

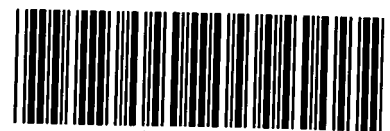
Registered number: 11733232

ENSCO 1322 LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

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ENSCO 1322 LIMITED

COMPANY INFORMATION

Directors	C Bostock D Bygrave C Coulton C Herrmannsen C Sissons D Speed A Weinel S Meaney (resigned 18 th November 2021)
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Registered number	11733232
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Registered office	Newbury House 20 Kings Road West Newbury Berkshire RG14 5XR
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Independent auditors	Crowe U.K. LLP Statutory Auditor Aquis House 49-51 Blagrove Street Reading RG11PL
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ENSCO 1322 LIMITED

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ENSCO 1322 LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Introduction

Ensko 1322 Limited is the parent company of an award winning software developer and provider of consultancy and other services to the future talent and campaign based volume recruitment industry.

Business review

The company was incorporated on 18 December 2018. On 4 April 2019 the company acquired 100% of the share capital of Amberjack Global Limited.

The third full year of trading of the Group resulted in the following outcomes for the period.

- Revenues were £7.03m (2021: £5.99m).
- Gross profit was £5.92m (2021: £5.11m).
- EBITDA before exceptional items was £1.50m (2021: £1.49m).
- Group loss before tax was £4.96m (2021: £5.09m).
- Statutory loss after tax was £4.98m (2021: £5.14m).

The Group's financial results continued to be driven by the performance of its trading subsidiary, Amberjack Global Limited, and by interest costs incurred and goodwill amortised as a result of the acquisition of Amberjack Global Limited.

Principal business risks

Covid-19 risk:

During the year the Group continued to be impacted by the Covid 19 pandemic, particularly the impact of government restrictions, and therefore considered it a principal business risk. After a period of trading remotely from the office the Group returned to using the office in a hybrid form during the second half of the financial year, servicing customer requirements, completing regular sales demonstrations, closing sales with new customers and further developing and enhancing its software product range.

Interest rate risk:

The majority of the Group's loans have fixed interest rates and therefore have no interest rate fluctuation risk. Those loans that do not have a fixed interest rate for their full term were previously linked to LIBOR but since 30 October 2021 have been linked to SONIA which is a historical looking interest rate.

Liquidity risk:

The Group continues to maintain sufficient cash for its ongoing operations and product development. The business has an undrawn revolving credit facility with HSBC of £1m.

ENSCO 1322 LIMITED

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

Key performance indicators

The Directors use a range of performance indicators to measure the delivery of the Group's strategic objectives. The most important of these are considered key performance indicators ("KPI's") and their targets are determined annually. The KPI's are set out below:

Financial KPI's:	Year ending 31 August 2022 £'000	Year ending 31 August 2021 £'000
Revenue	7,032	5,986
Gross profit	5,924	5,106
Gross profit percentage	84%	85%
EBITDA ¹ profit	1,497	1,491
Trading EBITDA ²	1,750	1,645
Cash at bank and in hand	1,853	1,676

Non-financial KPI's:	Average number	Average number
Resourcing and assessment staff	39	35
Software development and maintenance staff	16	15
Administration	23	23

Current position and future trading

In their assessment of going concern the Directors have considered that the Group has traded profitably at the EBITDA level since the year end, that the financial forecasts show that the Group will continue to do so and to increase its liquidity, despite the impact of the Covid 19 pandemic. The Group has strong client relationships which has meant that customers have continued to use the Group's software products and services as well as renewing and signing new contracts for additional products and services. As mentioned above, the Group has returned to trade from the office, servicing customer requirements, completing a number of sales demonstrations, closing new sales and further developing and enhancing its software product range. The Group increased the value of revenues generated from the Company's software products and has continued to invest in its own software products, capitalising internal payroll and associated software development costs in line with FRS 102.

The Directors have calculated their annual budgets and forecasts based on current estimates of the impact of the crisis and implemented a number of measures in order to ensure that they have sufficient facilities in place to meet their operating cash requirements for the foreseeable future. Cash held as at the date of this report is in line with the Directors' expectations.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Diversity and Inclusion

The Group understands how fundamental our employees are to the success of our business and has continued to invest in our people. The Group strongly believes that a diverse team adds positive viewpoints and discernment to the business, engendering originality and affirmative outcomes that are otherwise unlikely to be possible. Our staff should feel empowered and authentic so that they are able to accomplish their aims to the best of their ability which will help the Group achieve its commercial and staffing objectives.

¹ EBITDA is Earnings before Interest charges, Tax, Depreciation, Amortization charges and Exceptional items

² Trading EBITDA is EBITDA before investor charges, Non-Executive Director costs and other one off legal costs.

