Additions	21,092	-	21,092
At 31 March 2022	<u>22,808</u>	<u>700,628</u>	<u>723,436</u>
Impairment			
At 1 April 2021	-	700,628	700,628
At 31 March 2022	<u>-</u>	<u>700,628</u>	<u>700,628</u>
Net book value			
At 31 March 2022	<u>22,808</u>	<u>-</u>	<u>22,808</u>
At 31 March 2021	<u>1,716</u>	<u>-</u>	<u>1,716</u>

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Equal Experts India Private Limited	Ordinary	100 %
Equal Experts Inc	Ordinary	100 %
Equal Experts Portugal, UNIPessoal LDA	Ordinary	100 %
Equal Experts Australia Pty Limited	Ordinary	100 %
Equal Experts SA (PTY) Ltd	Ordinary	100 %
Equal Experts Germany GmbH	Ordinary	100 %
Equal Experts New Zealand Limited	Ordinary	100 %

EQUAL EXPERTS UK LIMITED

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

17. Fixed asset investments (continued)

(continued)

The aggregate of the share capital and reserves as at 31 March 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Equal Experts India Private Limited	4,517,324	1,194,732
Equal Experts Inc	1,183,634	851,368
Equal Experts Portugal, UNIPessoal LDA	851,878	36,878
Equal Experts Australia Pty Limited	(1,618,130)	(225,545)
Equal Experts SA (PTY) Ltd	732,323	717,910
Equal Experts Germany GmbH	(4,862,597)	(5,048,644)
Equal Experts New Zealand Limited	83,980	47,649

EQUAL EXPERTS UK LIMITED

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

18. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	16,963,321	11,000,742	10,357,072	8,746,406
Amounts owed by group undertakings	-	-	15,583,663	10,809,819
Other debtors	1,372,844	1,499,169	3,329	80,061
Prepayments and accrued income	18,587,677	13,178,282	15,387,895	12,133,025
Tax recoverable	1,571,740	1,228,915	1,571,740	1,228,915
	<u>38,495,582</u>	<u>26,907,108</u>	<u>42,903,699</u>	<u>32,998,226</u>

19. Current asset investments

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Unlisted investments	10,009,471	-	10,009,471	-
Fair value movement	(16,254)	-	(16,254)	-
	<u>9,993,217</u>	<u>-</u>	<u>9,993,217</u>	<u>-</u>

20. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	39,563,632	29,443,172	27,082,151	22,973,448
Less: bank overdrafts	(19,070)	(35,760)	(19,069)	(35,759)
	<u>39,544,562</u>	<u>29,407,412</u>	<u>27,063,082</u>	<u>22,937,689</u>

EQUAL EXPERTS UK LIMITED

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

21. Creditors: Amounts falling due within one year

	Group	<i>Group</i>	Company	<i>Company</i>
	2022	<i>2021</i>	2022	<i>2021</i>
	£	<i>£</i>	£	<i>£</i>
Bank overdrafts	19,070	35,760	19,069	35,759
Trade creditors	934,819	656,099	717,478	412,575
Amounts owed to group undertakings	-	-	6,796,506	3,319,570
Corporation tax	25,750	16,215	-	-
Other taxation and social security	1,522,481	1,047,108	1,454,856	1,007,574
Other creditors	25,840	123,220	-	73,439
Accruals and deferred income	20,515,594	13,645,927	19,557,376	13,143,789
	<u>23,043,554</u>	<u>15,524,329</u>	<u>28,545,285</u>	<u>17,992,706</u>

EQUAL EXPERTS UK LIMITED

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

22. Share capital

	2022	2021
	£	£
Issued, allotted, called up and fully paid		
80,000 (2021 - 80,000) Ordinary shares of £0.10 each	<u>8,000</u>	<u>8,000</u>

The Company has one class of Ordinary share. The employee benefit trust holds 20,000 Ordinary shares that have been credited to the capital redemption reserve.

23. Reserves

Revaluation reserve

The revaluation reserve represents the movement on the current asset investment.

Capital redemption reserve

The capital redemption reserve represents shares held by the employee benefit trust.

Profit & loss account

The profit and loss account represents the distributable reserves of the Company.

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

24. Share based payments

The Company operates an equity settled EMI share option scheme for the benefit of its employees. The options are exercisable no later than 10 years after the grant date.

The employee shall, at the Directors' discretion, be permitted to exercise all outstanding options immediately if any of the following events occur:

- The Company becomes a 51% subsidiary of another company, or comes under the control of another company,
- The Company ceases to conduct a 'qualifying' trade,
- The employee ceases to be an eligible employee,
- Variation of the terms of the Option to increase the value of the shares, or the Option ceases to be a Qualifying Option for any other reason,
- An alteration to the share capital of the Company, affecting the value of the shares under Option, where the purpose was to increase the value,
- A conversion of any of the shares under Option into a different class of shares,
- The grant of an Option under a share option plan, approved as a Company Share Option Plan, if the Optionholder were to hold unexercised Options in respect of shares with a total value of more than £250,000.

