

Company registration number 04414335 (England and Wales)

AERIANDI LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

AERIANDI LIMITED

COMPANY INFORMATION

Directors	Mr J Shanmuganathan Mr P E Pawlowitsch Mr A Demery (Appointed 9 April 2024)
Company number	04414335
Registered office	264 Banbury Road Oxford OX2 7DY
Auditor	Shaw Gibbs (Audit) Limited 264 Banbury Road Oxford OX2 7DY

AERIANDI LIMITED

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AERIANDI LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The directors present their annual report and financial statements for the year ended 30 June 2023.

Principal activities

The principal activity of the company continued to be that of providing telephony payment, recording and conferencing services for telecommunication companies.

Results and dividends

The results for the year are set out on page 6.

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

Directors

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

Mr M A Bryars	(Resigned 23 December 2022)
Mr J Shanmuganathan	
Mr S V McGovern	(Resigned 10 April 2024)
Mr P E Pawlowitsch	
Mr A Demery	(Appointed 9 April 2024)

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK adopted international accounting standards. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with UK adopted international accounting standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

Each director in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AERIANDI LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

Going Concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate support to continue in operational existence for the foreseeable future and not less than 12 months from the approval of the financial statements. In addition, the parent company and controlling party of the group has given assurances of its continued support to the group. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Mr A Demery

Director

20 May 2024

AERIANDI LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AERIANDI LIMITED

Opinion

We have audited the financial statements of Aeriandi Limited (the 'Company') for the year ended 30 June 2023 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Directors' are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

Other Companies Act 2006 reporting.

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

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

AERIANDI LIMITED

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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.

AERIANDI LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF AERIANDI LIMITED

- At the planning stage of the audit we gain an understanding of the laws and regulations which apply to the company and how the management seek to comply with those laws and regulations. This helps us to plan appropriate risk assessments.
- During the audit we focus on relevant risk areas and review the compliance with the laws and regulations by making relevant enquiries and undertaking corroboration, for example by reviewing Board Minutes and other documentation.
- We assess the risk of material misstatement in the financial statements including as a result of fraud and undertake procedures including:
 - Reviewing the controls set in place by management
 - Making enquiries of management as to whether they consider fraud or other irregularity may have taken place, or where such opportunity might exist
 - Challenging management assumptions with regard to accounting estimates
 - Identifying and testing journal entries, particularly those which appear to be unusual by size or nature

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

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

Use of our report

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

Stephen Howard Neal (Senior Statutory Auditor)
For and on behalf of Shaw Gibbs (Audit) Limited

20 May 2024

Chartered Certified Accountants
Statutory Auditor

264 Banbury Road
Oxford
OX2 7DY

AERIANDI LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Year ended 30 June 2023 £	Period ended 30 June 2022 £
Revenue	3	7,799,664	8,809,030
Cost of sales		(1,632,309)	(2,044,525)
Gross profit		6,167,355	6,764,505
Other operating income		375	4,023,842
Administrative expenses		(6,601,312)	(4,764,704)
Operating (loss)/profit	4	(433,582)	6,023,643
Finance income	8	8,816	584
Finance expense	9	(138,774)	(230,928)
Other gains and losses	10	824	-
(Loss)/profit before taxation		(562,716)	5,793,299
Income tax expense/(income)	11	(102,815)	67,883
(Loss)/profit and total comprehensive income for the year		(665,531)	5,861,182

The income statement has been prepared on the basis that all operations are continuing operations.

There was no other comprehensive income or loss during the current financial year or comparative financial period.

AERIANDI LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Notes	2023 £	2022 £
Non-current assets			
Intangible assets	12	962,083	1,792,984
Property, plant and equipment	13	412,562	243,458
Right-of-use assets	13	1,250,657	1,485,477
Investments	14	-	227
		<u>2,625,302</u>	<u>3,522,146</u>
Current assets			
Trade and other receivables	15	3,101,821	1,325,652
Current tax recoverable		-	67,883
Cash and cash equivalents		285,943	2,629,353
		<u>3,387,764</u>	<u>4,022,888</u>
Current liabilities			
Trade and other payables	17	1,252,594	2,201,878
Lease liabilities	18	167,127	131,650
Deferred revenue	21	1,516,081	1,417,747
		<u>2,935,802</u>	<u>3,751,275</u>
Net current assets		<u>451,962</u>	<u>271,613</u>
Non-current liabilities			
Lease liabilities	18	1,264,888	1,374,495
Deferred tax liabilities	19	102,815	-
Deferred revenue	21	137,319	283,718
		<u>1,505,022</u>	<u>1,658,213</u>
Net assets		<u>1,572,242</u>	<u>2,135,546</u>
Equity			
Called up share capital	23	533	533
Share premium account	24	17,912	17,912
Capital contribution reserve	26	1,339,172	1,339,172
Share options reserve	25	102,227	-
Retained earnings		112,398	777,929
Total equity		<u>1,572,242</u>	<u>2,135,546</u>

