

**Report of the Director and
Audited Financial Statements for the Year Ended 31 December 2022
for
The Open Group Limited**

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for the Year Ended 31 December 2022**

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**Report of the Director
for the Year Ended 31 December 2022**

The director presents his report with the financial statements of the Company for the year ended 31 December 2022.

In preparing this Report of the Director advantage has been taken of the small companies exemption (s. 419(2)).

PRINCIPAL ACTIVITY

The Open Group Limited ("the Company") is a wholly-owned subsidiary of The Open Group, L.L.C. (the parent and collectively ("the Group")).

The Open Group® is a vendor- and technology-neutral consortium, whose vision of Boundaryless Information Flow™ will enable access to integrated information within and between enterprises based on open standards and global interoperability.

The Company's revenues from third parties during the year ended 31 December 2022 were derived from professional certification programs (Open CA, Open CDS, Open CTS and Open CTTP) and research projects funded by the European Commission (EC).

In addition, the Company earned revenues by supplying services to the parent, mainly in respect of staff salaries and related costs, third party services, travel and marketing. These revenues are calculated by charging costs of the Company, with an appropriate mark-up, to the parent under a transfer pricing agreement. Charges for the supply of such services and the mark-up are payable by the parent on demand. During 2022, the rate of mark-up on services supplied to the parent was maintained at 4.0%, which the director feels is an appropriate percentage based on Company and parent profitability.

DIVIDENDS

The director is not recommending the payment of a dividend (2021: £nil).

DIRECTOR

S D Nunn held office during the whole of the period from 1 January 2022 to the date of this report.

POLITICAL DONATIONS AND EXPENDITURE

No political contributions were made during the year (2021: £nil).

DIRECTOR'S AND OFFICERS' LIABILITIES

In accordance with section 236 of the Companies Act 2006, the Company maintains qualifying third party indemnity provision in the form of insurance for the director and officers of the Company, indemnifying them against certain liabilities incurred by them whilst acting on behalf of the Company. The insurance applied throughout the financial year ended 31 December 2022 and through to the date of this report.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditor is unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

ON BEHALF OF THE BOARD:



S D Nunn - Director

Date: 11th December 2023

**Statement of Director's Responsibilities
for the Year Ended 31 December 2022**

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law he has elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless he either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is responsible for such internal control as he determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE OPEN GROUP LIMITED

Opinion

We have audited the financial statements of The Open Group Limited ("the Company") for the year ended 31 December 2022, which comprise the income statement, balance sheet and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The director has prepared the financial statements on the going concern basis as he does not intend to liquidate the Company or to cease its operations, and as he has concluded that the Company's financial position means that this is realistic. He has also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the director's conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the director's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the director and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether he has knowledge of any actual, suspected or alleged fraud.
 - Reading Board minutes.
 - Using analytical procedures to identify any unusual or unexpected relationships.
- We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account possible pressures to meet profit targets and, our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the majority of revenue is generated from the recognition of a fixed cost-plus mark up on expenses incurred on behalf of other entities in the group.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual and unexpected postings to cash, unusual debits and credits to revenue and postings to seldom used accounts. Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

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 director and others management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the director and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery, employment law, and certain aspects of company legislation recognising the nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the director and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

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 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.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Director's report

The director is responsible for the director's report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the director's report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the director's report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies exemption in preparing the director's report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Director's responsibilities

As explained more fully in their statement set out on page 1, the director is responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as he determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless he either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Rebecca Clark (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
2 Forbury Place
33 Forbury Road
Reading
Berkshire
RG1 3AD

11 December 2023

**Income Statement
for the Year Ended 31 December 2022**

	Notes	2022 £'000	2021 £'000
TURNOVER		3,755	3,415
Cost of sales		<u>(1,611)</u>	<u>(1,602)</u>
GROSS PROFIT		2,144	1,813
Distribution costs		(348)	(345)
Administrative expenses		<u>(1,172)</u>	<u>(1,194)</u>
OPERATING PROFIT	5	624	274
Net interest and similar charges	7	<u>(58)</u>	<u>161</u>
PROFIT BEFORE TAXATION		566	435
Tax on profit		<u>(73)</u>	<u>73</u>
PROFIT FOR THE FINANCIAL YEAR		<u>493</u>	<u>508</u>

