Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	927 632 039
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	FAMILIEHJELPGRUPPEN AS
Forretningsadresse:	Apotekerhagen 3 1383 ASKER

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Nei

Regnskapsregler

Regler for små foretak benyttet:	Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Daniel Steven Croft
Dato for fastsettelse av årsregnskapet:	28.06.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert

År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 13.05.2025

Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Kostnader			
Employee benefits expense	1	2 829 276	
Other expenses	1	247 290	501 685
Sum kostnader		**3 076 566**	**501 685**
Driftsresultat		**-3 076 566**	**-501 685**
Finansinntekter og finanskostnader			
Income from subsidiaries		11 218 439	3 890 463
Sum finansinntekter		**11 218 439**	**3 890 463**
Write-down of long-term investments		9 956 248	7 719 932
Rentekostnad til foretak i samme konsern		347 350	
Annen rentekostnad		5 294	1 854
Sum finanskostnader		**10 308 892**	**7 721 786**
Netto finans		**909 547**	**-3 831 323**
Ordinært resultat før skattekostnad		**-2 167 019**	**-4 333 008**
Income tax expense	2		
Ordinært resultat etter skattekostnad		**-2 167 019**	**-4 333 008**
Årsresultat		**-2 167 019**	**-4 333 008**
Årsresultat etter minoritetsinteresser		**-2 167 019**	**-4 333 008**
Totalresultat		**-2 167 019**	**-4 333 008**
Overføringer og disponeringer			
Transferred from premium		-11 547 019	-16 493 924
Ordinært utbytte		9 380 000	13 119 638
Transferred from other equity			-958 722
Sum overføringer og disponeringer	3	**-2 167 019**	**-4 333 008**

Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	4	58 575 749	57 418 749
Sum finansielle anleggsmidler		**58 575 749**	**57 418 749**
Sum anleggsmidler		**58 575 749**	**57 418 749**
Omløpsmidler			
Varer			
Fordringer			
Other short-term receivables		5 625	5 625
Konsernfordringer		21 298 021	21 806 352
Sum fordringer		**21 303 646**	**21 811 977**
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents		1 267 442	493 869
Sum bankinnskudd, kontanter og lignende		**1 267 442**	**493 869**
Sum omløpsmidler		**22 571 088**	**22 305 846**
SUM EIENDELER		**81 146 837**	**79 724 595**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	5	100 000	30 000
Overkurs		44 725 487	16 970 506
Annen innskutt egenkapital			39 372 000
Sum innskutt egenkapital		**44 825 487**	**56 372 506**

Balanse

Beløp i: NOK	Note	2023	2022
Sum egenkapital	3	**44 825 487**	**56 372 506**
Sum langsiktig gjeld		**0**	**0**
Kortsiktig gjeld			
Sertifikatlån		16 807 201	10 119 638
Leverandørgjeld		38 305	47 063
Public duties payable		631 368	
Utbytte		9 380 000	13 119 638
Other current liabilities		9 464 476	65 750
Sum kortsiktig gjeld		**36 321 350**	**23 352 089**
Sum gjeld		**36 321 350**	**23 352 089**
SUM EGENKAPITAL OG GJELD		**81 146 837**	**79 724 595**

Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer:	2025 307666

Enheten

Organisasjonsnummer:	927 632 039
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	FAMILIEHJELPGRUPPEN AS
Forretningsadresse:	Apotekerhagen 3 1383 ASKER

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Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Daniel Steven Croft
Dato for fastsettelse av årsregnskapet:	28.06.2024

Revisjon

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører:	Ja

Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

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Brønnøysundregistrene, 13.02.2025

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Organisasjonsnr: 927 632 039
FAMILIEHJELPGRUPPEN AS

RESULTATREGNSKAP

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Utskriftsdato 13.02.2025 Organisasjonsnr 927 632 039 Side 1 av 3

Organisasjonsnr: 927 632 039
FAMILIEHJELPGRUPPEN AS

BALANSE

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
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Sum langsiktig gjeld		**0**	**0**
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Organisasjonsnr: 927 632 039
FAMILIEHJELPGRUPPEN AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

Antall årsverk i regnskapsåret
0.67

Sum	Beløp

Balanseført verdi 31.12.	Varige driftsmidler	Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets

Pantstillelse	Beløp

Beholdning av egne aksjer	Antall	Pålydende	Andel av aksjek.

The Norwegian Tax Administration

Our date	Your date	Case officer
09.01.2024		Vibeke Horne
800 80 000	Your reference	Telephone
skatteetaten.no		+4748123176
Org. nr:	Our reference	Postal address
974761076	2023/5702094	P.O. Box 9200 Grønland 0134 Oslo

Callers from abroad, please call +47 22 07 70 00

FAMILIEHJELPGRUPPEN AS
Att.Anders Ranum Ekå
Apotekerhagen 3
1383 ASKER
Norge

Exemption from preparing consolidated accounts for Familiehjelpgruppen AS, org. no 927 632 039

With reference to your letter of 18 December 2023 with respect to the matter above regarding Familiehjelpgruppen AS.

Familiehjelpgruppen AS is owned by The Martin James Group Limited who is domiciled in the United Kingdom.

The Martin James Group Limited prepares consolidated accounts in accordance with US GAAP which include the subgroup Familiehjelpgruppen AS.

The tax office gives according to the Norwegian Accounting Act of 17 June 1998 no 56 § 3-7 fourth paragraph an exemption from the obligation to prepare consolidated accounts for Familiehjelpgruppen AS. The permission is given on the condition that The Martin James Group Limited prepares consolidated accounts which include the Norwegian subgroup. It is assumed that the consolidated accounts are prepared in accordance with US GAAP and the requirements of the Norwegian Accounting Act § 3-7 and regulations in general is followed. The provisions of the Norwegian Accounting Act Section 8 apply correspondingly to the consolidated accounts.

Regarding which language the parent company prepare consolidated accounts in, we refer to the Regulation of 7 September 2006 no 1062 to supplement and implement of the Norwegian Accounting Act. It follows from § 3-7-1 that consolidated accounts besides in Norwegian, can be in Swedish, Danish or English.

A copy of this letter must be sent to the Register of Company Accounts in Brønnøysund together with the consolidated financial statements. The company is responsible to document by this letter that an exemption is granted.

Yours sincerely,

Vibeke Horne
The Norwegian Tax Administration

This document has been electronically approved and therefore has no handwritten signatures.

Company registration number 11994123 (England and Wales)

THE MARTIN JAMES GROUP LIMITED

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

THE MARTIN JAMES GROUP LIMITED

COMPANY INFORMATION

Directors	Mr M J S Cockburn Mrs A Cockburn
Company number	11994123
Registered office	Unit 4 The School Yard 106 High Street Harborne Birmingham England B17 9NJ
Auditor	Ormerod Rutter Limited The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY

THE MARTIN JAMES GROUP LIMITED

CONTENTS

THE MARTIN JAMES GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present the strategic report for the year ended 31 December 2022.

Purpose

Our purpose is to achieve positive and lasting outcomes for children, families and communities.

We will achieve our purpose by positively impacting the lives of children young people, their families and carers through quality services and expert advice designed to provide support, build confidence; improve skills, develop relationships and strengthen resilience.

Principal activities

The main activity of The Martin James Group Limited (hereinafter known as MJG) is carried out by Key Assets Group (hereinafter known as Key Assets), a leading international provider of social services, using a multi-disciplinary trained workforce. Key Assets is led by our founder, Jim Cockburn, a former social worker, and is inspired by his vision to make a positive and lasting difference to children and families.

Key Assets is a leading European provider of social services, using a multi-disciplinary trained workforce Key Assets has worked with over 3,400 children and young people and provided support to over 2,600 families during 2022.

During 2022 we operated in Finland, Sweden, Ireland, and Norway, (although Sweden and Finland left post year end, see future developments section).