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

AERIANDI LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 JUNE 2023

The financial statements were approved by the board of directors and authorised for issue on 20 May 2024 and are signed on its behalf by:

Mr A Demery
Director

Company registration number 04414335 (England and Wales)

AERIANDI LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Note	Share capital	Share premium account	Capital contribution reserve	Share options reserve	Retained earnings	Total
		£	£	£	£	£	£
Balance at 1 May 2021		533	17,912	653,780	-	(4,397,861)	(3,725,636)
Period ended 30 June 2022:							
Profit and total comprehensive income		-	-	-	-	5,861,182	5,861,182
Transactions with owners in their capacity as owners:							
Settlement of unvested share options		-	-	685,392	-	(685,392)	(685,392)
Capital contribution		-	-	-	-	-	685,392
Balance at 30 June 2022		533	17,912	1,339,172	-	777,929	2,135,546
Year ended 30 June 2023:							
Loss and total comprehensive income		-	-	-	-	(665,531)	(665,531)
Transactions with owners in their capacity as owners:							
Share based payment	22	-	-	-	102,227	-	102,227
Balance at 30 June 2023		533	17,912	1,339,172	102,227	112,398	1,572,242

AERIANDI LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023		2022	
		£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	32		(1,902,960)		3,000,506
Interest paid			(138,774)		(230,928)
Income taxes refunded			67,883		168,505
			<u> </u>		<u> </u>
Net cash (outflow)/inflow from operating activities			(1,973,851)		2,938,083
Investing activities					
Purchase of intangible assets		-		(1,352,516)	
Purchase of property, plant and equipment		(321,970)		(169,718)	
Interest received		8,816		584	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(313,154)		(1,521,650)
Financing activities					
Parent funding of settlement of share based payment arrangements		-		1,134,895	
Settlement of share based payment arrangements		-		(1,134,895)	
Payment of lease liabilities		(56,405)		(31,721)	
		<u> </u>		<u> </u>	
Net cash used in financing activities			(56,405)		(31,721)
Net (decrease)/increase in cash and cash equivalents			(2,343,410)		1,384,712
Cash and cash equivalents at beginning of year			2,629,353		1,244,641
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			285,943		2,629,353
			<u> </u>		<u> </u>

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

Company information

Aeriandi Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 264 Banbury Road, Oxford, OX2 7DY. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Reporting period

During the prior period the company changed its reporting date from 30 April to 30 June to make the reporting date the same as that of the Dubber group.

The amounts presented in the financial statements are therefore not entirely comparable, as the previous period was a 14 month period and the current year is a 12 month period.

1.2 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

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

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

The Company has prepared financial statements that comply with UK adopted International Accounting Standards applicable as at 30 June 2023, together with the comparative period data for the period ended 30 June 2022, as described in the summary of significant accounting policies under UK adopted International Accounting Standards.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate support to continue in operational existence for the foreseeable future and not less than 12 months from the approval of the financial statements. In addition, the parent company and controlling party of the group has given assurances of its continued support to the group. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

The company recognises revenue from the following major sources:

- Licencing
- Professional fees

Licencing

Licencing revenue relates to the provision of the hosted software across the contract term and is recognised over-time. The fixed element is recognised on a straight-line basis as the access to the software is provided to the customer and the performance obligation is satisfied. Where licence fees are billed in advance of the service being delivered, they are initially recorded as deferred income. Variable licence fees are recognised according to monthly usage over the term of the contract.

Professional fees

Professional fees comprise on-boarding fees that are charged to set a customer up with the service and change requests, being individually scoped projects for updating, modifying or adapting an existing service to meet the requests of a customer.