ENSCO 1322 LIMITED

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

The Group has many formal, informal and social media channels for staff to communicate internally, to share, encourage and praise the positive results that our staff deliver to our business and throughout the sector with their involvement in industry bodies. In line with these principles, updates are regularly sent to all staff and the management team organise monthly meetings with all staff to update them on the progress of the business and to answer any queries raised by staff.

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

A handwritten signature in black ink, appearing to read 'DS Speed', with a stylized flourish at the end.

DS Speed
Chief Executive Officer
Ensco 1322 Limited

Date: 16.12.2022

ENSCO 1322 LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

The directors present their report and the financial statements for the year ended 31 August 2022.

Directors

The directors who served during the year were:

C M Bostock
D C Bygrave
C Coulton
C Herrmannsen
C Sissons
D S Speed
A J Weinel
S Meaney (resigned 18th November 2021)

Results and dividends

The loss for the year, after taxation, amounted to £4,975,123 (2021 - loss £5,145,087).

The directors do not recommend the payment of a dividend (2021: nil).

Future developments

Future developments are considered in the Strategic Report.

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

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

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

- select suitable accounting policies for the Company and Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and Group will continue in business.

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

ENSCO 1322 LIMITED

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

Disclosure of information to auditors

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

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

Post balance sheet events

There are no post balance sheet events.

Auditors

The auditors, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



DS Speed
Chief Executive Officer
Ensco 1322 Limited

Date: 16.12.2022

ENSCO 1322 LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ENSCO 1322 LIMITED

Opinion

We have audited the financial statements of Ensco 1322 Limited (the 'Company') and its subsidiaries ('the Group') for the year ended 31 August 2022 which comprise the Consolidated statement of comprehensive income, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of changes in equity, the Company statement of changes in equity, the Consolidated statement of cash flows, and notes to the Group and Company financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group and Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group and Company's affairs as at 31 August 2022 and of the Group's loss for the year then ended;
- the Group and Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and the
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and Company's ability to continue to adopt the going concern basis of accounting included obtaining the forecast model covering the period to 31 August 2025, prepared by the Directors and verifying to underlying supporting documentation such as management accounts, contracted pipeline and bank statements. We have evaluated the Directors' historical forecasting accuracy by comparing actuals to budgets. We have also tested the mathematical accuracy of the forecast and budgets. We have evaluated possible downside scenarios on the forecast model. We have considered the evidence obtained as part of our testing of other areas and determined it is consistent with the forecast model and cash outflows included in the cash flow model.

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

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £109,000 (FY21: £97,000) based on 7% EBITDA before exceptional items whilst we determined overall materiality for the company to be £100,000 based on 0.5% of total assets.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. We determined performance materiality for the Group financial statements to be £87,000 and for the Company financial statements to be £80,000.

ENSCO 1322 LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ENSCO 1322 LIMITED (CONTINUED)

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified misstatements in excess of £5,400 (FY21: £4,850). Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

We performed a full scope audit of Ensco 1322 Limited and its subsidiaries. Audit procedures were performed either on site at the Company's registered office or remotely.

Key Audit Matters

We set out below, together with going concern above, our key audit matters

Key audit matter	How the scope of our audit addressed the key audit matter
<p>Valuation of investments</p> <p>As described in note 15, the Company has an investment in a subsidiary carried at a cost of £19,219,518. The Directors considered the carrying value of the investment in the Company's accounts compared to the net assets of the subsidiary to be an indicator of impairment. An impairment review was undertaken and no impairment was recognised. The impairment review was based on a discounted cash flow forecast model</p>	<p>We have reviewed the Directors' assessment of whether any impairment indicators existed as at the year ended 31 August 2022. We compared the carrying value of the investment to the net assets of the subsidiary as at 31 August 2022 and concluded on whether we agreed an impairment indicator existed.</p> <p>We obtained the discounted cash flow forecast model and tested the mathematical integrity and evaluated the reasonableness of the key assumptions. We agreed the Board approved forecasts and performed a sensitivity analysis to assess whether a downside change in the key assumptions could give rise to a material impairment. We assessed whether forecasted revenue is achievable by comparing forecasts to actual results for the year ended 31 August 2022.</p> <p>We concluded we agreed with the Directors' assessment that no impairment existed as at 31 August 2022.</p>
<p>Carrying value of goodwill</p> <p>As described in note 13 the Group has carrying value of goodwill of £5,557,222, as at 31 August 2022. The Directors considered the current financial position of the Group to be an indicator of impairment. An impairment was undertaken and no impairment was recognised. The impairment review was based on a discounted cash flow forecast model.</p>	<p>The business activity of the Group is based on one income generating unit within the wholly owned subsidiary. Therefore, the impairment review of the goodwill was based on the forecasts associated with the assets of the income generating unit. The procedures performed were the same as those set out above in the valuation of investments key audit matter. Based on the procedures performed we noted no material issue from our work.</p>

ENSCO 1322 LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ENSCO 1322 LIMITED (CONTINUED)

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of the Directors for the financial statements

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

In preparing the financial statements, the Directors are responsible for assessing the Group's and the 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.