Business review

The group's financial results for the year and its financial position at the yearend can be found in the annexed financial statements

In summary, the group achieved a loss before tax of £6,574k and had net assets as at the year end of £3,080k.

Going concern

As detailed in the 2021 financial statements, Key Assets Group Limited was in breach of its financial covenants at the year end, and in 2022 there were further breaches. However, the bank have been supportive, and a plan to sell subsidiaries in Sweden and Finland which concluded in 2023 enabled the company to repay certain debt, renegotiate its covenants with the bank, and agree to a new final bullet repayment of the loan to December 2024 of the balance remaining post sale, with the bank waiving all historic covenant breaches to 30 June 2023.

The sales of Sweden and Finland operations contributed €8.6 million net, effectively reducing the bank loan by the same amount. Additionally, a vendor loan note of €2.6 million was generated with the Finnish buyers. Whilst the vendor loan note is valid until 2030, the company anticipates its repayment by the end of 2024, as there is a substantial increase in the rate of interest on the loan notes from January 2025, which will encourage repayment before the end of 2024. Post the sales, there remains a €9.4 million loan with new terms, featuring a full bullet repayment scheduled by 31 December 2024. Management expects this to be settled, potentially through the sale of other overseas operations and the repayment of the vendor loan note detailed above and/or refinancing of the loan.

The group has continued to trade well and generated cash throughout 2023 and to date and has met all loan interest payments and other 3rd party liabilities as they fell due. For the 9 month period ending September 2023 the group had generated revenue of £33m and EBITDA after exceptional costs of £3.3m.

Management have considered cash flow forecasts to 31 December 2024. These show the assets held in the remaining group would generate sufficient cash to fund interest and other finance costs, and meet 3rd party creditor liabilities as they fall due, although the ability to fund the bullet repayment of bank debt on 31 December 2024 will be reliant upon sufficient funds being generated through the sale of other operations and/or the repayment of loan notes.

Potential further sales of operations, and the repayment of the loan notes are to an extent reliant on factors outside of the control of management, and accordingly a material uncertainty exists which may cast doubt upon the ability of the company to continue as a going concern. The financial statements do not include the adjustments that would be necessary if the company is unable to continue as a going concern.

THE MARTIN JAMES GROUP LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Key performance indicators ("KPIs")
The Group uses a range of key performance indicators (KPIs) to measure the effectiveness of operational and financial performance. The financial KPIs surround the financial performance of the Group, in terms of cash and working capital management and profitability as detailed in the attached financial statements. Nonfinancial KPIs focus on the quality of provision to ensure that placements and services are successful and positive outcomes are achieved, alongside financial performance. These KPIs are monitored on a daily, weekly and monthly basis. The directors are satisfied with the Group's performance against KPIs during the year.

Risk management
Operational risk management
The Group has over 10 years' experience of managing social care risks which has enabled the development of robust policies, procedures and systems. These are continually reviewed to ensure that they are appropriate and provide mitigation against any new risks identified. The main areas of focus are: safeguarding and child protection, regulatory compliance and inspection results, service provision, data protection, customer service, financial management and employee related matters.

The group operates a Quality Assurance and Safeguarding Board that each company and region attend to scrutinise practice and development.

Financial risk management
The Group's operations expose it to a variety of financial risks that include pressure on price risk, credit risk, liquidity risk, cash flow and interest rate risk and foreign exchange risk. The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the group by monitoring levels of income, expenditure and liquidity.

Price risk
The level of fees charged by the group for its services continues to be set at levels deemed by the directors to be excellent value for money, very competitive and at arm's length. This risk is managed by agreeing prices on an annual basis ahead of the provision of services, where possible.

Credit risk
Almost all of the group's customers are government agencies or government funded non-government agencies and as such this risk is relatively low.

Liquidity risk
The Group is able to utilise its borrowing facilities to maintain liquidity and notwithstanding the breaches of loan covenants the lenders have been supportive of the Group and consequently this risk is considered to be relatively low. The level of the Group's borrowing facilities are actively reviewed by management including compliance with covenants and other conditions attached to such borrowings.

Cash flow and interest rate risk
The Group prepares monthly cash flow projections monitoring funds available in order to manage this exposure. Interest rates on borrowings are not fixed and the Group has not hedged against the risk of interest rate changes. Our borrowing costs rose in 2022 and during 2023, but, further significant rate rises are not anticipated.

Foreign exchange risk
The group does not trade between international subsidiaries but has a treasury management function to mitigate this risk. The currency risk of holding assets and liabilities in foreign currencies across the group is managed by partially matching foreign currency assets with foreign currency liabilities.

Investment impairment risk
This risk is directly related to the performance of the subsidiary companies. The company manages this risk through management review of each individual subsidiary, company's operational and financial performance as well as financial and non-financial KPI analysis.

THE MARTIN JAMES GROUP LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement by the Directors on performance of their statutory duties in accordance with s172(1) Companies Act 2006

The Directors of The Martin James Group Limited have acted in a way they consider most likely to promote the success of the group for the benefit of client children, young people and families it provides services to including support to foster parents and members as a whole for the year ending 31 December 2022.

(i) The likely consequences of any decision in the long term

The Group places great importance on the quality of the services it provides and as such the decisions we take seek to ensure the long term success of the business. Decisions are taken with reference to our Group strategic plan, and in consideration of our desire to achieve the very best outcomes for the clients we support.

(ii) The interest of the group's employees

The Group places great importance on the quality of the services it provides and as such the decisions we take seek to ensure the long term success of the business. Decisions are taken with reference to our Group strategic plan, and in consideration of our desire to achieve the very best outcomes for the clients we support.

Our employees, are fundamental to our vision of providing the very best outcomes for all the children and young people we support. The Group culture focuses on creating an environment where our people are engaged to fulfil their potential. The Group regularly engages with employees, through annual surveys, forums, and a digital communication tool that facilitates the sharing of best practise across the Network.

(iii) The need to foster the group's business relationships with suppliers, customers and others

Much of the Group's operations and processes adhere to solid regulatory environments and standards frameworks ensuring that the level of quality for the management of its business is maintained. The Group has solid procedures that outline how suppliers are identified, selected. contracted, and monitored. This ensures that suppliers at different levels of risk are managed appropriately and that safeguards are put in place to ensure they meet our minimum standards of Quality, Ethics, Cost and Performance. The Group has dedicated employees who identify customer needs, respond to customer tenders and commissioners to ensure that our services exceed expectation. Our contracts are monitored with our customers regularly, with performance data and key performance indicators to ensure that our services meet contractual requirements.

THE MARTIN JAMES GROUP LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

(iv) The impact of the group 's operations on the community and the environment
The Group has a commitment to measure and maximise our social value as well as our impact on the environment. We have implemented a number of pledges and plans, including environmental and community objectives, which set our commitment to be a values driven organisation and provide a focus to increase our social value and environmental sustainability. All Staff, foster parents, children and young people have been involved and helped to identify areas of focus. Our procurement procedures integrate environmental and social value evaluation during the supplier selection process.

(v) The desirability of the group maintaining a reputation for high standards of business conduct
The provision of children and family social services are highly regulated and the Group places great importance on regulatory compliance and external inspection results. The Group has over 15 years' experience of managing social care risks which has enabled the development of robust policies, procedures and systems. This has reinforced the quality of our service and ensured excellent regulatory inspection results.

(vi) The need to act fairly as between members of the group
The relationship between the Group and its members is primarily guided by a Shareholder Agreement. The limited number of members also enables each to be represented on the Board of Directors.

On behalf of the board

....
Mr M J S Cockburn
Director

Date: 04/12/2023

THE MARTIN JAMES GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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

Principal activities
The principal activity of the company and group continued to be that of providing children and family social services.

Results and dividends
The results for the year are set out on page 11.