On-boarding fees and licencing fees are regarded as a single performance obligation on the basis that the software must be significantly modified for the customer's requirements and as such the implementation is seen as being intrinsic to the ongoing delivery. The revenue is recognised over time as described above.

Change requests are regarded as a single performance obligation which is distinct from the original contract for on-boarding and licences. Revenue is recognised at the point in time when the performance obligation has been satisfied, which is when the change request has been implemented.

1.5 Intangible assets other than goodwill

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated. Capitalised development expenditure is amortised over three years, which is estimated to be the useful economics life of these assets.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Leasehold land and buildings	Straight line over 10 years
Leasehold improvements	Straight line over 9-10 years
Fixtures and fittings	Straight line over 5 years
Computers	Straight line over 3 remaining years
Computers - right of use assets	Over the term of the lease

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.7 Non-current investments

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

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

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

1.8 Impairment of tangible and intangible assets

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks.

1.10 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets

Financial assets carried at amortised cost are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.11 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments.

Financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

The research and development tax credit is recognised when it is considered probable that it will be recoverable.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.14 Employee benefits

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

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

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

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black Scholes Morton model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

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

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

1.17 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within non-current assets.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate.

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting estimates and judgements

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

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

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

Critical judgements

Capitalisation of Intangible fixed assets

Development costs have been capitalised in accordance with the accounting standards and the Company's accounting policy. Management exercises judgement in determining whether the project on which the costs have been incurred meets the criteria for capitalisation in accordance with the accounting standard. Central to this judgement is whether the development expenditure is likely to create benefit across multiple customer implementations.

Determining performance obligations in revenue contracts

In applying IFRS 15, the directors have taken the judgement that implementation services are not separable from the provision of the software licence. This is on the basis that the software must be significantly modified for the customer's requirements and as such the implementation is seen as being intrinsic to the ongoing delivery. Had an alternative view been taken, and the implementation services considered separable, such revenues would be recognised earlier in a contract, professional services revenues would be greater and licence revenues reduced.

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

2 Critical accounting estimates and judgements

(Continued)

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

In applying IFRS 16, the directors also undertake significant estimation in determining the incremental borrowing rate at which future cash flows are discounted in order to arrive at the valuation of the lease liability and right-of-use asset. The directors determined the incremental borrowing rate to be 6%; had the rate been 2% lower the lease liability would have been £119k lower at the balance sheet date.

Share Options Valuation

The Company operates an employee share option scheme. The options are valued using the Black Scholes methodology. The cost of this scheme and the present value of the obligation depends on a number of factors, including; the value of the Company's shares at each grant date, the Company's risk free rate, the expected term over which the options will be exercised and the Company's volatility. Management estimate these factors in determining the fair value, based on historic and benchmarked information.

3 Revenue

	2023	2022
	£	£
Revenue analysed by class of business		
Licencing (revenue is recognised over time)	7,355,772	8,338,031
Professional Services (revenue is recognised at point in time)	443,892	470,999
	<u>7,799,664</u>	<u>8,809,030</u>
	<u><u>7,799,664</u></u>	<u><u>8,809,030</u></u>
	2023	2022
	£	£
Revenue analysed by geographical market		
United Kingdom	7,587,345	8,613,100
France	212,319	195,930
	<u>7,799,664</u>	<u>8,809,030</u>
	<u><u>7,799,664</u></u>	<u><u>8,809,030</u></u>

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

4 Operating (loss)/profit

	2023	2022
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(17,783)	185
Fees payable to the company's auditor for the audit of the company's financial statements	33,205	37,000
Depreciation of property, plant and equipment	152,866	57,700
Depreciation of right of use assets	217,095	82,516
Amortisation of intangible assets (included within administrative expenses)	831,052	954,236
Share-based payments	102,227	-
	<u> </u>	<u> </u>

5 Employees

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

	2023	2022
	Number	Number
	36	40
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	2,804,446	2,903,922
Social security costs	339,884	483,818
Pension costs	309,325	439,101
	<u> </u>	<u> </u>
	3,453,655	3,826,841
	<u> </u>	<u> </u>

Employees' costs includes amounts capitalised of £nil (2022: £1,116,634).

6 Directors' remuneration

	2023	2022
	£	£
Remuneration for qualifying services	385,709	375,638
Company pension contributions to defined contribution schemes	19,729	24,901
	<u> </u>	<u> </u>
	405,438	400,539
	<u> </u>	<u> </u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2022 - 2).

