

Company Registration No. 5236974 (England and Wales)

F2X GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Approved for issue on behalf of the directors

Brightfield
Business Hub
Bakewell Road
Orton Southgate
Peterborough
Cambridgeshire
PE2 6XU

F2X GROUP LIMITED

COMPANY INFORMATION

Directors T W Hardcastle
 D A Hill
 M Baptista
 D Angulo (Appointed 26 July 2022)
 G Koulouris (Appointed 26 July 2022)

Secretary E J Prior

Company number 5236974

Registered office 9/10 The Crescent
 Wisbech
 Cambridgeshire
 PE13 1EH

Auditor TC Group
 Brightfield Business Hub
 Bakewell Road
 Orton Southgate
 Peterborough
 Cambridgeshire
 PE2 6XU

F2X GROUP LIMITED

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F2X GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present the strategic report for the year ended 31 December 2021.

Fair review of the business

The exceptional trading conditions resulting from the global Covid-19 pandemic and a higher proportion of partner driven implementations impacted year on year (YoY) revenue growth. However, closing platform licence revenues grew sharply by over 50%.

The final tranches (£2,591,874) of the Series A investment round of USD19.5m (£15.6m) announced in March 2020 were received in February 2021 & May 2021. As the company demonstrated through growth during the pandemic, investors are attracted to unique proposition that INSTANDA brings to the insurance market. As a result an existing investor committed funding of £6m to help the business realise the very significant growth opportunities ahead of it. Following a strong year of growth in 2021 the company entered into an arrangement with a new Institutional investor to provide additional funding of £25 million of direct investment into the company. This funding will be paid over the period June 2022 to June 2023 and provide the company with financial resources to make key hires in global functions and position the Company for continued rapid growth to meet the increasing demand for digitising new and existing insurance propositions.

Principal risks and uncertainties

The board considers the principal risks and uncertainties to be:

- Competition:** The market for insurance software is competitive and varies according to geography, client size and market segment. This risk is managed by working closely with in country partners who have localised knowledge and can position the INSTANDA proposition as a differentiated offering.
- Covid19:** In March 2020 the World Health Organisation declared Covid-19 a pandemic. Management implemented several initiatives to mitigate the short-term impacts on the business including adopting new working practices immediately to ensure the safety and wellbeing of our staff and to maintain a high level of service to all INSTANDA clients.

On behalf of the board

T W Hardcastle
Director

29 September 2022

F2X GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company is the provision of the INSTANDA digital insurance platform for property & casualty and life & health carriers, MGA's and brokers.

INSTANDA is a cloud native no code SaaS platform which allows the insurance industry to create, distribute and manage, both simple and complex insurance products in a matter of weeks. The platform enables sophisticated underwriting, analytics, distribution (via direct, agent or embedded) and integration with legacy systems or modern technology platforms.

Directors

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

T W Hardcastle

D A Hill

M Baptista

D Angulo

(Appointed 26 July 2022)

G Koulouris

(Appointed 26 July 2022)

Financial instruments

Price risk, credit risk, liquidity risk and cash flow risk

The price risk of the company's products and services are managed through close relations with clients.

The credit risk to the company is the failure of clients to fulfil their financial obligations to the company. This exposure is reduced due to the number of clients and managed by close credit controls and the terms and conditions of credit.

Liquidity and cashflow risk is where the company will be unable to generate enough resources in order to meet its financial obligations. The company monitors cash position and funding requirements at board level and manages this risk by ensuring that cash resources are generated and maintained sufficiently in order to meet the required payments when they fall due.

Objectives and policies

The company's main financial instruments are bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the business operations. Trade debtors are managed by systems concerning credit levels allowed and the constant monitoring of amounts outstanding. Trade creditors are managed by systems concerning credit levels obtained and by ensuring sufficient funds are available to meet payments due.

F2X GROUP LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of disclosure to auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

On behalf of the board

T W Hardcastle
Director

29 September 2022

F2X GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

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 ;
- prepare the 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.