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 J S Cockburn
Mrs A Cockburn

Disabled persons
The Group's policy is to recruit disabled employees for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retaining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Employee involvement
The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Post reporting date events
On 15 February 2023 Key Assets Sweden left the group. On 29 September 2023 Avosylin Oy, and its wholly owned subsidiaries, Avosylin Asumispalvelut Oy, Neija Asetta Oy, PerheoitoKumppanit Suomesa Oy and Perhekoti Pallo Oy also left the group. Both were sold to the respective management teams in those companies. The sales realised the carrying values of the investments at the 31 December 2022 and generated net cash of €8.6m which was used to significantly reduce the level of borrowing for the group. The sale also generated a vendor loan note of €2.6m with the Finnish buyers, with an expiry date of 2030.

Key Assets renegotiated its funding facilities on the remaining loan balance of €9.4m with its funders, with the historic covenant breaches up to 30 June 2023 being waived, future covenants with the bank being re-set and a bullet repayment date of 31 December 2024 being agreed.

On 7th July 2023, Longview Properties Limited left the group for £1.9m via a deed of gift transfer.

On 31st October 2023, Key Assets New Zealand left the group. The entity moved to the Martin James Foundation for nil proceeds. The allowed the entity to merge with the not for profit entity already existing in the foundation, the Key Assets Foundation.

On 16th November 2023, the Antser Holdings preference shares were sold for net proceeds of £3.172m.

THE MARTIN JAMES GROUP LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Future developments
We are unwavering in our commitment to our common purpose and values, prioritising the delivery of excellent services to children, families, and communities.

Our strategic plan involves divesting our mainland European operations to reduce the level of Group borrowing. Post year end the sale of operations in both Finland and Sweden were completed through management buyouts in those countries. The net proceeds of this allowed the group to reduce the debt burden by approx. €8.6 million and additionally allows us to redirect our focus towards seizing opportunities in Norway, Ireland and the UK.

We have exciting plans for expansion, including refining our consultancy service model in Ireland, and exploring opportunities for acquisitions in the UK.

Our primary focus remains on providing quality services that yield exceptional outcomes for our clients, ensuring value for government and non-government customers.

We are dedicated to responding promptly to the requests of our commissioning partners, particularly in the areas of Out of Home Care, Children and family Support Services, and Consulting & Expert Services.

Auditor
The auditor, Ormerod Rutter Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon report
Whilst as a private limited group we meet the turnover and balance sheet thresholds for SECR, 98.9% of our operations and turnover are based overseas and as such fall outside of the reporting requirements for an unquoted large company. Our own operations within the UK fall below the 40mWh whereby reporting would be required and accordingly no disclosures are required.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company, 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE MARTIN JAMES GROUP LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

....

Mr M J S Cockburn

Director

Date: 04/12/2023

THE MARTIN JAMES GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE MARTIN JAMES GROUP LIMITED

Opinion

We have audited the financial statements of The Martin James Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group 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 United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent company 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.

Material uncertainty related to going concern

We draw attention to the section entitled "Going Concern" within note 1 of the financial statements which details that a significant subsidiary within the group is required to realise certain assets in order to meet the repayment of bank loan facilities due for repayment in December 2024 in accordance with agreements with funders. These events and conditions, along with other matters set out within the section entitled "Going Concern" indicate that a material uncertainty exists that may cast significant doubt on that subsidiary's and therefore the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Other information

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

We have nothing to report in this regard.

THE MARTIN JAMES GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE MARTIN JAMES GROUP LIMITED

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent 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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or operations of the company and group, including the Companies Act 2006 and taxation legislation and;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where their knowledge of actual, suspected and alleged fraud;
- considering internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

THE MARTIN JAMES GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE MARTIN JAMES GROUP LIMITED

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual transactions or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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.

Joanne Baldwin ACA FCCA (Senior Statutory Auditor)
For and on behalf of Ormerod Rutter Limited

Date: 4|12|2023

Chartered Accountants
Statutory Auditor

The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

THE MARTIN JAMES GROUP LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Continuing operations £000	Discontinued operations £000	31 December 2022 £000	Continuing operations £000	Discontinued operations £000	31 December 2021 £000
Turnover	3	47,240	-	47,240	41,397	403	41,800
Cost of sales		(31,915)	-	(31,915)	(30,263)	(209)	(30,472)
Gross profit		15,325	-	15,325	11,134	194	11,328
Distribution costs		(116)	-	(116)	(101)	-	(101)
Administrative expenses		(21,334)	-	(21,334)	(22,943)	(164)	(23,107)
Other operating income		1,130	-	1,130	1,290	-	1,290
Exceptional item	4	(851)	-	(851)	(1,224)	-	(1,224)
Operating loss	5	(5,846)	-	(5,846)	(11,844)	30	(11,814)
Interest receivable and similar income	9	25	-	25	483	-	483
Interest payable and similar expenses	10	(2,223)	-	(2,223)	(463)	-	(463)
Amounts written off investments	11	1,470	-	1,470	-	(74)	(74)
Loss before taxation		(6,574)	-	(6,574)	(11,824)	(44)	(11,868)
Tax on loss	12	(543)	-	(543)	(555)	-	(555)
Loss for the financial year		(7,117)	-	(7,117)	(12,379)	(44)	(12,423)

Loss for the financial year is all attributable to the owners of the parent company.

The notes on pages 18 to 41 form part of these financial statements.

THE MARTIN JAMES GROUP LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £000	2021 £000
Loss for the year	(7,117)	(12,423)
Other comprehensive income		
Currency translation gain/(loss) taken to retained earnings	35	(407)
Total comprehensive income for the year	(7,082)	(12,830)

Total comprehensive income for the year is all attributable to the owners of the parent company.

The notes on pages 18 to 41 form part of these financial statements.

THE MARTIN JAMES GROUP LIMITED

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£000	£000	£000	£000
Fixed assets					
Goodwill	**15**		7,091		7,858
Other intangible assets	**15**		295		250
Total intangible assets			7,386		8,108
Tangible assets	**16**		2,361		2,746
Investment property	**17**		1,675		1,675
Investments	**18**		3,173		6,424
			14,595		18,953
Current assets					
Stocks	**20**	4		6	
Debtors	**21**	12,022		16,579	
Cash at bank and in hand		5,482		7,625	
		17,508		24,210	
Creditors: amounts falling due within one year	**22**	(26,943)		(29,959)	
Net current liabilities			(9,435)		(5,749)
Total assets less current liabilities			5,160		13,204
Creditors: amounts falling due after more than one year	**23**		(1,997)		(2,968)
Provisions for liabilities					
Deferred tax liability	**26**	83		74	
			(83)		(74)
Net assets			3,080		10,162
Capital and reserves					
Called up share capital	**28**		-		-
Profit and loss reserves			3,080		10,162
Total equity			3,080		10,162

The notes on pages 18 to 41 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 4|12|2023 and are signed on its behalf by:

....
Mr M J S Cockburn
Director

Company registration number 11994123 (England and Wales)

THE MARTIN JAMES GROUP LIMITED

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£000	£000	£000	£000
Fixed assets					
Tangible assets	16		9		64
Investments	18		14,575		17,746
			14,584		17,810
Current assets					
Debtors	21	7,161		10,307	
Cash at bank and in hand		237		2,001	
		7,398		12,308	
Creditors: amounts falling due within one year	22	(22,605)		(23,720)	
Net current liabilities			(15,207)		(11,412)
Total assets less current liabilities			(623)		6,398
Creditors: amounts falling due after more than one year	23		(219)		(40)
Net (liabilities)/assets			(842)		6,358
Capital and reserves					
Called up share capital	28		-		-
Profit and loss reserves			(842)		6,358
Total equity			(842)		6,358

The notes on pages 18 to 41 form part of these financial statements.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £7,200,015 (2021 - £6,112,957 profit).

The financial statements were approved by the board of directors and authorised for issue on 4/12/2023 and are signed on its behalf by:

....