	Weighted average exercise price (pence) 2022	Number 2022	<i>Weighted average exercise price (pence) 2021</i>	<i>Number 2021</i>
Outstanding at the beginning of the year	72.13	6,337	73.39	6,937
Granted during the year	0	-	118.49	800
Forfeited during the year	86.63	(2,100)	68.58	(1,400)
Outstanding at the end of the year	64.95	4,237	72.13	6,337

EQUAL EXPERTS UK LIMITED

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

The Company operates an equity settled CSOP share option scheme for the benefit of its employees. The options are exercisable no later than 10 years after the grant date.

The employee shall, at the Directors' discretion, be permitted to exercise all outstanding options immediately if any of the following events occur:

- The Company becomes a 51% subsidiary of another company, or comes under the control of another company,
- The Company ceases to conduct a 'qualifying' trade,
- The employee ceases to be an eligible employee,
- Variation of the terms of the Option to increase the value of the shares, or the Option ceases to be a Qualifying Option for any other reason,
- An alteration to the share capital of the Company, affecting the value of the shares under Option, where the purpose was to increase the value,
- A conversion of any of the shares under Option into a different class of shares,
- The grant of an Option under a share option plan, approved as a Company Share Option Plan, if the Optionholder were to hold unexercised Options in respect of shares with a total value of more than £30,000.

	Weighted average exercise price (pence) 2022 £	Number 2022 £	Weighted average exercise price (pence) 2021 £
Outstanding at the beginning of the year	-	-	-
Granted during the year	118.49	2,573	-
Forfeited during the year	-	-	-
Outstanding at the end of the year	<u>304,847</u>	<u>2,573</u>	<u>-</u>

The Company operates an equity settled unapproved share option scheme for the benefit of its employees.

	Weighted average exercise price (pence) 2022 £	Number 2022 £
Outstanding at the beginning of the year	-	-
Granted during the year	118.49	3,066
Forfeited during the year	-	-
Outstanding at the end of the year	<u>363,290</u>	<u>3,066</u>

EQUAL EXPERTS UK LIMITED

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

25. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund.

26. Commitments under operating leases

At 31 March 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group	<i>Group</i>	Company	<i>Company</i>
	2022	<i>2021</i>	2022	<i>2021</i>
	£	<i>£</i>	£	<i>£</i>
Not later than 1 year	615,935	<i>771,750</i>	437,610	<i>418,763</i>
Later than 1 year and not later than 5 years	330,270	<i>374,918</i>	61,620	<i>67,890</i>
	<hr/> 946,205 <hr/>	<hr/> <i>1,146,668</i> <hr/>	<hr/> 499,230 <hr/>	<hr/> <i>486,653</i> <hr/>

EQUAL EXPERTS UK LIMITED

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

27. Related party transactions

During the year T C Granier received dividends amounting to £1,051,263 (2021: £1,524,345). At the year end Equal Experts UK Limited was owed £nil by (2021: 2,492) T C Granier.

During the year R Sikorsky received dividends amounting to £1,000,000 (2021: £1,450,000). At the year end Equal Experts UK Limited was owed £nil (2021: £77,569) by R Sikorsky.

At the year end the Company owed £3,376,152 (2021: £2,742,713) to its subsidiary undertaking Equal Experts India Private Limited, a company incorporated in India.

At the year end the Company was owed £5,911,653 (2021: £2,762,305) by its subsidiary undertaking Equal Experts Inc, a company incorporated in the United States.

At the year end the Company owed £485,774 (2021: £576,857) to its subsidiary undertaking Equal Experts Portugal, UNIPESSOAL LDA, a company incorporated in Portugal.

At the year end the Company was owed £2,934,580 (2021: £3,137,505) by its subsidiary undertaking Equal Experts Australia Pty Limited, a company incorporated in Australia. Of this balance £2,934,580 (2021: Nil) has been provided for and been written off to exceptional items in the profit and loss statement.

At the year end the Company was owed £1,941,097 (2021: £1,786,532) by its subsidiary undertaking Equal Experts SA (PTY) Ltd, a company incorporated in South Africa.

At the year end the Company was owed £4,796,333 (2021: £3,123,477) by its subsidiary undertaking Experts Germany GmbH, a company incorporated in Germany.

Equal Experts UK Limited owns 50% of the share capital of Equal Experts Devices Inc, a company incorporated in Canada. During the year the company purchased services for resale from Equal Experts Devices Inc to the value of £nil (2021: £nil). At the year end a loss share of £nil (2021: £nil) was due to Equal Experts UK Limited relating to this joint venture.

The company has taken advantage of the exemption under FRS102 s33 from the requirement to disclose related party transactions with other group companies on the grounds that 100% of the voting rights are controlled within the Group.

28. Controlling party

There is no ultimate controlling party in the current or comparative year.

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