F2X GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF F2X GROUP LIMITED

Opinion

We have audited the financial statements of F2X Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 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 FRS 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 2021 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 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.

Conclusions relating to going concern

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

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

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

F2X GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF F2X GROUP LIMITED

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where 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 company or to cease operations, or have no realistic alternative but to do so.

F2X GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF F2X GROUP LIMITED

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

F2X GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF F2X GROUP LIMITED

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

For and on behalf of TC Group

Mitchell Burden
Chartered Accountants
Statutory Auditor

Brightfield Business Hub
Bakewell Road
Orton Southgate
Peterborough
Cambridgeshire
PE2 6XU

29 September 2022

F2X GROUP LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Notes	£	£
Turnover	2	6,754,448	4,338,152
Cost of sales		(1,481,674)	(953,346)
Gross profit		<u>5,272,774</u>	<u>3,384,806</u>
Administrative expenses		(11,088,580)	(7,288,926)
Operating loss	3	(5,815,806)	(3,904,120)
Interest receivable and similar income	7	1,102	249
Interest payable and similar expenses	8	(889)	(55,036)
Loss before taxation		<u>(5,815,593)</u>	<u>(3,958,907)</u>
Tax on loss	9	976,037	663
Loss for the financial year		<u><u>(4,839,556)</u></u>	<u><u>(3,958,244)</u></u>

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

F2X GROUP LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
Loss for the year	(4,839,556)	(3,958,244)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(4,839,556)</u>	<u>(3,958,244)</u>

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

F2X GROUP LIMITED

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Intangible assets	10	10,231,669		7,709,574	
Tangible assets	11	94,772		98,517	
Investments	12	1,729		1,076	
				<u> </u>	<u> </u>
		10,328,170		7,809,167	
Current assets					
Debtors	14	1,982,971		2,269,247	
Cash at bank and in hand		2,494,244		2,840,119	
		<u> </u>		<u> </u>	
		4,477,215		5,109,366	
Creditors: amounts falling due within one year					
	15	<u>(7,096,431)</u>		<u>(2,339,549)</u>	
Net current (liabilities)/assets			(2,619,216)		2,769,817
Total assets less current liabilities			<u>7,708,954</u>		<u>10,578,984</u>
Creditors: amounts falling due after more than one year					
	16		<u>(56,705)</u>		<u>-</u>
Net assets			<u>7,652,249</u>		<u>10,578,984</u>
			<u> </u>		<u> </u>
			7,652,249		10,578,984
Capital and reserves					
Called up share capital	19	1,718		1,663	
Share premium account		19,624,355		17,896,493	
Profit and loss reserves		<u>(11,973,824)</u>		<u>(7,319,172)</u>	
Total equity			<u>7,652,249</u>		<u>10,578,984</u>

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 £4,654,652 (2020 - £3,955,942 loss).

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

F2X GROUP LIMITED

COMPANY BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

The financial statements were approved by the board of directors and authorised for issue on 29 September 2022 and are signed on its behalf by:

T W Hardcastle
Director

Company Registration No. 5236974

F2X GROUP LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Share premium account	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 January 2020	1,414	9,703,088	(3,349,175)	6,355,327
Year ended 31 December 2020:				
Loss and total comprehensive income for the year	-	-	(3,958,244)	(3,958,244)
Issue of share capital	19 249	8,193,405	-	8,193,654
Balance at 31 December 2020	1,663	17,896,493	(7,307,419)	10,590,737
Year ended 31 December 2021:				
Loss and total comprehensive income for the year	-	-	(4,839,556)	(4,839,556)
Issue of share capital	19 55	1,727,862	-	1,727,917
Balance at 31 December 2021	1,718	19,624,355	(12,146,975)	7,479,098