Mr M J S Cockburn
Director

Company registration number 11994123 (England and Wales)

THE MARTIN JAMES GROUP LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Share capital £000	Profit and loss reserves £000	Total £000
Balance at 1 January 2021		-	24,492	24,492
Year ended 31 December 2021:				
Loss for the year		-	(12,423)	(12,423)
Other comprehensive income:				
Currency translation differences		-	(407)	(407)
Total comprehensive income		-	(12,830)	(12,830)
Dividends	13	-	(1,500)	(1,500)
Balance at 31 December 2021		-	10,162	10,162
Year ended 31 December 2022:				
Loss for the year		-	(7,117)	(7,117)
Other comprehensive income:				
Currency translation differences		-	35	35
Total comprehensive income		-	(7,082)	(7,082)
Balance at 31 December 2022		-	3,080	3,080

The notes on pages 18 to 41 form part of these financial statements.

THE MARTIN JAMES GROUP LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Share capital £000	Profit and loss reserves £000	Total £000
Balance at 1 January 2021		-	1,745	1,745
Year ended 31 December 2021:				
Profit and total comprehensive income for the year		-	6,113	6,113
Dividends	**13**	-	(1,500)	(1,500)
Balance at 31 December 2021		-	6,358	6,358
Year ended 31 December 2022:				
Profit and total comprehensive income		-	(7,200)	(7,200)
Balance at 31 December 2022		-	(842)	(842)

The notes on pages 18 to 41 form part of these financial statements.

THE MARTIN JAMES GROUP LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £000	2022 £000	2021 £000	2021 £000
Cash flows from operating activities					
Cash absorbed by operations	32		(1,377)		(8,393)
Interest paid			(2,223)		(463)
Income taxes paid			(819)		(362)
Net cash outflow from operating activities			(4,419)		(9,218)
Investing activities					
Purchase of business		-		(3,496)	
Proceeds from disposal of business		-		766	
Purchase of intangible assets		(467)		(3,845)	
Purchase of tangible fixed assets		(569)		(925)	
Proceeds from disposal of tangible fixed assets		553		473	
Proceeds from disposal of subsidiaries, net of cash disposed		-		1,249	
Proceeds from disposal of investments		1,924		388	
Repayment of loans		3,108		3,334	
Interest received		14		138	
Dividends received		-		345	
Other income received from investments		12		-	
Net cash generated from/(used in) investing activities			4,575		(1,573)
Financing activities					
Repayment of borrowings		-		(95)	
Repayment of bank loans		(2,232)		5,427	
Payment of finance leases obligations		(67)		1,504	
Dividends paid to equity shareholders		-		(1,500)	
Net cash (used in)/generated from financing activities			(2,299)		5,336
Net decrease in cash and cash equivalents			(2,143)		(5,455)
Cash and cash equivalents at beginning of year			7,625		12,118
Effect of foreign exchange rates			-		962
Cash and cash equivalents at end of year			5,482		7,625

The notes on pages 18 to 41 form part of these financial statements.

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

The Martin James Group Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Unit 4, The School Yard, 106 High Street, Harborne, Birmingham, England, B17 9NJ.

The group consists of The Martin James Group Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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 £000.

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

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company The Martin James Group Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies **(Continued)**

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.4 Going concern

As detailed in the 2021 financial statements, the company was in breach of its financial covenants at the year end, and in 2022 there were further breaches. However, the bank have been supportive, and a plan to sell subsidiaries in Sweden and Finland which concluded in 2023 enabled the company to repay certain debt, renegotiate its covenants with the bank, and agree to a new final bullet repayment of the loan to December 2024 of the balance remaining post sale, with the bank waiving all historic covenant breaches to 30 June 2023.

The sales of Sweden and Finland operations contributed €8.6 million net, effectively reducing the bank loan by the same amount. Additionally, a vendor loan note of €2.6 million was generated with the Finnish buyers. Whilst the vendor loan note is valid until 2030, the company anticipates its repayment by the end of 2024, as there is a substantial increase in the rate of interest on the loan notes from January 2025, which will encourage repayment before the end of 2024. Post the sales, there remains a €9.4 million loan with new terms, featuring a full bullet repayment scheduled by 31 December 2024. Management expects this to be settled, potentially through the sale of other overseas operations and the repayment of the vendor loan note detailed above and/or refinancing of the loan.

The group has continued to trade well and generated cash throughout 2023 and to date and has met all loan interest payments and other 3rd party liabilities as they fell due. For the 9 month period ending September 2023 the group had generated revenue of £33m and EBITDA after exceptional costs of £3.3m.

Management have considered cash flow forecasts to 31 December 2024. These show the assets held in the remaining group would generate sufficient cash to fund interest and other finance costs, and meet 3rd party creditor liabilities as they fall due, although the ability to fund the bullet repayment of bank debt on 31 December 2024 will be reliant upon sufficient funds being generated through the sale of other operations and/ or the repayment of loan notes.

Potential further sales of operations, and the repayment of the loan notes are to an extent reliant on factors outside of the control of management, and accordingly a material uncertainty exists which may cast doubt upon the ability of the company to continue as a going concern.

The directors acknowledge that the balance sheet of this parent entity at the year end is in a net liability position but have assurances from the directors that they will not demand repayment of outstanding loans and that they will continue to provide the necessary funds to enable to the company to settle its liabilities.

The directors are of the opinion therefore that a going concern basis is appropriate and the financial statements do not include any adjustments that would be necessary if the company is unable to continue as a going concern.

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies **(Continued)**

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation 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:

Software	25% straight line
Patents & licences	5% straight line
Other	33% straight line

1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies **(Continued)**

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:

Freehold land and buildings	4% straight line
Leasehold improvements	4% straight line
Plant and equipment	25% reducing balance
Fixtures and fittings	25% straight line and 25% reducing balance
Computers	25% straight line
Other	25% straight line
Improvements to property	straight line over the shorter of 10 years or the remaining lease term

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 profit and loss account.

1.9 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.10 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies **(Continued)**

1.11 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. 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, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.12 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.13 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies **(Continued)**

1.14 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.15 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.16 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 profit and loss account 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing 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 profit and loss account, 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 if, and only if, there is 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.

1.17 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 stock or fixed 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.

1.18 Retirement benefits

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

1.19 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies **(Continued)**

1.20 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

In the application of the group'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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Turnover and other revenue

	2022	2021
	£000	£000
Turnover analysed by geographical market		
United Kingdom	897	991
Australasia	3,407	3,498
Europe	42,936	37,311
	47,240	41,800

	2022	2021
	£000	£000
Other revenue		
Interest income	14	138
Dividends received	-	345
Grants received	-	1

4 Exceptional item

Exceptional items of £851,000 (2021: £1,224,000) include the following amounts:

1. Donations to related not-for-profit undertaking: £nil (2021: £89,000)

2. Group restructuring costs: £851,000 (2021: £308,000)

3. Impairment of intellectual property: £nil (2021: £322,000)

4. Exceptional management bonuses: £nil (2021: £327,000)

5. Irrecoverable VAT: £nil (2021: £178,000)

5 Operating loss

	2022	2021
	£000	£000
Operating loss for the year is stated after charging/(crediting):		
Exchange gains	(185)	(31)
Government grants	-	(1)
Depreciation of owned tangible fixed assets	657	835
(Profit)/loss on disposal of tangible fixed assets	(229)	105
Amortisation of intangible assets	1,195	1,257
Operating lease charges	404	1,084

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Auditor's remuneration

Fees payable to the company's auditor and associates:	2022 £000	2021 £000
For audit services		
Audit of the financial statements of the group and company	31	29
Audit of the financial statements of the company's subsidiaries	169	198
	200	227

7 Employees

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

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Administration staff	97	140	26	56
Support Staff	311	391	1	1
Total	408	531	27	57

Their aggregate remuneration comprised:

	Group 2022 £000	2021 £000	Company 2022 £000	2021 £000
Wages and salaries	19,087	19,771	1,181	2,881
Social security costs	1,763	1,718	128	309
Pension costs	1,844	1,672	57	117
	22,694	23,161	1,366	3,307