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:

ENSCO 1322 LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ENSCO 1322 LIMITED (CONTINUED)

We obtained an understanding of the legal and regulatory frameworks within which the Group and Company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and relevant UK taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and revenue recognition. Our audit procedures to respond to management override risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases and assessing the treatment of non-routine transactions. Our audit procedures to respond to revenue recognition risks included sample testing revenue across the period and deferred revenue and accrued income as at period end to agree to supporting documentation, and reviewing revenue received either side of the period end to ensure this has been recognised correctly.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Christine Dobson (Senior Statutory Auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Aquis House
49-51 Blagrove Street
Reading
RG1 1 PL

Date: 16 December 2022

ENSCO 1322 LIMITED

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

		Year ended 31 August 2022 £	Year ended 31 August 2021 £
Turnover	4	7,032,260	5,985,940
Cost of sales		(1,107,877)	(879,481)
Gross Profit		5,924,383	5,106,459
Administrative expenses		(4,433,765)	(3,723,800)
Other operating income	5	6,310	108,039
Earnings before interest, tax, depreciation, amortisation and exceptional items		1,496,928	1,490,698
Exceptional items	12	(169,315)	(624,581)
Depreciation and amortisation		(3,983,748)	(3,854,851)
Interest receivable and similar income	9	-	1,512
Interest payable and expenses	10	(2,299,489)	(2,103,117)
Loss before taxation		(4,955,624)	(5,090,339)
Tax on loss	11	(19,499)	(54,748)
Loss for the financial year		(4,975,123)	(5,145,087)

The was no other comprehensive income for 2022 (2021: £Nil)

The notes on pages 17 to 34 form part of these financial statements.

ENSCO 1322 LIMITED

REGISTERED NUMBER:11733232

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	13	6,556,098	9,909,992
Tangible assets	14	263,311	362,647
		6,819,409	10,272,639
Current assets			
Debtors: amounts falling due within one year	16	1,726,425	1,194,633
Cash in bank and in hand	17	1,852,995	1,675,562
		3,579,420	2,870,195
Current liabilities			
Creditors: amounts falling due within one year	18	(2,705,294)	(2,104,949)
Net current assets		874,126	765,246
Total assets less current liabilities		7,693,535	11,037,885
Creditors: amounts falling due after more than one year	19	(24,169,811)	(22,470,359)
Provisions for liabilities			
Deferred tax	22	(85,237)	(65,738)
Other provisions	23	(333,761)	(409,164)
Net assets		(16,895,274)	(11,907,376)
Capital and Reserves			
Called up share capital	24	15,251	15,251
Share Premium account		295,945	295,945
Share option reserve		4,503	-
Investment in own shares		(17,277)	-
Profit and loss account		(17,193,696)	(12,218,572)
		(16,895,274)	(11,907,376)

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



Director
Date: 16 December 2022

The notes on pages 17 to 34 form part of these financial statements.

COMPANY BALANCE SHEET AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	15	19,219,518	19,219,518
		<u>19,219,518</u>	<u>19,219,518</u>
Current assets			
Debtors: amounts falling due within one year	16	4,995	5,729
Cash in bank and in hand	17	26,368	74,334
		<u>31,363</u>	<u>80,063</u>
Current liabilities			
Creditors: amounts falling due within one year	18	(2,671,510)	(1,934,101)
Net current assets		<u>(2,640,147)</u>	<u>(1,854,038)</u>
Total assets less current liabilities		<u>16,579,371</u>	<u>17,365,480</u>
Creditors: amounts falling due after more than one year	19	(24,169,811)	(22,470,359)
Net assets		<u>(7,590,440)</u>	<u>(5,104,879)</u>
Capital and Reserves			
Called up share capital	24	15,251	15,251
Share Premium account		295,945	295,945
Share Option reserve		1,507	-
Investment in own shares		(17,277)	
Profit and loss account		(7,885,866)	(5,416,075)
		<u>(7,590,440)</u>	<u>(5,104,879)</u>

The Company's loss for the year was £2,469,791 (2021: £2,315,146).

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



DC Bygrave
Director

Date: 16 December 2022

The notes on pages 17 to 34 form part of these financial statements.