F2X GROUP LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Share premium account	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 January 2020	1,414	9,703,088	(3,363,230)	6,341,272
Year ended 31 December 2020:				
Loss and total comprehensive income for the year	-	-	(3,955,942)	(3,955,942)
Issue of share capital	19 249	8,193,405	-	8,193,654
Balance at 31 December 2020	1,663	17,896,493	(7,319,172)	10,578,984
Year ended 31 December 2021:				
Loss and total comprehensive income for the year	-	-	(4,654,652)	(4,654,652)
Issue of share capital	19 55	1,727,862	-	1,727,917
Balance at 31 December 2021	1,718	19,624,355	(11,973,824)	7,652,249

F2X GROUP LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	24		(3,084,373)		(1,953,632)
Interest paid			(889)		(55,036)
Income taxes refunded/(paid)			947,651		(27,353)
Net cash outflow from operating activities			(2,137,611)		(2,036,021)
Investing activities					
Purchase of intangible assets		(4,269,061)		(3,462,243)	
Purchase of tangible fixed assets		(60,312)		(42,875)	
Proceeds on disposal of tangible fixed assets		8,000		4,700	
Proceeds on disposal of subsidiaries		-		2,076	
Receipts arising from loans made		3,996		3,205	
Interest received		1,102		249	
Net cash used in investing activities			(4,316,275)		(3,494,888)
Financing activities					
Proceeds from issue of shares		1,727,917		8,193,654	
Issue of convertible loans		4,500,000		-	
Repayment of borrowings		-		(502,192)	
Payment of finance leases obligations		-		(4,904)	
Net cash generated from financing activities			6,227,917		7,686,558
Net (decrease)/increase in cash and cash equivalents			(225,969)		2,155,649
Cash and cash equivalents at beginning of year			2,861,568		705,919
Cash and cash equivalents at end of year			2,635,599		2,861,568

F2X GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

F2X Group Limited (“the company”) is a private limited company domiciled and incorporated in England and Wales. The registered office is 9/10 The Crescent, Wisbech, Cambs, PE13 1EH.

The group consists of F2X 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 £.

The financial statements have been prepared under the historical cost convention, except that as disclosed in the accounting policies certain items are shown at fair value. The principal accounting policies adopted are set out below.

F2X GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.2 Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2021.

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

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The group recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the group's activities.

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies **(Continued)**

1.5 Intangible fixed assets - goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

1.6 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.

Development costs are being amortised evenly over their estimated useful life of 7 years.

The company has capitalised as an intangible asset any incurred costs for development work done in the year as an addition. The company believes that there is an enduring benefit to this that should be recognised on the balance sheet, although all such expenditure is being included with the claim for Research and Development tax credits.

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	7 years straight line
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1.7 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.

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:

Office equipment	25% straight line basis
Motor vehicles	25% straight line basis

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.

1.8 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.

F2X GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

1.9 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.

1.10 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.

1 Accounting policies

(Continued)

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.

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.

1 Accounting policies

(Continued)

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.

1.11 Compound instruments

The component parts of compound instruments issued by the group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity net of income tax effects and is not subsequently remeasured.

1.12 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.

1.13 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the 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.

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.

1.14 Employee benefits

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

1.15 Retirement benefits

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

1.16 Leases

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.

1.17 Foreign exchange

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

1.18 Research and development

Expenditure is written off in the year incurred except where this represents a project that is separately identifiable when it is considered to meet the criteria to be recognised as an intangible asset.

Any tax credit estimated is shown as a debtor on the basis that the directors are confident that the expenses constitute genuine research and development and the claim will be successful.