8 Directors' remuneration

	2022 £000	2021 £000
Remuneration for qualifying services	24	152
Company pension contributions to defined contribution schemes	6	7
	30	159

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Interest receivable and similar income

	2022 £000	2021 £000
Interest income		
Interest on bank deposits	14	-
Other interest income	-	138
Total interest revenue	14	138
Other income from investments		
Dividends received	-	345
	14	483
Income from fixed asset investments		
Income from other participating interests	12	-
Total income	26	483

10 Interest payable and similar expenses

	2022 £000	2021 £000
Interest on bank overdrafts and loans	1	463
Other interest on financial liabilities	126	-
Other interest	2,096	-
Total finance costs	2,223	463

11 Amounts written off investments

	2022 £000	2021 £000
Amounts written back to non-current loans	2,798	-
Other gains and losses	(1,328)	(74)
	1,470	(74)

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Taxation

	2022 £000	2021 £000
Current tax		
UK corporation tax on profits for the current period	543	555

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £000	2021 £000
Loss before taxation	(6,574)	(11,868)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(1,249)	(2,255)
Tax effect of expenses that are not deductible in determining taxable profit	301	3,941
Tax effect of income not taxable in determining taxable profit	(86)	(3,888)
Tax effect of utilisation of tax losses not previously recognised	-	5
Unutilised tax losses carried forward	1,017	2,498
Adjustments in respect of prior years	-	2
Other non-reversing timing differences	42	4
Other permanent differences	8	-
Effect of overseas tax rates	(29)	(33)
Deferred tax not provided	539	256
Impairment write off	-	25
Taxation charge	543	555

13 Dividends

	2022 £000	2021 £000
Recognised as distributions to equity holders:		
Interim paid	-	1,500

14 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2022 £000	2021 £000
In respect of:			
Fixed asset investments	18	(1,470)	-
Recognised in:			
Amounts written off investments		(1,470)	-

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Impairments **(Continued)**

The impairment losses in respect of financial assets are recognised in other gains and losses in the profit and loss account.

15 Intangible fixed assets

Group	Goodwill	Software	Patents & licences	Other	Total
	£000	£000	£000	£000	£000
Cost					
At 1 January 2022	10,936	1,065	7	211	12,219
Additions	359	13	-	95	467
Exchange adjustments	-	1	-	5	6
At 31 December 2022	11,295	1,079	7	311	12,692
Amortisation and impairment					
At 1 January 2022	3,078	965	-	68	4,111
Amortisation charged for the year	1,126	21	-	48	1,195
Exchange adjustments	-	(2)	-	2	-
At 31 December 2022	4,204	984	-	118	5,306
Carrying amount					
At 31 December 2022	7,091	95	7	193	7,386
At 31 December 2021	7,858	100	7	143	8,108

The company had no intangible fixed assets at 31 December 2022 or 31 December 2021.

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Tangible fixed assets

Group	Freehold land and buildings	Leasehold improvements	Plant and equipment	Fixtures and fittings	Computers	Other	Improvements to property	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost								
At 1 January 2022	313	479	64	322	134	2,980	315	4,607
Additions	-	26	45	56	-	441	-	568
Disposals	-	-	-	(21)	(20)	(330)	(35)	(406)
Exchange adjustments	-	-	-	-	-	53	-	53
At 31 December 2022	313	505	109	357	114	3,144	280	4,822
Depreciation and impairment								
At 1 January 2022	94	130	46	231	97	1,198	65	1,861
Depreciation charged in the year	15	45	34	34	3	518	8	657
Eliminated in respect of disposals	-	-	-	(12)	(10)	(45)	(13)	(80)
Exchange adjustments	-	-	-	-	-	23	-	23
At 31 December 2022	109	175	80	253	90	1,694	60	2,461
Carrying amount								
At 31 December 2022	204	330	29	104	24	1,450	220	2,361
At 31 December 2021	219	349	18	91	37	1,782	250	2,746

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Company	Plant and equipment	Fixtures and fittings	Computers	Improvements to property	Total
	£000	£000	£000	£000	£000
Cost					
At 1 January 2022	15	15	20	35	85
Disposals	-	(15)	(20)	(35)	(70)
At 31 December 2022	15	-	-	-	15
Depreciation and impairment					
At 1 January 2022	3	6	7	5	21
Depreciation charged in the year	3	2	3	8	16
Eliminated in respect of disposals	-	(8)	(10)	(13)	(31)
At 31 December 2022	6	-	-	-	6
Carrying amount					
At 31 December 2022	9	-	-	-	9
At 31 December 2021	12	9	13	30	64

17 Investment property

	Group 2022	Company 2022
	£000	£000
Fair value		
At 1 January 2022 and 31 December 2022	1,675	-

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 5 May 2022 by Forge Property Consultants Limited, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Fixed asset investments

		Group		Company	
		2022	2021	2022	2021
	Notes	£000	£000	£000	£000
Investments in subsidiaries	19	1	-	11,403	11,322
Unlisted investments		3,172	6,424	3,172	6,424
		3,173	6,424	14,575	17,746

Unlisted investments comprise of preferred ordinary shares in Antser Holdings Limited, received in consideration for the sale of a subsidiary. The shares are not considered equity instruments of the issuer and have been measured at amortised cost based on the discount cash flows expected over the life of the instruments. The nominal vale of the shares is £9,400k and has been discounted using a rate deemed market rate of interest applicable to a similar instrument.

Movements in fixed asset investments

Group	Shares in subsidiaries	Other investments	Total
	£000	£000	£000
Cost or valuation			
At 1 January 2022	1	6,424	6,425
Disposals	-	(2,264)	(2,264)
At 31 December 2022	1	4,160	4,161
Impairment			
At 1 January 2022	-	-	-
Impairment losses	-	988	988
At 31 December 2022	-	988	988
Carrying amount			
At 31 December 2022	1	3,172	3,173
At 31 December 2021	-	6,424	6,424

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Fixed asset investments **(Continued)**

Movements in fixed asset investments

Company	**Shares in subsidiaries**	**Other investments**	**Total**
	£000	**£000**	**£000**
Cost or valuation			
At 1 January 2022	11,322	6,424	17,746
Additions	81	-	81
Disposals	-	(2,264)	(2,264)
At 31 December 2022	11,403	4,160	15,563
Impairment			
At 1 January 2022	-	-	-
Impairment losses	-	988	988
At 31 December 2022	-	988	988
Carrying amount			
At 31 December 2022	11,403	3,172	14,575
At 31 December 2021	11,322	6,424	17,746

19 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Favourites Racing (Syndication) Limited (note 1)	England & Wales	Racehorse Owners	Ordinary Shares	-	100.00
HC1302 Limited	England & Wales	Non-trading	Ordinary Shares	-	100.00
Vicarage Court Business Services Limited (formerly Intellect Business Services Limited)	England & Wales	Management services	Ordniary Shares	-	100.00
Key Assets Group Limited	England & Wales	Intermediate holding company	Ordinary Shares	-	100.00
Longview Properties Limited (note 5)	England & Wales	Property Letting	Ordinary Shares	-	100.00
Number One Park Limited	England & Wales	Intermediate holding company	Ordinary Shares	100.00	-
Old Yarr Farm Limited (note 1)	England & Wales	Property Letting	Ordinary Shares	-	100.00
Property Park Limited	England & Wales	Non-trading	Ordinary Shares	-	100.00
Key Assets The Children's services Provider Limited	England & Wales	Intermediate holding company	Ordinary Shares	100.00	-
Fostering First Ireland Limited	Ireland	Fostering services	Ordinary Shares	-	100.00
Outcomes Canada Limited (note 1)	Canada	Dormant	Limited by guarantee	-	100.00

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Subsidiaries **(Continued)**