The notes form part of these financial statements

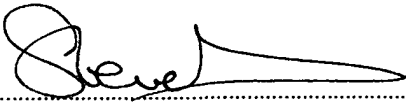
The Open Group Limited (Registered number: 02134862)

Balance Sheet
31 December 2022

	Notes	2022 £'000	2021 £'000
FIXED ASSETS			
Tangible assets	8	34	41
CURRENT ASSETS			
Debtors	9	447	758
Investments	10	1,673	-
Cash in hand		3,506	4,833
		<u>5,626</u>	<u>5,591</u>
CREDITORS			
Amounts falling due within one year	11	(893)	(1,443)
NET CURRENT ASSETS		<u>4,733</u>	<u>4,148</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,767</u>	<u>4,189</u>
CREDITORS			
Amounts falling due after more than one year	12	(85)	-
NET ASSETS		<u><u>4,682</u></u>	<u><u>4,189</u></u>
CAPITAL AND RESERVES			
Called-up share capital	14	-	-
Retained earnings	15	4,682	4,189
SHAREHOLDERS' FUNDS		<u><u>4,682</u></u>	<u><u>4,189</u></u>

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

The financial statements were approved by the director and authorised for issue on 11th December 2023 and were signed by:


S D Nunn - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2022**

1. STATUTORY INFORMATION

The Open Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address are as below:

Registered number:	02134862
Registered office:	Apex Plaza Forbury Road Reading Berkshire RG1 1AX

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The financial statements have been prepared on a going concern basis which the director considers to be appropriate for the following reasons.

The Company has been profitable and expects to continue to be profitable. The Company has substantial net assets and cash. The Company has entered into a transfer pricing arrangement with its parent, The Open Group, L.L.C., which allows the Company to recharge certain costs plus a mark-up. This arrangement is expected to continue for the foreseeable future. The director has performed a going concern assessment which indicates that, taking account of reasonably possible downsides, the Company will have sufficient funds to meet its liabilities as they fall due during the period of at least 12 months from the date of approval of these financial statements ("the going concern assessment period"). That assessment is dependent on The Open Group, L.L.C. continuing to trade, providing a source of revenue for the Company and meeting its obligations to the Company during the going concern assessment period.

The Company's sole director is also the Chief Executive Officer and President of The Open Group, L.L.C. Management of The Open Group, L.L.C. assessed the funding position of the Group for the same going concern assessment period, and concluded that the Group will have sufficient funds to meet its liabilities as they fall due for that period. The Open Group, L.L.C.'s Platinum members have committed to their membership fees for the year ending 31 December 2023 and approved the estimated fees for the year ending 31 December 2024. In addition, the Group works closely with its Platinum members and The Open Group, L.L.C.'s management believes that Platinum members will continue to support the Group beyond that date.

Changes in accounting policies

The Company has changed its accounting policy for presentational currency from US dollar to pound sterling. The change is made to align the presentational currency with the functional currency. The change in presentational currency is also reflected in the restatement of the comparative period income statement, balance sheet and all related notes to the financial statements.

Changing the presentational currency to align with the pound sterling functional currency results in no exchange differences arising on translation to presentation currency recognised as other comprehensive income in the year ended 31 December 2021 or the year ended 31 December 2022.

Bonus accrual

An accrual is made during each year of the qualifying bonus period of the long-term incentive plan (see note 3), with the aggregate accrual at each year end representing the amount earned to date.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

2. ACCOUNTING POLICIES - continued

Turnover

Revenues recognised in respect of services performed on behalf of others within the Group are recognised as performed.

Certification revenues comprise fees paid for certification of products, services and people, annual fees for accredited certification partners, annual royalties for certified products and software licences and associated annual support fees. Certification fees are recognised on receipt. All annual fees are recognized on a straight-line basis over the period of service with the unearned amounts reflected as deferred revenues. Licence fees are recognized on delivery.

Revenues derived from European Commission (EC)-funded research projects are recognised on a straight-line basis over the life of each project, with an appropriate contingency withheld in each case pending final project approval by the EC.

Turnover is stated exclusive of VAT and settlement discounts.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Furniture and fittings	- 3 years straight line
Computer equipment	- 3 years straight line

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

Financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Short term investments

Short term investments comprise fixed deposits with a maturity of 6 -12 months. Interest on the short term investments is recognised at the maturity date and expensed to the profit or loss account.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents.