ENSCO 1322 LIMITED

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

	Called up share capital £	Share premium account £	Share Option reserve £	Investment in own shares	Profit and loss account £	Total Equity £
At 1 September 2021	15,251	295,945	-	-	(12,218,572)	(11,907,376)
Issue of ordinary shares	-	-	-	(17,277)	-	(17,277)
Transfer to Share option reserve	-	-	4,503	-	-	4,503
Loss for the year	-	-	-	-	(4,975,123)	(4,975,123)
At 31 August 2022	15,251	295,945	4,503	(17,277)	(17,193,696)	(16,895,274)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2021**

	Called up share capital £	Share premium account £	Profit and loss account £	Total Equity £
At 1 September 2020	13,506	280,244	(7,073,485)	(6,779,735)
Issue of ordinary shares	1,745	15,701	-	17,446
Loss for the year	-	-	(5,145,087)	(5,145,087)
At 31 August 2021	15,251	295,945	(12,218,572)	(11,907,376)

The notes on pages 17 to 34 form part of these financial statements.

ENSCO 1322 LIMITED

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

	Called up share capital	Share option reserve	Share premium account	Investment in own shares	Profit and loss account	Total Equity
At 1 September 2021	15,251	-	295,945	-	(5,416,075)	(5,104,879)
Share option charge	-	1,507	-	-	-	1,507
Increase in own shares held	-	-	-	(17,277)	-	(17,277)
Loss for the year	-	-	-	-	(2,469,791)	(2,469,791)
At 31 August 2022	15,251	1,507	295,945	(17,277)	(7,885,866)	(7,590,440)

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2021**

	Called up share capital £	Share premium account £	Profit and loss account £	Total Equity £
At 1 September 2020	13,506	280,244	(3,100,929)	(2,807,179)
Issue of ordinary shares	1,745	15,701	-	17,446
Loss for the year	-	-	(2,315,146)	(2,315,146)
At 31 August 2021	15,251	295,945	(5,416,075)	(5,104,879)

The notes on pages 17 to 34 form part of these financial statements.

ENSCO 1322 LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022**

	2022	2021
	£	£
Cash flows from operating activities		
Loss for the financial year	(4,975,123)	(5,145,087)
Adjustments for:		
Amortisation of intangible assets	3,854,402	3,769,242
Depreciation of tangible assets	129,346	85,609
Interest payable	2,299,489	2,103,117
Interest received	-	(1,512)
(Decrease)/increase in deferred tax liability	19,499	54,748
Increase in debtors	(531,792)	(171,392)
Increase in creditors	600,345	46,092
(Decrease)/Increase in provisions	(75,403)	334,164
Taxation received	-	246,509
Tenant contribution to dilapidations provision	-	55,000
Nat cash generated from operating activities	1,320,763	1,376,490
Cash flows from investing activities		
Purchase of intangible fixed assets	(500,508)	(393,879)
Purchase of tangible fixed assets	(30,009)	(377,824)
Interest received	-	1,512
Net cash from investing activities	(530,517)	(770,191)
Cash flows from financing activities		
Issue of ordinary shares	-	17,446
Purchase of own shares	(17,187)	-
Proceeds from loan notes	25,000	150,000
Interest paid	(260,626)	(300,430)
Repayment of bank loan	(360,000)	(360,000)
Net cash used in financing activities	(612,813)	(492,984)
Net increase in cash and cash equivalents	177,433	113,315
Cash and cash equivalents at beginning of year	1,675,562	1,562,247
Cash and cash equivalents at the end of year	1,852,995	1,675,562

The notes on pages 17 to 34 form part of these financial statements.

ENSCO 1322 LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 AUGUST 2022**

	At 1 September 2021 £	Cash flows £	Other non- cash changes £	At 31 August 2022 £
Cash at bank and in hand	1,675,562	177,433	-	1,852,995
Debt due after 1 year	(22,470,359)	(25,000)	(1,674,452)	(24,169,811)
Debt due within 1 year	(360,000)	620,626	(620,626)	(360,000)
	<u>(21,154,797)</u>	<u>773,059</u>	<u>(2,295,078)</u>	<u>(22,676,816)</u>

The notes on pages 17 to 34 form part of these financial statements.

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

1. General information

Ensko 1322 Limited is a private company, limited by shares and incorporated in England & Wales. The address of its registered office is disclosed on the company information page at the front of the accounts.

The principal activity of the Group is that of software developer and provider of consultancy and other services to the future talent and campaign based volume recruitment industry.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland 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 Group management to exercise judgement in applying the Group's accounting policies (see note 3).

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

The Company has taken advantage of the exemption from preparing a statement of cash flows on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows.

The financial statements are rounded to the nearest whole pound Sterling, the functional and presentational currency of the Company.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

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

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained.

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

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on the going concern basis. The directors believe this to be appropriate for the following reasons:

The directors have prepared projected budgets based on the expected future trading performance of the Group and Company which indicate that, the Group and Company will have adequate financial resource to meet their obligations as they fall due for at least twelve months from the date of approval of these financial statements. In making their assessment the directors have considered the impact on the business of the current economic climate including the ability of the Group and Company to continue to service customers, the impact on future revenues and cash collections and the financial position of the Group and Company. The Group has traded profitably at the EBITDA level since the year end and that the financial forecasts show that the Group will continue to do so for the foreseeable future.

