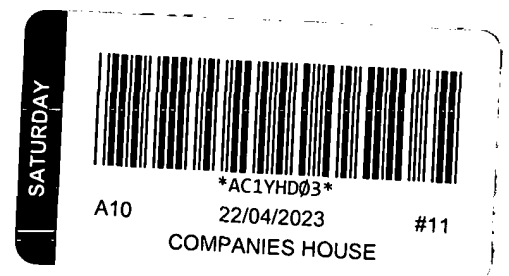


Registered number: 04212878

CREATIVITY SOFTWARE LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022



CREATIVITY SOFTWARE LIMITED

COMPANY INFORMATION

Directors	Jerry Lih-Jey Su (appointed 3 March 2022) Keith Bhatia (appointed 3 March 2022) Stephen J Davies (resigned 3 March 2022) Andrew C Hill (resigned 3 March 2022) Richard Lee (resigned 3 March 2022) John McDonagh (resigned 3 March 2022)
Registered number	04212878
Registered office	River Reach 31 - 35 High Street Kingston Upon Thames Surrey KT1 1LF
Independent auditor	PKF Littlejohn LLP Statutory Auditor 15 Westferry Circus Canary Wharf London E14 4HD

CREATIVITY SOFTWARE LIMITED

CONTENTS

	Page
Balance sheet	1
Statement of changes in equity	2
Notes to the financial statements	3 - 16

CREATIVITY SOFTWARE LIMITED
REGISTERED NUMBER: 04212878

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	5	820,879	791,665
Tangible assets	6	14,363	4,454
Fixed asset investments	7	354	509,975
		<u>835,596</u>	<u>1,306,094</u>
Current assets			
Debtors: amounts falling due within one year	8	732,409	1,210,701
Cash at bank and in hand		50,190	442,422
		<u>782,599</u>	<u>1,653,123</u>
Creditors: amounts falling due within one year	9	(1,006,213)	(2,127,779)
Net current liabilities		<u>(223,614)</u>	<u>(474,656)</u>
Total assets less current liabilities		<u>611,982</u>	<u>831,438</u>
Provisions for liabilities			
Other provisions		(21,963)	-
		<u>(21,963)</u>	<u>-</u>
Net assets		<u>590,019</u>	<u>831,438</u>
Capital and reserves			
Called up share capital	11	418	372
Share premium account		4,303,335	4,394,976
Profit and loss account		(3,713,734)	(3,563,910)
		<u>590,019</u>	<u>831,438</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the Directors' Report and statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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


Jerry Lih Jey Su
 Director

Date: APRIL 17, 2023

The notes on pages 3 to 16 form part of these financial statements.

CREATIVITY SOFTWARE LIMITED

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

	Called up share capital	Share premium: account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2020	372	4,411,811	(3,147,760)	1,264,423
Comprehensive income for the year				
Loss for the year	-	-	(374,942)	(374,942)
Reserves adjustment as a result of hive up	-	-	(41,208)	(41,208)
Share restructure costs	-	(16,835)	-	(16,835)
At 1 April 2021	372	4,394,976	(3,563,910)	831,438
Comprehensive income for the year				
Loss for the year	-	-	(149,824)	(149,824)
Shares issued during the year	46	-	-	46
Share restructure costs	-	(91,641)	-	(91,641)
At 31 March 2022	418	4,303,335	(3,713,734)	590,019

The notes on pages 3 to 16 form part of these financial statements.

CREATIVITY SOFTWARE LIMITED

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

1. General information

Creativity Software Limited is a private company limited by shares and is incorporated and domiciled within England.

The financial statements are prepared in Sterling which is the functional currency of the company.

The principal activity of Creativity Software Limited ("the Company") in the year under review was that of the development and marketing of software technologies.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements of Creativity Software Limited have been prepared under the historical cost convention and in compliance with Section 1A of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102") and the Companies Act 2006.