The number of directors who exercised share options during the year was 1 (2022 - 0).

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

6 Directors' remuneration (Continued)

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

	2023	2022
	£	£
Remuneration for qualifying services	214,181	195,388
Company pension contributions to defined contribution schemes	6,459	15,631
	<u>220,640</u>	<u>211,019</u>

The highest paid director has exercised share options during the year.

7 Other operating income

	2023	2022
	£	£
Other operating income		
Dividend in specie received from group undertaking	-	4,023,842
	<u>-</u>	<u>4,023,842</u>

The dividend was declared by Voxygen Ltd, a former subsidiary undertaking, on 26 April 2022 and represents the net carrying value of the assets and liabilities hived up into Aeriandi Limited. Voxygen Ltd has been put into liquidation and appointed a voluntary liquidator on 9 May 2022.

8 Investment income

	2023	2022
	£	£
Interest income		
Financial instruments measured at amortised cost:		
Bank deposits	8,816	584
	<u>8,816</u>	<u>584</u>

Income above relates to assets held at amortised cost, unless stated otherwise.

9 Finance costs

	2023	2022
	£	£
Interest on bank overdrafts and loans	3,192	100
Interest on lease liabilities	92,382	25,364
Other interest payable	43,200	205,464
	<u>138,774</u>	<u>230,928</u>

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

10 Other gains and losses	2023	2022
	£	£
Amounts written back to financial liabilities	1,051	-
Disposal of subsidiary	(227)	-
	<u>824</u>	<u>-</u>
	<u><u>824</u></u>	<u><u>-</u></u>
11 Income tax expense	2023	2022
	£	£
Current tax		
UK corporation tax on profit/(loss) for the current period	-	(67,883)
	<u>-</u>	<u>(67,883)</u>
Deferred tax		
Origination and reversal of temporary differences	102,815	-
	<u>102,815</u>	<u>-</u>
	<u><u>102,815</u></u>	<u><u>(67,883)</u></u>

The corporation tax rate is currently 19%. The 19% was substantively enacted on 17 March 2020. Finance Act 2021 introduced an increase in the main Corporation tax rate to 25% from 1 April 2023 on profits over £250,000. The rate for small profits under £50,000 will remain at 19%. Where a company's profits fall between £50,000 and £250,000, the lower and upper limits, it will be able to claim an amount of marginal relief providing a gradual increase in the corporation tax rate. The increase tax rate was substantively enacted on 24 May 2021.

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

11 Income tax expense (Continued)

The charge for the year can be reconciled to the (loss)/profit per the income statement as follows:

	2023	2022
	£	£
(Loss)/profit before taxation	(562,716)	5,793,299
Expected tax (credit)/charge based on a corporation tax rate of 20.50% (2022: 19.00%)	(115,357)	1,100,727
Effect of expenses not deductible in determining taxable profit	14,030	(1,921)
Income not taxable	-	(111)
Utilisation of tax losses not previously recognised	(76,782)	35,657
Effect of change in UK corporation tax rate	18,507	-
Permanent capital allowances in excess of depreciation	4,338	(7,699)
Depreciation on assets not qualifying for tax allowances	22,476	0
Amortisation on assets not qualifying for tax allowances	170,366	87,824
Research and development tax credit	-	(343,798)
Share based payment charge	20,957	-
Deferred tax adjustments in respect of prior years	49,584	-
UK dividend income	-	(764,530)
Effect of transition adjustments	-	(174,032)
Revenue items capitalised	(5,304)	-
Taxation charge/(credit) for the year	102,815	(67,883)

12 Intangible assets

	Development costs £
Cost	
At 1 May 2021	5,067,995
Additions	1,352,516
At 30 June 2022	6,420,511
At 30 June 2023	6,420,511

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

12 Intangible assets	(Continued)
	Development costs £
Amortisation and impairment	
At 1 May 2021	3,673,291
Charge for the year	954,236
	<hr/>
At 30 June 2022	4,627,527
Charge for the year	831,052
	<hr/>
At 30 June 2023	5,458,428
	<hr/>
Carrying amount	
At 30 June 2023	962,083
	<hr/> <hr/>
At 30 June 2022	1,792,984
	<hr/> <hr/>
At 30 April 2021	1,394,704
	<hr/> <hr/>