The directors have implemented a number of measures in order to ensure that they have sufficient facilities in place to meet their operating cash requirements. Cash held as at the balance sheet date of £1,852,995 is in line with the directors' expectations. The Group and Company has access to a Revolving Credit Facility up to £1,000,000 which was not drawn down on at the year-end. The Group and Company has no further requirement for external funding in excess of current facilities.

2.4 Revenue

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

Revenue from software licenses

Revenue from the sale of software licenses is recognised on a straight line basis over the period of the licence.

Rendering of services

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

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

The key judgement made by management in respect of revenue is the point at which that revenue should be recognised. Management consider the underlying contract terms and conclude upon the most appropriate point of the cycle at which to recognise revenue based upon these terms and in particular where the risks and rewards of ownership transfer.

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

2. Accounting policies (continued)

2.5 Operating leases: the Group as lessee

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

2.6 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives of 3-5 years.

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

2.7 Government grants

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

Grants of a revenue nature are recognised in the Consolidated statement of comprehensive income in the same period as the related expenditure.

2.8 Finance costs

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

2.9 Pensions

Defined contribution pension plan

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

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

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

2. Accounting policies (continued)

2.10 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; 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.

2.11 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

2.12 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life of 5 years.

Other 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.

All intangible assets are considered to have a finite useful life. Other intangible assets are considered to have a useful economic life of 3-5 years.

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

2. Accounting policies (continued)

2.13 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	25% per annum
Computer and equipment	33% per annum
Leasehold improvements	over the remaining term of the lease

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.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

At each balance sheet date investments are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying value. If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognized in the company statement of comprehensive income.

2.15 Debtors

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

2.16 Cash and cash equivalents

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

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

2.17 Creditors

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

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

2. Accounting policies (continued)

2.18 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions include amounts for onerous leases relating to property that is currently empty with no realistic expectation of being able to sublet or transfer the lease on the property. A provision has been recognised for the costs required to return the leased property to its original condition at the end of the lease term. Provisions are measured at the best estimate of the amount required to settle the obligation.

2.19 Financial instruments

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

2.20 Share based payments

In September 2021 the Company approved an Enterprise Management Incentive scheme ("EMI"). The scheme provides EMI share option awards to senior management employees subject to certain non-market vesting conditions, including their continued employment with the Company.

Senior management incentive plans which include participants acquiring financial instruments whose value is linked to the achievement of certain performance measures and are payable in equity are treated as non-market based vesting condition equity-settled share-based payments. The market condition of the share options was taken into account when the fair value of the equity instruments was determined. The expense is recognised in the income statement over the vesting period of the share options. Payments due to the Company as a result of the purchase of shares from the scheme are accounted for upon exercise.

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

The preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Intangible fixed assets

Development expenditure is capitalised in accordance with the accounting policy detailed above. Once capitalised, the useful economic lives and value of the assets are assessed annually based on management's judgment that technical and economic feasibility remains. Other intangible assets are amortised over their useful lives taking into account the expected lifetime of the research and development projects and the revenues expected to be generated from these developments.

Investments

The Company reviews the carrying value of its subsidiary on an annual basis. Determining whether the company's investment in subsidiary has been impaired requires estimations of the investments' values in use. The value in use calculations require the entity to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values. If forecast sales were to decrease by 15-20%, an impairment in the carrying value of the company's investment in subsidiary would exist. It is also possible that future outcomes that differ to the key assumptions could result in a material adjustment to the carrying value of the company's investment.

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

4. Turnover

An analysis of turnover by class of business, which all originates in the UK, is as follows:

	2022	2021
	£	£
Recruitment services	4,578,111	3,804,298
Recruitment software	2,454,149	2,181,642
	<u>7,032,260</u>	<u>5,985,940</u>

5. Other operating income

	2022	2021
	£	£
Rents receivable	210	42,466
JRS grants received	-	20,500
R&D tax credit	-	45,074
Insurance claim receipt	6,100	-
	<u>6,310</u>	<u>108,039</u>

6. Auditors' remuneration

	2022	2021
	£	£
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	33,700	27,825
Fees payable to the Group's auditor and its associates in respect of other services	-	7,150

7. Employees

Staff costs, including directors' remuneration, were as follows

	2022	2021
	£	£
Wages and salaries	3,227,682	2,975,449
Social security costs	360,253	310,695
Cost of defined contribution scheme	80,831	71,525
	<u>3,668,766</u>	<u>3,357,670</u>

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

	2022	2021
Employees	<u>78</u>	<u>73</u>

ENSCO 1322 LIMITED

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

8. Directors' remuneration

	2022	2021
	£	£
Directors' emoluments	602,967	597,926
Company contributions to defined contribution pension scheme	11,433	12,605
	<u>614,400</u>	<u>610,531</u>

During the year retirement benefits were accruing to 5 directors (2021 – 5) in respect of defined contribution pension schemes.