F2X GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2	Turnover and other revenue	2021	2020
		£	£
	Turnover analysed by class of business		
	Revenue for the year from continuing operations	6,754,448	4,338,152
		<u> </u>	<u> </u>
		2021	2020
		£	£
	Turnover analysed by geographical market		
	UK	4,259,033	2,568,276
	Europe	491,348	372,448
	Rest of world	2,004,067	1,397,428
		<u> </u>	<u> </u>
		6,754,448	4,338,152
		<u> </u>	<u> </u>
		2021	2020
		£	£
	Other significant revenue		
	Interest income	1,102	249
		<u> </u>	<u> </u>
3	Operating loss	2021	2020
		£	£
	Operating loss for the year is stated after charging/(crediting):		
	Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	39,632	52,431
	Transfer capital costs	(4,269,061)	(3,462,243)
	Depreciation of owned tangible fixed assets	55,891	53,370
	Profit on disposal of tangible fixed assets	(6,625)	(1,513)
	Amortisation of intangible assets	1,746,966	1,199,601
	Operating lease charges	299,181	500,968
		<u> </u>	<u> </u>
4	Auditor's remuneration	2021	2020
		£	£
	Fees payable to the company's auditor and associates:		
	For audit services		
	Audit of the financial statements of the group and company	12,000	5,000
		<u> </u>	<u> </u>

F2X GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Auditor's remuneration		(Continued)
For other services		
All other non-audit services	16,256	10,459
	<u> </u>	<u> </u>

5 Employees

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

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
	112	95	100	89
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	8,256,284	5,778,132	6,771,077	5,121,906
Social security costs	838,773	656,222	753,939	609,240
Pension costs	145,815	129,204	145,815	129,204
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	9,240,872	6,563,558	7,670,831	5,860,350
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

6 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	387,511	364,345
	<u> </u>	<u> </u>

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

	2021 £	2020 £
Remuneration for qualifying services	215,483	205,373
	<u> </u>	<u> </u>

F2X GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Interest receivable and similar income	2021	2020
	£	£
Interest income		
Interest on bank deposits	1,102	249
	<u> </u>	<u> </u>
 8 Interest payable and similar expenses		
	2021	2020
	£	£
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	-	41,530
Other finance costs:		
Interest on finance leases and hire purchase contracts	-	7
Other interest	889	13,499
	<u> </u>	<u> </u>
Total finance costs	889	55,036
	<u> </u>	<u> </u>
 9 Taxation		
	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	(976,037)	(663)
	<u> </u>	<u> </u>

F2X GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Taxation **(Continued)**

The actual credit 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:

	2021	2020
	£	£
Loss before taxation	(5,815,593)	(3,958,907)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(1,104,963)	(752,192)
Tax effect of expenses that are not deductible in determining taxable profit	55,473	55,433
Tax effect of income not taxable in determining taxable profit	(209)	(47)
Unutilised tax losses carried forward	1,017,304	694,600
Permanent capital allowances in excess of depreciation	(2,444)	2,206
Research and development tax credit	(977,572)	-
Effect of overseas tax rates	36,374	(663)
Taxation credit	(976,037)	(663)

10 Intangible fixed assets

Group	Goodwill	Software	Total
	£	£	£
Cost			
At 1 January 2021	136,198	10,403,176	10,539,374
Additions - internally developed	-	4,269,061	4,269,061
At 31 December 2021	136,198	14,672,237	14,808,435
Amortisation and impairment			
At 1 January 2021	136,198	2,693,602	2,829,800
Amortisation charged for the year	-	1,746,966	1,746,966
At 31 December 2021	136,198	4,440,568	4,576,766
Carrying amount			
At 31 December 2021	-	10,231,669	10,231,669
At 31 December 2020	-	7,709,574	7,709,574

F2X GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Intangible fixed assets **(Continued)**

Company	Goodwill	Software	Total
	£	£	£
Cost			
At 1 January 2021	136,198	10,403,176	10,539,374
Additions - internally developed	-	4,269,061	4,269,061
At 31 December 2021	136,198	14,672,237	14,808,435
Amortisation and impairment			
At 1 January 2021	136,198	2,693,602	2,829,800
Amortisation charged for the year	-	1,746,966	1,746,966
At 31 December 2021	136,198	4,440,568	4,576,766
Carrying amount			
At 31 December 2021	-	10,231,669	10,231,669
At 31 December 2020	-	7,709,574	7,709,574