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

The following principal accounting policies have been applied:

2.2 Going concern

Based on the level of interest in the Company's products, confirmed forward sales, the level of *financial resources* and parent company support, the directors are satisfied that it is appropriate to prepare the financial statements on the going concern basis. The current economic conditions continue to create uncertainty over future trading, however, the Company's forecasts and projections, taking account of reasonably possible changes in trading performance, including financial support from the parent company, show that the Company expects to be able to operate within the level of its current facilities.

In preparing the financial statements for the year ended 31 March 2022, the Directors have received confirmation from the parent company, SS8 Networks, Inc. that sufficient financial support will continue to be made available by the group to this company to fund its activities for at least twelve months from the date of approval of the financial statements.

After making enquiries, the Directors have a reasonable expectation that the Company has *adequate resources to continue in operational existence for the foreseeable future*. The Company therefore continues to adopt the going concern basis in preparing its financial statements on the basis that the Company is a going concern for a period of at least 12 months from the date of approval of these financial statements.

CREATIVITY SOFTWARE LIMITED

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

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 Company has the following income streams which are recognised on the following basis:

- Software product revenue - 80% of the income is recognised when the software is delivered and the remaining 20% is recognised when the acceptance certificate is signed by the customer, which is usually around 3 months later.
- Installation service revenue – the income is recognised based on the length of the contract.
- Maintenance & Support Income – the income is recognised based on the length of the contract.
- Annual license fees – the income is recognised based on the length of the contract.

Where a contract has only been partially completed at the balance sheet date, turnover represents the value of the service provided to that date based on a proportion of the total expected consideration at completion.

Where payments are received from the customers in advance of services provided, the amounts are recorded as deferred income within creditors.

2.4 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. Amortisation begins when the intangible asset is available for use.

The estimated useful lives range as follows:

Development costs	-	3	years
Goodwill	-	5	years

Goodwill has been created upon the hive up of subsidiaries. See hive up accounting policy for details. Goodwill is amortised over 5 years as this is the period in the opinion of directors expected to benefit from the underlying assets.

Product development expenditure is capitalised due to the technical, commercial and financial viability of individual projects. The identifiable expenditure is deferred and amortised over the period during which the company is expected to benefit which is 3 years (stated above). 75% of product development costs are striped out of the payroll expense and contractor costs at the year end, and reanalysed into intangible fixed assets.

Research expenditure is estimated to be 25% off all product development and this is written off to the Statement of Income and Retained Earnings as incurred.

CREATIVITY SOFTWARE LIMITED

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

2. Accounting policies (continued)

2.5 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.

The estimated useful lives range as follows:

Fixtures and fittings	- 5 years
Office equipment	- 2 years

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.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company 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 Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.7 Hive-up transactions

A hive-up transaction is defined as a type of restructure within the Group when the net assets of, and business undertaken by, a subsidiary are transferred to the Company. The hive-up procedure is accounted for as follows:

- Net assets are transferred at book values at the date of the hive-up;
- Goodwill and separately identified intangible assets originally arising in the Group on consolidation under a business combination, less amortisation to the date of the hive-up, are recognised in the Company at the same value to take account of the fact that part or all of the useful economic life has elapsed. The total estimated useful life is unchanged; and
- The investment in subsidiary undertaking in the Company is impaired to the net asset value of the subsidiary post hive-up of net assets and distribution of retained earnings.

CREATIVITY SOFTWARE LIMITED

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

2. Accounting policies (continued)

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment.

Any losses arising from impairment or reversal of any impairment losses are recognised in the profit and loss account in other administrative expenses.

Long term debtors are measured at amortised cost.

2.9 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. There are no cash equivalents.

2.10 Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of 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.

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 Statement of comprehensive income.

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 Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.11 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.

CREATIVITY SOFTWARE LIMITED

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

2. Accounting policies (continued)

2.12 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Pounds Sterling.

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.

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 Statement of income and retained earnings 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 Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of income and retained earnings within 'other operating income'.

2.13 Finance costs

Finance costs are charged to the Statement of income and retained earnings 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.

2.14 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 Company 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.

CREATIVITY SOFTWARE LIMITED

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

2. Accounting policies (continued)

2.15 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.