The Directors are deemed to be key management personnel.

In respect of the highest paid director

	2022	2021
	£	£
Remuneration	155,000	154,649
Company contribution to defined contribution scheme	4,650	-
	<u>159,650</u>	<u>154,649</u>

9. Interest receivable and similar income

	2022	2021
	£	£
Other interest receivable	<u>-</u>	<u>1,512</u>

10. Interest payable and similar expenses

	2022	2021
	£	£
Bank loan interest payable	256,872	252,382
Other loan interest payable	1,879,099	1,687,217
Amortisation of finance costs	163,518	163,518
	<u>2,299,489</u>	<u>2,103,117</u>

ENSCO 1322 LIMITED

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

11. Taxation

Corporation tax	2022	2021
	£	£
Current tax on loss for the year	-	-
Adjustments in respect of previous periods	-	-
Total current tax	-	-
Deferred tax		
Adjustments in respect of previous periods	71,204	15,626
Origination and reversal of timing differences	(51,705)	39,122
	19,499	54,748
Taxation on loss on ordinary activities	19,499	54,748

At the year end the Company and Group has taxable losses carried forward of £2,469,791 (2021: £3,289,429) however no deferred tax asset has been recognised.

Factors affecting tax charge for the year

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

	2022	2021
	£	£
Loss on ordinary activities before tax	(4,955,624)	(5,090,339)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021-19%)	(941,569)	(967,126)
Effects of:		
Expenses not deductible for tax purposes	791,947	668,652
Income not deductible for tax purposes	(12,147)	(8,564)
Other permanent differences	(1,271)	(1,316)
Remeasurement of deferred tax for change in tax rates	21,961	(220,443)
Movement in deferred tax not recognised	89,374	567,920
Adjustment in respect of prior periods	71,204	15,626
Total tax charge for the year	19,499	54,748

ENSCO 1322 LIMITED

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

Taxation (continued)

The UK Budgetary announcements on 3 March 2021 included measures to support economic recovery that included an increase to the UK's main corporation tax rate to 25% which is due to be effective from 1 April 2023. These changes were enacted during the year ended 31 August 2022 and have been reflected in the closing deferred tax provision.

12 Exceptional items

	2022 £	2021 £
Redundancy costs and other fees	169,315	230,717
Onerous lease	-	393,864
Exceptional costs	169,315	624,581

In the current year the exceptional items were mainly incurred in relation to redundancy costs following the impact of covid.

13 Intangible assets

	Development expenditure	Goodwill	Total
Cost			
At 1 September 2021	1,456,114	17,549,121	19,005,235
Additions	500,508	-	500,508
At 31 August 2022	1,956,622	17,549,121	19,505,743
Amortisation			
At 1 September 2021	613,168	8,482,075	9,095,243
Charge for the year	344,578	3,509,824	3,854,402
At 31 August 2022	957,746	11,991,899	12,949,645
Net book value			
At 31 August 2022	998,876	5,557,222	6,556,098
At 31 August 2021	842,946	9,067,046	9,909,992

ENSCO 1322 LIMITED

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

14 Tangible fixed assets

	Fixtures & fittings £	Computer Equipment £	Leasehold improvements £	Total £
Cost or valuation				
At 1 September 2021	34,416	134,434	324,318	493,168
Additions	4,109	25,900	-	30,009
Disposals	-	(1,258)	-	(1,258)
	<u>38,525</u>	<u>159,076</u>	<u>324,318</u>	<u>521,919</u>
At 31 August 2022				
Depreciation				
At 1 September 2021	15,256	73,849	41,416	130,521
Charge for the year	8,560	39,706	81,080	129,346
Disposals	-	(1,258)	-	(1,258)
	<u>23,816</u>	<u>112,297</u>	<u>122,496</u>	<u>258,609</u>
At 31 August 2022				
Net book value				
At 31 August 2022	<u>14,709</u>	<u>46,780</u>	<u>201,822</u>	<u>263,311</u>
At 31 August 2021	<u>19,160</u>	<u>60,585</u>	<u>282,902</u>	<u>362,647</u>

15 Fixed Asset Investments

Company

Amberjack
Global
Limited

Cost or valuation

At 1 September 2021	19,219,518
At 31 August 2022	<u>19,219,518</u>

Subsidiary undertakings

The following were subsidiaries of the Company:

Name	Registered office	Class of Shares	Holding
Amberjack Global Limited	Newbury House 20 Kings Road West Newbury Berkshire RG14 5XR	Ordinary	100%