11 Tangible fixed assets

Group	Office equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 January 2021	326,182	35,190	361,372
Additions	60,312	-	60,312
Disposals	-	(35,190)	(35,190)
At 31 December 2021	386,494	-	386,494
Depreciation and impairment			
At 1 January 2021	226,964	32,440	259,404
Depreciation charged in the year	54,516	1,375	55,891
Eliminated in respect of disposals	-	(33,815)	(33,815)
At 31 December 2021	281,480	-	281,480
Carrying amount			
At 31 December 2021	105,014	-	105,014
At 31 December 2020	99,218	2,750	101,968

F2X GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Tangible fixed assets		(Continued)		
Company		Office equipment	Motor vehicles	Total
		£	£	£
Cost				
At 1 January 2021		320,344	35,190	355,534
Additions		50,781	-	50,781
Disposals		-	(35,190)	(35,190)
		<u>371,125</u>	<u>-</u>	<u>371,125</u>
At 31 December 2021		371,125	-	371,125
Depreciation and impairment				
At 1 January 2021		224,577	32,440	257,017
Depreciation charged in the year		51,776	1,375	53,151
Eliminated in respect of disposals		-	(33,815)	(33,815)
		<u>276,353</u>	<u>-</u>	<u>276,353</u>
At 31 December 2021		276,353	-	276,353
Carrying amount				
At 31 December 2021		<u>94,772</u>	<u>-</u>	<u>94,772</u>
At 31 December 2020		<u>95,767</u>	<u>2,750</u>	<u>98,517</u>

12 Fixed asset investments		Group	Company		
	Notes	2021	2020	2021	2020
		£	£	£	£
Investments in subsidiaries	13	-	-	1,729	1,076
		<u>-</u>	<u>-</u>	<u>1,729</u>	<u>1,076</u>

F2X GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12	Fixed asset investments	(Continued)
	Movements in fixed asset investments	
	Company	Shares in subsidiaries
		£
	Cost or valuation	
	At 1 January 2021	1,076
	Additions	653
	At 31 December 2021	1,729
	Carrying amount	
	At 31 December 2021	1,729
	At 31 December 2020	1,076

13 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Instanda Inc.	160 Greentree Dr Ste 101 Delaware, USA	Ordinary	100.00
F2X Innovation & Technology Limited	9/10 The Crescent, Wisboch, PE13 1EH, England & Wales	Ordinary	100.00
Instanda Japan Corp	3-1-6 Motoazabu, Minato-ku, Tokyo, Japan	Ordinary	100.00

14 Debtors

	Group	2020	Company	2020
Amounts falling due within one year:	£	£	£	£
Trade debtors	1,438,035	582,914	1,297,336	529,448
Corporation tax recoverable	77,501	49,115	77,501	49,115
Amounts owed by group undertakings	-	-	1,017	-
Other debtors	315,585	1,551,096	314,914	1,550,796
Prepayments and accrued income	390,760	161,568	292,203	139,888
	2,221,881	2,344,693	1,982,971	2,269,247
	2,221,881	2,344,693	1,982,971	2,269,247

F2X GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

15 Creditors: amounts falling due within one year

		Group 2021	2020	Company 2021	2020
	Notes	£	£	£	£
Convertible loans	17	4,500,000	-	4,500,000	-
Trade creditors		709,424	688,214	577,201	582,399
Amounts owed to group undertakings		-	-	1,000	111,260
Other taxation and social security		333,301	600,949	335,477	600,966
Deferred income		946,363	650,251	835,409	620,796
Other creditors		127,655	122,793	109,517	122,793
Accruals		1,041,617	364,859	737,827	301,335
		<u>7,658,360</u>	<u>2,427,066</u>	<u>7,096,431</u>	<u>2,339,549</u>

16 Creditors: amounts falling due after more than one year

		Group 2021	2020	Company 2021	2020
		£	£	£	£
Accruals		56,705	-	56,705	-
		<u>56,705</u>	<u>-</u>	<u>56,705</u>	<u>-</u>

17 Convertible loan notes

		Group 2021	2020	Company 2021	2020
		£	£	£	£
Liability component of convertible loan notes		4,500,000	-	4,500,000	-
		<u>4,500,000</u>	<u>-</u>	<u>4,500,000</u>	<u>-</u>

18 Retirement benefit schemes

		2021	2020
		£	£
Defined contribution schemes			
Charge to profit or loss in respect of defined contribution schemes		137,922	129,204
		<u>137,922</u>	<u>129,204</u>

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.