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	Indirect
Key Assets Ireland Consulting Services Limited	Ireland	Trading	Ordinary Shares	-	100.00
Key Assets Sweden (note 5)	Sweden	Trading	Ordinary Shares	-	100.00
Familieshjelp AS	Norway	Trading	Ordinary Shares	-	100.00
Avosyln Oy (note 5)	Finland	Holding company	Ordinary Shares	-	100.00
Familiehjelgruppen AS	Norway	Holding company	Ordinary Shares	-	100.00
Avosylin Asumispalvelut Oy (note 5)	Finland	Trading	Ordinary Shares	-	100.00
Neija Asetta Oy (note 5)	Finland	Trading	Ordinary Shares	-	100.00
PerheoitoKumppanit Suomessa Oy (note 5)	Finland	Trading	Ordinary Shares	-	100.00
Pehekoti Pallo Oy (note 5)	Finland	Residential Care	Ordinary Shares	-	100.00
PlanB AS	Norway	Familary Services	Ordinary Shares	-	100.00
Key Assets NSW Limited (note 3)	Australia	Dormant	Limited by guarantee	-	100.00
Key Assets Victoria Limited (note 3)	Australia	Dormant	Limited by guarantee	-	100.00
Key Assets NZ Limited (note 5)	New Zealand	Trading	Ordinary Shares	-	100.00
Outcomes Japan	Japan	Trading	Ordinary Shares	-	100.00
Key Assets Canada Limited	Canada	Dormant	Ordinary Shares	-	100.00
UK Fire Training Limited	England & Wales	Trading	Ordinary Shares	-	100.00
Key Assets Holding Limited	England & Wales	Intermediate holding company	Ordinary Shares	-	100.00
Key Assets The Children's Services Provider (America) Limited (note 3)	USA	Holding Company	Ordinary Shares	-	100.00
Fostering First (Australia) Pty Limited (note 3)	Australia	Non-trading holding company	Ordinary Shares	-	100.00
Key Assets Tasmania Limited (note 3)	Australia	Dormant	Limited by guarantee	-	100.00
Key Assets NT Limited (note 3)	Australia	Dormant	Limited by guarantee	-	100.00
Key Assets SA Limited (note 3)		Dormant	Ordinary Shares	-	100.00
Key Assets WA Limited (note 3)	Australia	Dormant	Limited by guarantee	-	100.00
Key Assets Services Pty Limited (note 3)	Australia	Non-trading	Ordinary Shares	-	100.00
Key Assets Group Holding Limited	England & Wales	Intermediate holding company	Ordinary Shares	-	100.00

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Subsidiaries **(Continued)**

Notes
1. These entities are in the process of being struck off or have been struck off post year end.
2. These entities left the group during the year.
3. These entities were struck off during the year.
4. These entities joined the group during the year.
5. These entities left the group post year end.

All the above subsidiaries are included in the group consolidation. The directors believe that the carrying value of the investments is supported by their underlying net assets or future cash flows.

Parent company guarantee
The Martin James Group Limited, as the parent company of the group, has provided a statutory guarantee to some of its subsidiaries registered in England and Wales for all outstanding liabilities to which those subsidiaries are subject at 31 December 2022. This enables them to take the exemption from obtaining a signed statutory audit opinion under section 479A of the Companies Act 2006.

The companies provided with a statutory guarantee, and their registered numbers, are:
- Number One Park Limited (08735401)
- UK Fire Training Limited (05185137)
- Longview Properties Ltd (04073203)
- Vicarage Court Business Services Limited (05467707)
- Propertypark Limited (07566917)
- Key Assets Group Holding Limited (13083568)
- Key Assets Holding Limited (12747688)
- HC1302 Limited (11631748)

20 Stocks

	Group 2022 £000	2021 £000	Company 2022 £000	2021 £000
Raw materials and consumables	4	6	-	-

21 Debtors

Amounts falling due within one year:	Group 2022 £000	2021 £000	Company 2022 £000	2021 £000
Trade debtors	3,966	3,973	1	5
Corporation tax recoverable	6	-	-	-
Amounts owed by group undertakings	-	-	1,580	1,227
Other debtors	7,646	11,851	5,488	8,949
Prepayments and accrued income	404	755	92	126
	12,022	16,579	7,161	10,307

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

22 Creditors: amounts falling due within one year

		Group		Company	
		2022	**2021**	**2022**	**2021**
	Notes	**£000**	**£000**	**£000**	**£000**
Bank loans	**24**	15,253	17,003	10	9
Obligations under finance leases	**25**	924	352	-	-
Trade creditors		933	1,315	27	192
Amounts owed to group undertakings		-	-	20,564	21,108
Corporation tax payable		185	464	-	-
Other taxation and social security		772	980	198	379
Other creditors		5,264	6,024	1,733	1,733
Accruals and deferred income		3,612	3,821	73	299
		26,943	29,959	22,605	23,720

23 Creditors: amounts falling due after more than one year

		Group		Company	
		2022	**2021**	**2022**	**2021**
	Notes	**£000**	**£000**	**£000**	**£000**
Bank loans and overdrafts	**24**	1,034	1,516	29	40
Obligations under finance leases	**25**	513	1,152	-	-
Amounts owed to undertakings in which the group has a participating interest		260	-	-	-
Other taxation and social security		190	-	190	-
Other creditors		-	300	-	-
		1,997	2,968	219	40

24 Loans and overdrafts

	Group		Company	
	2022	**2021**	**2022**	**2021**
	£000	**£000**	**£000**	**£000**
Bank loans	16,287	18,519	39	49
Payable within one year	15,253	17,003	10	9
Payable after one year	1,034	1,516	29	40

The long-term loans are secured by way of charges over investment properties and fixed floating charges over the assets and undertakings of certain subsidiary entities.

The principal bank loan bears interest at EURIBOR + 6.75%, and the capital amount is repayable in full in December 2024.

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

25 Finance lease obligations

	Group		Company	
	2022	2021	2022	2021
	£000	£000	£000	£000
Future minimum lease payments due under finance leases:				
Within one year	924	352	-	-
In two to five years	513	1,152	-	-
	1,437	1,504	-	-

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

26 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2022	Liabilities 2021
Group	£000	£000
Fixed asset timing differences	73	62
Other short-term timing differences	10	12
	83	74

The company has no deferred tax assets or liabilities.

	Group 2022	Company 2022
Movements in the year:	£000	£000
Liability at 1 January 2022	74	-
Charge to profit or loss	9	-
Liability at 31 December 2022	83	-

27 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£000	£000
Charge to profit or loss in respect of defined contribution schemes	1,844	1,672

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

27 Retirement benefit schemes **(Continued)**

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

28 Share capital

Group and company	**2022**	**2021**	**2022**	**2021**
Ordinary share capital	**Number**	**Number**	**£000**	**£000**
Ordinary of 0.1p each	100,000	100,000	-	-

29 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		**Company**	
	2022	**2021**	**2022**	**2021**
	£000	**£000**	**£000**	**£000**
Within one year	1,664	1,139	-	237
Between two and five years	2,067	1,884	-	927
In over five years	317	1,472	-	506
	4,048	4,495	-	1,670

30 Events after the reporting date

On 15 February 2023 Key Assets Sweden left the group. On 29 September 2023 Avosylin Oy, and its wholly owned subsidiaries, Avosylin Asumispalvelut Oy, Neija Asetta Oy, PerheoitoKumppanit Suomesa Oy and Perhekoti Pallo Oy also left the group. Both were sold to the respective management teams in those companies. The sales realised the carrying values of the investments at the 31 December 2022 and generated net cash of €8.6m which was used to significantly reduce the level of borrowing for the group. The sale also generated a vendor loan note of €2.6m with the Finnish buyers, with an expiry date of 2030.

Key Assets renegotiated its funding facilities on the remaining loan balance of €9.4m with its funders, with the historic covenant breaches up to 30 June 2023 being waived, future covenants with the bank being re-set and a bullet repayment date of 31 December 2024 being agreed.

On 7th July 2023, Longview Properties Limited left the group for £1.9m via a deed of gift transfer.

On 31st October 2023, Key Assets New Zealand left the group. The entity moved to the Martin James Foundation for nil proceeds. The allowed the entity to merge with the not for profit entity already existing in the foundation, the Key Assets Foundation.