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.

2.16 Provisions for liabilities

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

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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

2.17 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 operates and generates 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

CREATIVITY SOFTWARE LIMITED

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

2. Accounting policies (continued)

2.18 Employee benefits

The Company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

(i) Short term benefits

Short term benefits including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

(ii) Annual bonus plan

The Company operates an annual bonus plan for employees. An expense is recognised in the Statement of income and retained earnings when the Company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

2.19 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

CREATIVITY SOFTWARE LIMITED

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

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

When preparing the Company's financial statements the directors have to make a number of estimates and apply judgment when operating the Company's accounting policies to record transactions and evaluate year end balances. The key estimates and judgments include:

Capitalised development expenditure

Costs relating directly to the development of new products or the enhancement of existing projects are capitalised up to the completion of the development phase. Amortisation starts from the commercialisation of the underlying product. When capitalising development expenditure the directors have to assess the technical and commercial feasibility of the expenditure and identify the useful economic life of that capitalised expenditure to determine the period over which it is amortised. On an ongoing basis the directors reassess the carrying value by the level of business being generated from the underlying development expenditure, the remaining useful economic life and other obsolescence indicators.

Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Useful economic lives and carrying values of intangible assets and goodwill

The annual amortisation charge for intangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. The carrying values estimate future revenue generated from products to ensure there is no impairment charge.

Impairment of investments

The Company makes an estimate of the future trading of the subsidiary companies and thus the recoverable amount of the investment cost. When assessing impairment, management considers factors including the current financial performance of the subsidiaries and the market conditions generally.

4. Employees

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

	2022	2021
	No.	No.
Employees	18	18

CREATIVITY SOFTWARE LIMITED

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

5. Intangible assets

	Internally Generated - Development £	Other - Goodwill £	Total £
Cost			
At 1 April 2021	3,135,817	309,059	3,444,876
Additions	340,145	-	340,145
At 31 March 2022	<u>3,475,962</u>	<u>309,059</u>	<u>3,785,021</u>
Amortisation			
At 1 April 2021	2,550,191	103,020	2,653,211
Charge for the year	249,119	61,812	310,931
At 31 March 2022	<u>2,799,310</u>	<u>164,832</u>	<u>2,964,142</u>
Net book value			
At 31 March 2022	<u>676,652</u>	<u>144,227</u>	<u>820,879</u>
At 31 March 2021	<u>585,626</u>	<u>206,039</u>	<u>791,665</u>

Other - Goodwill has a remaining useful economic life of 2.3 years.

CREATIVITY SOFTWARE LIMITED

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

6. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2021	53,154	23,337	76,491
Additions	21,978	-	21,978
At 31 March 2022	<u>75,132</u>	<u>23,337</u>	<u>98,469</u>
Depreciation			
At 1 April 2021	52,989	19,048	72,037
Charge for the year	11,157	912	12,069
At 31 March 2022	<u>64,146</u>	<u>19,960</u>	<u>84,106</u>
Net book value			
At 31 March 2022	<u>10,986</u>	<u>3,377</u>	<u>14,363</u>
At 31 March 2021	<u>165</u>	<u>4,289</u>	<u>4,454</u>

CREATIVITY SOFTWARE LIMITED

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

7. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2021	509,975
Disposals	(509,621)
At 31 March 2022	<u>354</u>

On 1 April 2021, the trade and assets of the subsidiary Arcanum Communications Limited, were hived up in Creativity Software Limited.

During the year ended 31 March 2022, following the hive up the entity received a dividend in the sum of £509,621 which netted in the profit and loss account with the disposal.

Furechant Limited, incorporated in Ireland and is a subsidiary of the Company. The nature of the subsidiary's business is the development and marketing of software technologies and Creativity Software Limited holds 100% of the ordinary share capital. The entity's registered office is 6-9 Trinity Street, Dublin 2, D02EY47, Ireland. The cost of this investment totals to £354 (2021: £354).