ENSCO 1322 LIMITED

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

Fixed Asset Investments (continued)

Amberjack EBT Trustee Limited	Newbury House 20 Kings Road West Newbury Berkshire RG14 5XR	Ordinary	100%
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16 Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	916,074	815,272	-	-
Other debtors	7,378	5,512	-	-
Prepayments and accrued income	802,973	373,849	4,995	5,729
	<u>1,726,425</u>	<u>1,194,633</u>	<u>4,995</u>	<u>5,729</u>

17 Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	<u>1,852,995</u>	<u>1,675,562</u>	<u>26,368</u>	<u>74,334</u>

18 Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	360,000	360,000	360,000	360,000
Trade creditors	503,981	327,308	206,013	83,850
Amounts owed to group undertakings	-	-	2,027,671	1,406,937
Other taxation and social security	438,537	406,991	55,678	58,314
Other creditors	90	25,000	90	25,000
Accruals and deferred income	1,402,686	985,650	22,058	-
	<u>2,705,294</u>	<u>2,104,949</u>	<u>2,671,510</u>	<u>1,934,101</u>

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

ENSCO 1322 LIMITED

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

19 Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	4,531,639	4,816,242	4,531,639	4,816,242
Loan notes	13,990,484	13,877,364	13,990,484	13,877,364
Loan note interest	5,647,688	3,776,753	5,647,688	3,776,753
	<u>24,169,811</u>	<u>22,470,359</u>	<u>24,169,811</u>	<u>22,470,359</u>

20 Maturity of debt

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Amounts falling due within 1 year	360,000	360,000	360,000	360,000
Amounts falling due 1-2 years	400,000	360,000	400,000	360,000
Amounts falling due 2-5 years	23,769,811	4,456,242	23,769,811	4,456,242
Amounts falling due after more than 5 years	-	17,654,117	-	17,654,117
	<u>24,529,811</u>	<u>22,830,359</u>	<u>24,529,811</u>	<u>22,830,359</u>

Bank Facility A with an interest rate of 3.75% above SONIA repayable on a quarterly basis with increasing repayments, with a final repayment on 24 November 2024 and facility B with an interest rate of 4.25% above SONIA repayable in full on 24 November 2025, both were drawn on 29 November 2019.

Additionally, a revolving credit facility of £1m is available. As at year end the drawn down balance was £nil.

In respect of the bank facilities these are secured by an unlimited multilateral guarantee supported by a debenture creating a fixed and floating charge over the assets of Ensco 1322 Limited and its subsidiary company Amberjack Global Limited.

The loan notes are due to be repaid on 4 April 2026. Interest is due on the loan notes at a fixed rate of 10% and cumulative amount due to be repaid on 4 April 2026. £7,065,627 of the loan notes are secured with a fixed and floating charge against the assets of the Company and the subsidiary. The remainder are unsecured. The loan notes are divided into A loan notes and B loan notes. A loan notes were admitted to trading on the International Stock Exchange and rank ahead of the B loan notes in the case of an insolvency event. The B loan notes are not admissible for trading on a recognised stock exchange.

Transaction costs directly attributable to the loans have been capitalised as a reduction to the loan proceeds. These are being amortised over the period to the redemption date of the loan.

ENSCO 1322 LIMITED

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

21. Financial Instruments

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial Assets				
Cash and cash equivalents	1,852,995	1,675,562	26,359	74,334
Financial assets measured as amortised cost	1,550,656	1,003,468	-	-
	<u>3,403,651</u>	<u>2,679,030</u>	<u>26,359</u>	<u>74,334</u>
Financial liabilities				
Financial liabilities measured at amortised cost	(25,387,173)	(23,354,636)	(24,757,882)	(22,914,209)
	<u>(25,387,173)</u>	<u>(23,354,636)</u>	<u>(24,757,882)</u>	<u>(22,914,209)</u>

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors excluding corporation tax debtor.

Financial liabilities measured at amortised cost comprise trade creditors, loan notes, accruals and bank loans.

ENSCO 1322 LIMITED

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

22. Deferred taxation

The Company will have an unrecognised deferred tax asset. Information of the loss is given in Note 11.

Group

	2022 £	2021 £
At beginning of year	(65,738)	(10,990)
Utilised in year	(19,499)	(54,748)
At end of year	<u>(85,237)</u>	<u>(65,738)</u>

	2022 £	2021 £
Accelerated capital allowances	(65,738)	(78,216)
Short term timing differences	(19,499)	12,478
	<u>(85,237)</u>	<u>(65,738)</u>

23. Provisions

	Onerous lease £	Dilapidations provision £	Total £
At 1 September 2021	314,164	95,000	409,164
Charged to profit or loss	<u>(95,403)</u>	<u>20,000</u>	<u>(75,403)</u>
At 31 August 2022	<u>218,761</u>	<u>115,000</u>	<u>333,761</u>

A provision has been recognised for the cost of returning the leased property to its original condition at the end of the lease.