F2X GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Share capital

Group and company	2021	2020	2021	2020
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of 0.0001p each	17,179,473	16,634,389	1,718	1,663
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

20 Operating lease commitments

Lessee

The amount of non-cancellable operating lease payments recognised as an expense during the year was £409,828 (2020 - £465,425).

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Within one year	288,838	299,679	288,838	299,679
Between two and five years	75,554	4,748	75,554	4,748
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>364,392</u>	<u>304,427</u>	<u>364,392</u>	<u>304,427</u>

21 Events after the reporting date

20th June 2022 - INSTANDA closed it's latest £25 million fundraising led by Toscafund, one of Europe's leading Growth Equity investment firms for financial services companies, with the participation of existing investor Dale Ventures. £10 million was received in June 2022, with further funds to be transferred in December 2022 and June 2023. The funds will be used to grow the company's geographical presence in Europe, US, Japan and the UAE, as well as to rapidly augment platform capabilities including developing the existing ecosystem into a future-proofed marketplace.

22 Related party transactions

Summary of transactions with key management

Key management are the directors. During the year key management received advances/ credits totalling £433 (2020 - £1,941) and made repayments of £4,429 (2020 - £5,146). At the balance sheet date the amount due from key management was £182,513 (2020 - £186,509).

Summary of transactions with entities with joint control of significant interest

Purchases from entities with joint control of significant interest totalled £nil (2020 - £123,000). The total amount owed to entities with joint control or significant interest at the year end was £nil (2020 - £nil).

F2X GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

23 Reserves

Group

Share capital

Represents the nominal value of shares that have been issued.

Share premium

Represents the total amount paid for share capital in excess of its nominal value.

Profit and loss account

Includes all current and prior year retained profits and losses at the balance sheet date.

Company

Share capital

Represents the nominal value of shares that have been issued.

Share premium

Represents the total amount paid for share capital in excess of its nominal value.

Profit and loss account

Includes all current and prior period retained profits and losses at the balance sheet date.

24 Cash absorbed by group operations

	2021	2020
	£	£
Loss for the year after tax	(4,839,556)	(3,958,244)
Adjustments for:		
Taxation credited	(976,037)	(663)
Finance costs	889	55,036
Investment income	(1,102)	(249)
Gain on disposal of tangible fixed assets	(6,625)	(1,513)
Amortisation and impairment of intangible assets	1,746,966	1,199,601
Depreciation and impairment of tangible fixed assets	55,891	53,370
Movements in working capital:		
Decrease in debtors	147,202	100,987
Increase in creditors	491,887	634,586
Increase/(decrease) in deferred income	296,112	(36,543)
Cash absorbed by operations	(3,084,373)	(1,953,632)

F2X GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

25 Analysis of changes in net funds/(debt) - group

	1 January 2021	Cash flows	31 December 2021
	£	£	£
Cash at bank and in hand	2,861,568	(225,969)	2,635,599
Convertible loan notes	-	(4,500,000)	(4,500,000)
	<u>2,861,568</u>	<u>(4,725,969)</u>	<u>(1,864,401)</u>

26 Analysis of changes in net funds/(debt) - company

	1 January 2021	Cash flows	31 December 2021
	£	£	£
Cash at bank and in hand	2,840,119	(345,875)	2,494,244
Convertible loan notes	-	(4,500,000)	(4,500,000)
	<u>2,840,119</u>	<u>(4,845,875)</u>	<u>(2,005,756)</u>

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