On 16th November 2023, the Antser Holdings preference shares were sold for net proceeds of £3.172m.

31 Controlling party

At the year end, the ultimate controlling party was M J S Cockburn by virtue of his controlling interest in the share capital.

THE MARTIN JAMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

32 Cash absorbed by group operations

	2022 £000	2021 £000
Loss for the year after tax	(7,117)	(12,423)
Adjustments for:		
Taxation charged	543	555
Finance costs	2,223	463
Investment income	(25)	(483)
(Gain)/loss on disposal of tangible fixed assets	(229)	105
Amortisation and impairment of intangible assets	1,195	1,257
Depreciation and impairment of tangible fixed assets	657	835
Foreign exchange gains on cash equivalents	-	(962)
Other gains and losses	(1,470)	74
Movements in working capital:		
Decrease/(increase) in stocks	2	(6)
Decrease/(increase) in debtors	4,253	(405)
(Decrease)/increase in creditors	(1,409)	2,597
Cash absorbed by operations	(1,377)	(8,393)

33 Analysis of changes in net debt - group

	1 January 2022 £000	Cash flows £000	Other non-cash changes £000	31 December 2022 £000
Cash at bank and in hand	7,625	(2,143)	-	5,482
Borrowings excluding overdrafts	(18,519)	2,232	-	(16,287)
Obligations under finance leases	(1,504)	66	1	(1,437)
	(12,398)	155	1	(12,242)

Annual report 2023 – Familiehjelpgruppen AS

Company Overview

The company is headquartered at Apotekerhagen 3, in the Asker municipality. Its primary objectives are ownership and providing administrative services for its subsidiaries.

Statement of the annual accounts

The accounts were submitted by the board on 3 April 2024, but due to new information, the accounts have been submitted again. The corrections come as a result of the obligation associated with earn-out to the sellers of PlanB AS. This has resulted in increased debt of NOK 11,854,598, increased interest costs of NOK 347,350 and a subsequent write-down of the shareholding in Plan B of NOK 9,956,248.

The company has no turnover. The annual result in 2023 was NOK -2.167.019 against NOK -4,333,008 in 2022. The company's result and financial position are in accordance with the board's expectations. In the board's opinion, the presented annual accounts for the financial year 2023 with associated notes give a true and fair view of the company's position and results of operations. Apart from what appears in the annual accounts, the board is not aware of any other matters that are significant for the assessment of the annual accounts.

The company does not conduct any research or development activities.

Familiehjelpgruppen AS has a net cash flow of NOK 773,573 from operational activities in 2023. The difference between operating profit and cash flow from operational activities is due to a provision for accrued costs associated with severance pay.

The company's liquidity was NOK 1,267,442 as at 31 December 2023, which is satisfactory. The company's management and board have a strong focus on the company's liquidity situation.

Market risk

The company has little financial risk and no external debt.

The company's credit risk is considered low because the majority of its outstanding claims are against subsidiaries and parent companies. The company's currency risk is minimal, and balances with companies in foreign currency are booked in Norwegian kroner.

Continued operation

In accordance with Section 3-3a of the Accounting Act, it is confirmed that the prerequisites for continued operations are present.

Distribution of results

The board proposes the following disposition of the annual profit in Familiehjelpgruppen AS

Transferred from premium	-11.547.019
Ordinary dividend	9.380.000
Result of the year	-2.167.019

Employees

The company has one employee.

Equality

The company has one female employee and two male board members.

The Transparency Act

The report on due diligence assessments in accordance with the Transparency Act will be published on the company's website, Familiehjelp.no, no later than 30 June 2024.

Climate and environment

The company's operations do not affect the external environment.

Insurance for the members of the board and the general manager

It is confirmed that the company has directors' liability insurance, through the parent company Key Assets Group Ltd. The insurance covers the personal liability of board members and the managing director for damage to property caused in connection with the performance of the aforementioned duties in Familiehjelpgruppen AS. The insurance renewal date is 01.01. and runs for 12 months.

Birmingham, 28.06.2024

Daniel Steven Croft

Chairman/day-to-day manager

28.06.24

Martin James Stuart Cockburn

Board member

RSM

To the General Meeting of Familiehjelpgruppen AS

RSM Norge AS

Ruseløkkveien 30, 0251 Oslo
Pb 1312 Vika, 0112 Oslo
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Independent Auditor's Report

Opinion

We have audited the financial statements of Familiehjelpgruppen AS (the Company) showing a loss of NOK 2 167 019. The financial statements comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), 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.

Other Matters

This audit report replaces our previous audit report, dated 8 May 2024. As described in the annual report and the accounting principles management has submitted new financial statements and annual report, due to new information regarding earn-out related to a previous share purchase.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Norge AS is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Norge AS er medlem av/is a member of Den norske Revisorforening.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: https://revisorforeningen.no/revisjonsberetninger

Oslo, 28 June 2024
RSM Norge AS

Jannike Reinkind
Jannike Reinkind
State Authorised Public Accountant

Familiehjelpgruppen AS

Revenue Statement

Operating expenses	**Note**	**2023**	**2022**
Employee benefits expense	1	2 829 276	0
Other expenses	1	247 290	501 685
Total expenses		**3 076 566**	**501 685**
Operating profit		**-3 076 566**	**-501 685**
Financial income and expenses			
Income from subsidiaries		11 218 439	3 890 463
Write-down of long-term investments		9 956 248	7 719 932
Interest expense to group companies		347 350	0
Other interest expenses		5 294	1 854
Net financial items		**909 547**	**-3 831 323**
Net profit before tax		**-2 167 019**	**-4 333 008**
Income tax expense	2	0	0
Net profit or loss		**-2 167 019**	**-4 333 008**
Attributable to			
Ordinary dividend		9 380 000	13 119 638
Transferred from premium		-11 547 019	-16 493 924
Transferred from other equity		0	-958 722
Total	**3**	**-2 167 019**	**-4 333 008**

Balance sheet

Familiehjelpgruppen AS

Assets	Note	2023	2022
Non-current financial assets			
Investments in subsidiaries	4	58 575 749	57 418 749
Total non-current financial assets		**58 575 749**	**57 418 749**
Total non-current assets		**58 575 749**	**57 418 749**
Current assets			
Debtors			
Other short-term receivables		5 625	5 625
Claims on companies in the same group		21 298 021	21 806 352
Total receivables		**21 303 646**	**21 811 977**
Cash and cash equivalents		1 267 442	493 869
Total current assets		**22 571 088**	**22 305 846**
Total assets		**81 146 837**	**79 724 595**

Balance sheet

Familiehjelpgruppen AS

Equity and liabilities	Note	2023	2022
Egenkapital			
Paid-in capital			
Share capital	5	100 000	30 000
Share premium reserve		44 725 487	16 970 506
Capital increase approved, not registered		0	39 372 000
Total paid-up equity		**44 825 487**	**56 372 506**
Total equity	**3**	**44 825 487**	**56 372 506**
Current liabilities			
Debt to companies in the same group		16 807 201	10 119 638
Trade payables		38 305	47 063
Public duties payable		631 368	0
Dividends		9 380 000	13 119 638
Other current liabilities		9 464 476	65 750
Total current liabilities		**36 321 350**	**23 352 089**
Total liabilities		**36 321 350**	**23 352 089**
Total equity and liabilities		**81 146 837**	**79 724 595**

Asker, 28/6-2024
The board of Familiehjelpgruppen AS

Martin James Stuart Cockburn
member of the board

Daniel Steven Croft
chairman of the board/General Manager

Familiehjelpgruppen AS

Statement of cash flows

	2023	2022
Cash flow from operating activities		
Net profit before tax	(2 167 019)	(4 333 008)
Income tax paid	0	0
Impairment of financial assets	9 956 248	7 719 932
Income on investment in subsidiaries	(11 218 439)	(3 890 463)
Change in trade payables	(8 758)	29 563
Change in other accruals	4 211 541	60 125
Net cash flow from operating activities	**773 573**	**(413 851)**
Cash flow from investing activities		
Proceeds from disposal of subsidiaries	0	0
Purchase of subsidiaries	0	0
Net cash flow from investing activities	**0**	**0**
Cash flow from financing activities		
Change in paid-in equity	0	0
Dividends paid	0	0
Dividends received	0	0
Net cash flow from financing activities	**0**	**0**
Net change in cash and cash equivalents	773 573	(413 851)
Cash and cash equivalents at 01.01	493 869	907 720
Cash and cash equivalents at 31.12	**1 267 442**	**493 869**

Familiehjelpgruppen AS

Notes 2023

Accounting principles

The accounts were submitted by the board on 3 April 2024, but due to new information, the accounts have been submitted again. The corrections come as a result of the obligation associated with earn-out to the sellers of PlanB AS. This has resulted in increased debt of NOK 11,854,598, increased interest costs of NOK 347,350 and a subsequent write-down of the shareholding in Plan B of NOK 9,956,248.