An onerous lease provision has been recognised for all costs relating to part of the leasehold property previously sub-let, that has become vacant in the year to the end of the lease.

ENSCO 1322 LIMITED

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

24 Share Capital

Allotted, called up and fully paid

	Share Capital £	Total Share Capital 2022 £	2021 £
198,364 (2021 -198,364) A Ordinary shares of £0.02	3,967	3,967	3,967
1,636 (2021 -1,636) B1 Ordinary shares of £0.10	164	164	164
34,375 (2021 -34,375) B2 Ordinary shares of £0.10	3,438	3,438	3,438
23,632 (2021 -23,632) C1 Ordinary shares of £0.10	2,363	2,363	2,363
25,001 (2021 -42,188) C2 Ordinary shares of £0.10	2,500	2,500	4,219
28,187 (2021 - 11,000) C3 Ordinary shares of £0.10	2,819	2,819	1,100
	<u>15,251</u>	<u>15,251</u>	<u>15,251</u>

The rights attached to the shares are as follows

Income

Any profits that the Company may determine to distribute shall be applied 94.5% to the holder of the A Ordinary shares, B Ordinary shares, C2 Ordinary shares, C3 Ordinary shares and 5.5% to the holders of the C1 Ordinary shares.

Capital

On a return of assets on liquidation, reduction of capital or otherwise, the surplus assets of the Company remaining after payment of its liabilities shall be applied first in paying to the holders of the A Ordinary shares and B Ordinary shares (pari passu as if the same constituted one class of share) an amount equal to the subscription price (inclusive of any premium) paid for such shares; next and subject thereto, in paying to the holder of the C Ordinary shares an amount equal to the subscription price (inclusive of any premium) paid for such shares; subject, thereto, the balance of such assets shall belong to and be distributed amongst the holders of the A Ordinary shares, B Ordinary shares and the C Ordinary shares as follows: 94.5% of such surplus assets amongst the holders of the A Ordinary shares, B Ordinary shares and C3 Ordinary shares (pari passu as if the same constituted one class of share); and 5.5% of such surplus assets amongst the holder of the C1 Ordinary shares.

Voting

Subject to the articles, A Ordinary shares, B Ordinary shares and C Ordinary shares shall respectively confer on each holder thereof (in that capacity) the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to vote on written resolutions and on a poll or written resolution to exercise one vote per share providing that for so long as an LDC Entity (as defined in the articles) shall be the legal and/or beneficial owners of shares, such shares held by LDC Entities shall not together confer more than 49.9% of the total voting rights of all shares at any time.

Redemptions rights

The shares are not redeemable or liable to be redeemed, either at the option of the Company or the shareholder.

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25 Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £80,831 (2021: £71,525) for the year ended 31 August 2022. Contributions totalling £47,694 (2021: £13,478) were payable to the fund at the balance sheet date and are included in other creditors. Contributions totalling £6,933 (2021: £6,933) were payable to the fund for past directors.

26 Commitments under operating leases

At 31 August 2021 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £
Not later than 1 year	228,478	228,478
Later than 1 year and not later than 5 years	283,498	511,976
	<u>511,976</u>	<u>740,454</u>

Lease payments of £232,867 (2021: £232,867) have been recognised as expense in the year. At 31 August 2022 there were no finance leases for the Company or Group.

27 Related party transactions

At the year end, the Group was owed £140 (2021: £140) by the directors. This amount is included within other debtors.

At the year end shareholders with significant influence are owed amounts of £16,454,995 (2021: £14,804,304). Interest on these amounts of £1,570,529 (2021: £1,419,401) was charged to the Statement of Comprehensive Income in addition to management fees of £105,000 (2021: £101,667).

At the year end the directors held loan notes in aggregate of £3,183,177 (2021: £2,849,813). Interest on these amounts of £308,570 (2021: £267,815) was charged to the Statement of comprehensive income.

The Company has taken advantage of the exemption available under Section 33.1A of FRS 102 not to disclose transactions entered into between 100% owned group companies.

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**NOTES TO THE FINANCIAL STATEMENTS
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28 Share option scheme

During the year 18,678 share options have been granted to 14 senior employees. An option may only be exercised immediately before an exit (share sale, asset sale or listing), where the Board determine the exit is final and binding. The exercise price is £1.00 per Option share. A charge of £4,503 has been recognised in the Statement of Comprehensive income for the year

29 Controlling party

Ensco 1322 Limited is owned by a number of shareholders and individually no shareholders can exert control. Therefore, the Directors are of the opinion that there is no ultimate controlling party.