13 Property, plant and equipment	Leasehold land and buildings	Leasehold improvements	Fixtures and fittings	Computers	Computers - right of use assets	Total
	£	£	£	£	£	£
Cost						
At 1 May 2021	-	-	-	334,914	281,282	616,196
Additions	1,392,163	82,053	-	87,664	50,053	1,611,933
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2022	1,392,163	82,053	-	422,578	331,335	2,228,129
Additions	-	252,233	54,715	15,022	51,041	373,011
Transfers	-	(38,484)	38,484	-	-	-
Adjustment to lease value	(68,591)	-	-	-	(51,062)	(119,653)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2023	1,323,572	295,802	93,199	437,600	331,314	2,481,487
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated depreciation and impairment						
At 1 May 2021	-	-	-	203,473	155,504	358,977
Charge for the year	40,405	1,047	-	56,653	42,112	140,217
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2022	40,405	1,047	-	260,126	197,616	499,194
Charge for the year	136,072	20,026	12,056	120,784	81,023	369,961
Transfers	-	(321)	321	-	-	-
Adjustment to depreciation on lease value adjustment	-	-	-	-	(50,887)	(50,887)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2023	176,477	20,752	12,377	380,910	227,752	818,268
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

13 Property, plant and equipment

(Continued)

	Leasehold land and buildings	Leasehold improvements	Fixtures and fittings	Computers	Computers - right of use assets	Total
	£	£	£	£	£	£
Carrying amount analysed between owned assets and right-of-use assets						
At 30 June 2023						
Owned assets	-	275,050	80,822	56,690	-	412,562
Right-of-use assets	1,147,095	-	-	-	103,562	1,250,657
	<u>1,147,095</u>	<u>275,050</u>	<u>80,822</u>	<u>56,690</u>	<u>103,562</u>	<u>1,663,219</u>
At 30 June 2022						
Owned assets	-	81,006	-	162,452	-	243,458
Right-of-use assets	1,351,758	-	-	-	133,719	1,485,477
	<u>1,351,758</u>	<u>81,006</u>	<u>-</u>	<u>162,452</u>	<u>133,719</u>	<u>1,728,935</u>

Property, plant and equipment includes right-of-use assets, as follows:

Right-of-use assets	2023	2022
	£	£
Net values at the year end		
Property	1,147,095	1,351,758
Computers - right of use assets	103,562	133,719
	<u>1,250,657</u>	<u>1,485,477</u>
Total additions in the year	<u>51,041</u>	<u>1,450,799</u>
Depreciation charge for the year		
Property	136,072	40,405
Computers - right of use assets	81,023	42,112
	<u>217,095</u>	<u>82,517</u>

See note 18 for details of lease payments and liabilities.

14 Investments

	Current		Non-current	
	2023	2022	2023	2022
	£	£	£	£
Investments in subsidiaries	-	-	-	227
	<u>-</u>	<u>-</u>	<u>-</u>	<u>227</u>

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

14	Investments	(Continued)
	Movements in non-current investments	
		Shares in subsidiaries
		£
	Cost or valuation	
	At 1 July 2022	227
	Amounts written off	(227)
		<hr/>
	At 30 June 2023	-
		<hr/>
	Carrying amount	
	At 30 June 2023	-
		<hr/> <hr/>
	At 30 June 2022	227
		<hr/> <hr/>

Voxygen Limited was dissolved on 22 June 2023.

15	Trade and other receivables	2023	2022
		£	£
	Trade receivables	881,880	294,439
	Amounts owed by fellow group undertakings	1,846,695	420,680
	Prepayments	288,382	222,388
	Accrued income	84,864	388,145
		<hr/>	<hr/>
		3,101,821	1,325,652
		<hr/> <hr/>	<hr/> <hr/>

Fair value of financial assets carried at amortised cost

The directors consider that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values. Financial assets total £2,813,439 (2022: £1,103,264) and represent the assets included within trade and other receivables except for prepayments.

16 Trade receivables - credit risk

Fair value of trade receivables

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

No material expected credit loss provisions were considered to have been required at the reporting end date.