The financial statements have been prepared in accordance with the Norwegian Accounting Act and Generally Accepted Accounting Principles (GAAP) in Norway.

Financial income
Interest income is recognised as it accrues.

Gain on sale of shares are recognised at the time the risks and rewards associated to the shares sold have been passed to the buyer (time of transaction). If there is uncertainty regarding the final payment, the estimated gain is recognised.

Foreign currencies
Transactions in foreign currencies are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the closing rate at the balance sheet date. Exchange differences are recognised as other financial income/cost.

Taxes
The income tax expense is comprised of both tax payable for the period, and changes in deferred tax. Deferred tax is determined on the basis of existing temporary differences between accounting net income and tax net income, including year-end loss carry-forwards, calculated at 22%. Temporary differences, both positive and negative, which will or are likely to reverse in the same period, are recorded as a net amount.

A deferred tax asset are recognised for the carryforward of unused tax losses and unused tax credits to the extent that it is more likely than not that the tax asset can be utilised.

Taxes payable and deferred tax are recognised directly in equity to the extent that they relate to equity transactions.

Classification and valuation of balance sheet items
Non-current assets are assets intended for long-term ownership or use. All other assets are current assets. Receivables that fall due for payment within one year shall not be classified as non-current assets. Similar criteria applies to liabilities.

Current assets are valued at the lower of acquisition cost and fair value.

Non-current assets are written down to fair value upon any impairment that is expected not to be temporary. Long-term debt are recognised at nominal value at transaction date.

Receivables
Accounts receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for expected losses. Provisions for expected losses are calculated on the basis of an individual assessment.

Familiehjelpgruppen AS

Notes 2023

Subsidiaries
Investments in subsidiaries and associated companys are valued at cost in the company accounts. The investments are valued at cost less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends/group contributions are recognised in income statement in the same year as the group company makes a provision for the amount. If the dividends / group contributions exceed withheld profits after acquisition, the excess represents repayment of invested capital, and the dividend is deducted from the recorded value of the subidiary.

Group Accounts
The company is obligated to prepare consolidated accounts. The tax office gives according to the Norwegian Accounting Act of 17 June 1998 no 56 § 3-7 fourth paragraph an exemption from the obligation to prepare consolidated accounts for Familiehjelpgruppen AS. The permission is given on the condition that The Martin James Group Limited prepares consolidated accounts which include Familiehjelpgruppen AS and the subsidiaries Familiehjelp AS and PlanB AS. The Martin James Group Limited has office in Birminham, England. The consolidated accounts can be obtained from the company's offices in Asker.

Cash flow statement
The statement of cash flow is presented using the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Familiehjelpgruppen AS

Notes 2023

Note 1 Payroll expenses, number of employees, remunerations, loans to employees, remuneration to auditors, pension etc.

Payroll expenses	**2023**	**2022**
Salaries	3 835 633	0
Payroll tax	194 386	0
Pension costs	0	0
Other benefits	14 100	0
Reinvoiced salary	-1 214 843	0
Total payroll expenses	**2 829 276**	**0**

The number of full time equivalents in the accounting year has been 0,67.

Management remuneration	**General manager**	**Board members**
Salaries/board fee*	2 831 963	0
Pension costs	0	0
Other benefits	12 860	0

*Includes the severance pay

The company is required to provide an occupational pension scheme pursuant to the Act relating to Mandatory Occupational Pensions. The company's employees are covered by the pension scheme of the subsidiary Familiehjelp AS.

In 2023, NOK 1,214,843 of the salary cost has been reinvoiced to the subsidiaries PlanB AS and Familiehjelp AS. In the annual accounts, this is classified as a cost reduction.

The General Manager is entitled to salary for 15 months after leaving the company. He left the company in October 2023. His agreed severance pay has been set aside for and is included in other current liabilities. The new general manager is employed by another group company and receives his salary from there.

No loans or guarantees have been given to the General Manager, members of the board or their related parties. There are no loans / guarantees that represents more than 5% of the company's equity.

Remuneration to auditors	
Statutory audit	17 750
Assurance services*	8 475
Tax advisory fee	0
Other non-auditing services	49 740
Total audit fee	**75 965**

*Mainly applies to the preparation of annual accounts and tax returns.

The amounts are exclusive of VAT.

Familiehjelpgruppen AS

Notes 2023

Note 2 Income taxes

Components of the income tax expense	**2023**	**2022**
Payable tax on this year's result	0	0
Changes in deferred tax	0	0
Total income tax expense	**0**	**0**
Basis for income tax expense		
Result before taxes	-2 167 019	-4 333 008
Permanent differences	-1 262 191	4 082 205
Changes in temporary differences	0	0
Allocation of loss to be brought forward	0	-12 515
Basis for payable taxes in the income statement	**-3 429 210**	**-263 318**
+/- Received/Given group contribution	3 028 439	263 318
Taxable income (basis for payable taxes in the balance sheet)	**-400 771**	**0**
Payable tax on this year's result	-666 257	-57 930
Payable tax on received Group contribution	666 257	57 930
Total payable tax in the balance	**0**	**0**
Temporary differences		
Accumulated loss to be brought forward	-401 035	-263
Not included in the deferred tax calculation	401 035	263
Total	**0**	**0**
22% Deferred tax assets	0	0

Note 3 Equity

	Share capital	**Share premium**	**Capital increase, not registered**	**Total**
Equity at 01.01	30 000	16 970 506	39 372 000	56 372 506
Capital increase	70 000	39 302 000	-39 372 000	0
Profit for the year	0	-2 167 019	0	-2 167 019
Dividend	0	-9 380 000	0	-9 380 000
Equity at 31.12	**100 000**	**44 725 487**	**0**	**44 825 487**

Note 4 Subsidiaries

	Location	**Share Ownership**	**Voting rights**
Familiehjelp AS	Asker	100 %	100 %
PlanB AS	Oslo	100 %	100 %

<u>**Investments recognised at cost**</u>

Company	**Share capital**	**Number of shares**	**Carrying value**
Familiehjelp AS	60 000	30 000	34 575 749
PlanB AS	30 000	30 000	24 000 000
			58 575 749

	Equity	**Result**
Familiehjelp AS	13 791 519	8 789 842
PlanB AS	3 038 994	4 190 014

Familiehjelpgruppen AS

Notes 2023

Note 5 Share capital and shareholder information

Share capital

	Number of shares	Nominal value	Entered value
Ordinary shares	1 000	100	100 000

List of major shareholders at 31.12

	Ordinary shares	Ownership interest
Key Assets Group Ltd.	1 000	100 %
Total	**1 000**	**100 %**

Note 6 Financial market risk

Interest rate risk
The interest rate risk in the company is considered low as the company has minimal external debt.

Currency risk
Currency fluctuations represents both a direct and an indirect financial risk for the company. The company does not have any agreements that reduces this risk as of 31.12.