8. Debtors

	2022 £	2021 £
Trade debtors	610,463	607,056
Amounts owed by group undertakings	3,017	566
Other debtors	58,684	40,682
Prepayments and accrued income	60,245	562,397
	<u>732,409</u>	<u>1,210,701</u>

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

CREATIVITY SOFTWARE LIMITED

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

9. Creditors: Amounts falling due within one year

	2022	2020
	£	£
Trade creditors	80,630	95,158
Amounts owed to group undertakings	-	509,621
Corporation tax	37,223	51,353
Other taxation and social security	93,639	292,642
Accruals and deferred income	794,721	1,179,005
	<u>1,006,213</u>	<u>2,127,779</u>

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and repayable on demand.

10. Provisions

	Dilapidations provision £
Charged to profit or loss	21,963
At 31 March 2022	<u>21,963</u>

11. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
Nil (2021 - 22,414) Ordinary 'A' shares shares of £0.01 each	-	224
Nil (2021 - 7,766) preferred 'E' shares of £0.01 each	-	78
41,764 (2021 - 7,023) Ordinary shares of £0.01 each	418	70
	<u>418</u>	<u>372</u>

CREATIVITY SOFTWARE LIMITED

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

11. Share capital (continued)

During the year ended 31 March 2022, 1,534 Ordinary 'B' shares with a nominal value of £0.01 each and 302,700 Ordinary 'D' shares with a nominal value of £0.0001 each were allotted. The total share capital equates to £46.

On 4 March 2022, the Company amended the articles of association, amending issued share capital as follows;

(i) 22,414 A ordinary shares of £0.01 each in the capital of the Company, (ii) 1,534 B ordinary shares of £0.01 each in the capital of the Company, (iii) 302,700 D ordinary shares of £0.0001 each in the capital of the Company, and (iv) 7,766 E preferred shares of £0.01 each in the capital of the Company be consolidated into 34,741 ordinary shares of £0.01 each, such shares having the same rights and being subject to the same restrictions as the existing ordinary shares of £0.01 each in the capital of the Company.

12. Share based payments

During 18 April 2017, the Company granted 180,000 options over ordinary shares to the Employees of the Company as remuneration and incentivisation arrangements and were exercisable at any time up to the 10th anniversary of the date of issue. The Options were exercisable at a price of 0.0001p per Ordinary share.

During 31 August 2017, the Company granted 111,800 options over ordinary shares to the Employees of the Company as remuneration and incentivisation arrangements and were exercisable at any time up to the 10th anniversary of the date of issue. The Options were exercisable at a price of 0.0001p per Ordinary share.

During 12 October 2020, the Company granted 78,000 options over ordinary shares to the Employees of the Company as remuneration and incentivisation arrangements and were exercisable at any time up to the 10th anniversary of the date of issue. The Options were exercisable at a price of 0.0001p per Ordinary share.

369,800 options were outstanding as at 1 April 2021, having been granted and vested in previous years. On 3 March 2022, 272,700 share options were exercised (2021: Nil).

272,700 Ordinary D shares were allotted to allow for this exercise, at a nominal value and exercise price of 0.0001p per share.

97,100 share options lapsed before 3 March 2022. There are no outstanding share options at year end.

13. Commitments under operating leases

At 31 March 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	50,118	10,852
Later than 1 year and not later than 5 years	8,833	-
	<u>58,951</u>	<u>10,852</u>

CREATIVITY SOFTWARE LIMITED

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

14. Related Party Transactions

There are no outstanding balances with the parent company, SS8 Networks Inc.

Refer to Note 12 for transactions related to share-based payments with directors in the year.

15. Controlling party

On 3 March 2022 Creativity Software Limited was acquired by SS8 Networks Inc., which is now deemed to be the ultimate controlling company.

In the opinions of the directors there is no individual ultimate controlling party.

16. Auditor's Information

The auditor's report on the financial statements for the period ended 31 March 2022 was unqualified.

The audit report was signed on **19 April 2023** by Karen Egan (Senior statutory auditor) on behalf of PKF Littlejohn LLP (Statutory Auditor)