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

17 Trade and other payables

	2023	2022
	£	£
Trade payables	265,368	249,837
Amounts owed to subsidiary undertakings	-	1,051
Amounts owed to fellow group undertakings	204,182	1,198,152
Accruals	389,647	407,000
Social security and other taxation	372,347	274,133
Other payables	21,050	71,705
	<u>1,252,594</u>	<u>2,201,878</u>

Financial liabilities within trade and other payable, all with a maturity of less than one year, total £880,247 (2022: £1,927,745). Financial liabilities exclude social security and other taxation payables.

18 Lease liabilities

	2023	2022
	£	£
Maturity analysis		
Within one year	253,538	199,869
In two to five years	833,121	824,488
In over five years	720,032	915,600
	<u>1,806,691</u>	<u>1,939,957</u>
Total undiscounted liabilities	1,806,691	1,939,957
Future finance charges and other adjustments	(374,676)	(433,812)
	<u>1,432,015</u>	<u>1,506,145</u>
Lease liabilities in the financial statements	<u>1,432,015</u>	<u>1,506,145</u>

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2023	2022
	£	£
Current liabilities	167,127	131,650
Non-current liabilities	1,264,888	1,374,495
	<u>1,432,015</u>	<u>1,506,145</u>

	2023	2022
	£	£
Amounts recognised in profit or loss include the following:		
Interest on lease liabilities	92,382	25,364

Other leasing information is included in note 27.

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	Accelerated capital allowances £
Liability at 1 July 2021 and 1 July 2022	-
Deferred tax movements in current year	
Charge/(credit) to profit or loss	84,308
Effect of change in tax rate - profit or loss	18,507
Liability at 30 June 2023	<u>102,815</u>

The deferred tax asset is in respect of tax losses carried forward by the company, some of these losses were utilised in the current year, therefore on the presumption that the company will continue to utilise these tax losses they have been recognised by the company.

20 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>309,325</u>	<u>408,852</u>

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

21 Deferred revenue

	2023 £	2022 £
Arising from licensing and professional services	<u>1,653,400</u>	<u>1,701,465</u>

Deferred revenues are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2023 £	2022 £
Current liabilities	1,516,081	1,417,747
Non-current liabilities	<u>137,319</u>	<u>283,718</u>
	<u>1,653,400</u>	<u>1,701,465</u>

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

21	Deferred revenue	(Continued)	
		2023	2022
		£	£
	Opening balance	1,701,465	2,261,983
	Payments received in advance	2,603,545	2,432,370
	Transfers to revenue - performance obligation satisfied	(2,651,610)	(2,992,888)
		1,653,400	1,701,465
		1,653,400	1,701,465

22 Share-based payments

The Company operates an Employee Incentive Plan ("EIP") for executives and employees. In accordance with the provisions of the EIP, executives and employees may be granted options (ZEPO or strike price) to purchase ordinary shares in the ultimate parent company at an exercise price to be determined by the Board with regard to the market value of the shares when it resolves to offer the options. The options may only be granted to eligible persons after the Board considers the person's seniority, position, length of service, record of employment, potential contribution and any other matters which the Board considers relevant.

Each employee share option converts into one ordinary share of the Company on exercise. No amounts are paid or payable to the Company by the recipient on receipt of the option. The options carry neither right to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The number of options granted is determined by the Board. Typically, options granted under the EIP expire within thirty-six months of their issue. The options are not exercisable until the vesting date provided the participant is an employee at the relevant vesting date.

	Number of share options		Average exercise price	
	2023 Number	2022 Number	2023 £	2022 £
Outstanding at 1 July 2022	-	-	-	-
Granted in the period	926,864	-	102,227.00	-
	926,864	-	102,227.00	-
Outstanding at 30 June 2023	926,864	-	102,227.00	-
Exercisable at 30 June 2023	926,864	-	102,227.00	-

Options granted during the year

Options granted in the year are set out below. Fair value was measured using Black-Scholes model.

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

22 Share-based payments (Continued)

	2023
Grant date	15 March 2023
Weighted average fair value	0.11
Inputs for model:	
- Weighted average share price	0.11
- Weighted average exercise price	0.00
- Expected volatility	88.6
- Expected life	36 months
- Risk free rate	3.12
- Expected dividends yields	0.00

Options outstanding

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

			2023	2022
Grant date	Expiry date	Exercise price	Number	Number
15/03/2023	31/03/2026	0	926,864	-
			<u>926,864</u>	<u>-</u>

Expenses

Related to equity settled share based payments	102,227	-
	<u>102,227</u>	<u>-</u>

23 Share capital

	2023	2022	2023	2022
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary A Shares of 1p each of 1p each	40,000	40,000	400	400
Ordinary B Shares of 1p each of 1p each	13,274	13,274	133	133
	<u>53,274</u>	<u>53,274</u>	<u>533</u>	<u>533</u>

24 Share premium account

	2023	2022
	£	£
At the beginning and end of the year	17,912	17,912
	<u>17,912</u>	<u>17,912</u>

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

25 Share options reserve

	2023 £	2022 £
At the beginning of the year	-	-
Other movements	102,227	-
At the end of the year	<u>102,227</u>	<u>-</u>

26 Capital contribution reserve

	2023 £	2022 £
At the beginning of the year	1,339,172	653,780
Parent funding of settlement of share based payment arrangements	-	685,392
At the end of the year	<u>1,339,172</u>	<u>1,339,172</u>

27 Other leasing information

Lessee

Amounts recognised in profit or loss as an expense during the period in respect of lease arrangements are as follows:

	2023 £	2022 £
Expense relating to short-term leases	<u>4,379</u>	<u>1,573</u>

Information relating to lease liabilities is included in note 18.

28 Capital commitments

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements was as follows: Leasehold improvements £nil (2022: £250,116).

29 Capital risk management

The company's objectives when managing capital are to safeguard the ability to continue as a going concern, so that benefits to stakeholders and an optimum capital structure are maintained.

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

30 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, including directors, is set out below in aggregate for each of the categories specified in IAS 24 *Related Party Disclosures*.

	2023	2022
	£	£
Short-term employee benefits	385,709	375,638

Other transactions with related parties

During the year the company entered into the following transactions with related parties:

	Management charge	
	2023	2022
	£	£
Entities with joint control or significant influence over the company	156,031	147,269
Fellow group undertakings	794,729	-
	950,760	147,269

An amount of £1,051 was written off in the year in respect of amounts previously owed to Voxygen Limited, a subsidiary of the company.

The following amounts were outstanding at the reporting end date:

	2023	2022
	£	£
Amounts due to related parties		
Entities with joint control or significant influence over the company	204,182	1,198,151
Subsidiaries	-	1,051
	204,182	1,199,202

Intergroup loans are repayable on demand.

During the period a dividend in specie was received from Voxygen Limited of £nil (2022: £4,023,842) to clear the balance of the amount owed at that point in time.

During the period, the company made payments of £nil (2022: £17,664) to former shareholders (including serving directors) in order to settle loan notes relating to the earn-out element of the former share option scheme, on behalf of the parent company Dubber Corporation Limited. The total amount of the payments made was received from Dubber Corporation Limited such that there was no net effect on the results or net assets of the company and group.

AERIANDI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

30 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	2023	2022
Amounts due from related parties	£	£
Fellow group undertakings	1,846,695	420,680

Intergroup loans are repayable on demand.

Other information

The remaining trade and certain assets of Voxygen Limited were hived up into Aeriandi Limited during the period for consideration of £nil (2022: £56,445).

31 Controlling party

The immediate parent company is Dubber UK Holdings Limited.

The ultimate parent company is Dubber Corporation Limited, whose financial statements can be obtained from the registered office address at Level 5, 2 Russell Street, Melbourne, Victoria, Australia, 3000.

Dubber Corporation Limited is listed on the Australian Stock Exchange. The principal continuing activities of Dubber Corporation Limited and its controlled entities consisted of the provision of unified call recording and conversation Artificial Intelligence services to the global telecommunications industry.

The company is consolidated into the accounts of Dubber Corporation Limited.

32 Cash (absorbed by)/generated from operations

	2023	2022
	£	£
(Loss)/profit for the year before income tax	(562,716)	5,793,299
Adjustments for:		
Finance costs	138,774	230,928
Other operating income	(8,816)	(4,024,426)
Amortisation and impairment of intangible assets	831,052	954,236
Depreciation and impairment of property, plant and equipment	369,961	140,217
Other gains and losses	(824)	-
Equity settled share based payment expense	102,227	-
Movements in working capital:		
Increase in trade and other receivables	(1,776,169)	(301,007)
(Decrease)/increase in trade and other payables	(948,384)	767,777
Decrease in deferred revenue	(48,065)	(560,518)
Cash (absorbed by)/generated from operations	(1,902,960)	3,000,506

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