Derivative financial instruments

The derivative financial instruments held at 31 December 2022 do not qualify for hedge accounting and consequently any gain / loss on the fair value of these contracts is immediately expensed to the profit or loss account.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the profit and loss account.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowance have been met to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

All of the Company's research and development costs are expensed as incurred.

Foreign currencies

Transactions in foreign currencies are translated to the Company's functional currency at the monthly exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Management has selected a presentation currency of £ sterling which is also its functional currency. Previously presentation currency has been US dollar retaining consistency with historic practice and aligning with the functional currency of the Company's parent.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

The Company makes contributions to two (2021: two) defined contribution pension plans. A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 30 (2021 - 30).

Deferred compensation arrangements: long-term incentive plan

The Company operates a long-term incentive plan for eligible employees. Upon eligibility the Company will provide a percentage of the annual compensation, as defined, of the employee to be paid as a bonus at the end of the qualifying bonus period determined by management. The on-target percentage entitlement is currently between 15% and 50% of annual salary based upon grade or seniority.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

4. DIRECTOR'S REMUNERATION

	2022	2021
	£	£
Director's remuneration	269,675	247,594
Director's long term incentive schemes	102,646	108,515
Director's pension contributions to money purchase schemes	20,529	18,086
	<u><u> </u></u>	<u><u> </u></u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u><u>1</u></u>	<u><u>1</u></u>
------------------------	-----------------	-----------------

Information regarding the highest paid director is as follows:

	2022	2021
	£	£
Emoluments etc	372,321	356,109
Pension contributions to money purchase schemes	20,529	18,086
	<u><u> </u></u>	<u><u> </u></u>

Remuneration of the highest paid director totalled £392,850 (2021: £374,194). The amounts receivable under long-term incentive schemes relate to the director's entitlement under the long-term incentive plan described in note 3, which will be paid at the end of the qualifying bonus period.

5. OPERATING PROFIT

The operating profit is stated after charging:

	2022	2021
	£'000	£'000
Depreciation - owned assets	<u><u>25</u></u>	<u><u>23</u></u>

6. AUDITOR'S REMUNERATION

	2022	2021
	£'000	£'000
Fees payable to the Company's auditor for the audit of the Company's financial statements	<u><u>65</u></u>	<u><u>61</u></u>

Auditor's remuneration for the year ended 31 December 2021 included the audit of The Company's financial statements and the financial statements of The Open Group, L.L.C.

Auditor's remuneration for the year ended 31 December 2022 is £45,000 for the audit of these financial statements, plus additional fees in respect of the audit for the year ended 31 December 2021 of £19,500.

7. NET INTEREST AND SIMILAR CHARGES

	2022	2021
	£'000	£'000
Net interest receivable	49	10
Net foreign exchange (losses) / gains	<u><u>(107)</u></u>	<u><u>151</u></u>
	<u><u>(58)</u></u>	<u><u>161</u></u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £'000	Computer equipment £'000	Totals £'000
COST			
At 1 January 2022	16	233	249
Additions	-	19	19
Disposals	-	(9)	(9)
	<hr/>	<hr/>	<hr/>
At 31 December 2022	16	243	259
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2022	14	194	208
Charge for year	2	23	25
Eliminated on disposal	-	(8)	(8)
	<hr/>	<hr/>	<hr/>
At 31 December 2022	16	209	225
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2022	-	34	34
	<hr/>	<hr/>	<hr/>
At 31 December 2021	2	39	41
	<hr/>	<hr/>	<hr/>

9. DEBTORS

	2022 £'000	2021 £'000
Amounts falling due within one year:		
Trade debtors	31	-
Amounts owed by group undertakings	-	412
Tax	268	199
VAT	38	58
Prepayments	78	89
	<hr/>	<hr/>
	415	758
	<hr/>	<hr/>
Amounts falling due after more than one year:		
Deferred tax asset		
Other timing differences	32	-
	<hr/>	<hr/>
	32	-
	<hr/>	<hr/>
Aggregate amounts	447	758
	<hr/>	<hr/>

The deferred tax asset stems from short-term timing differences between the financial years when long-term incentive costs are incurred and the periods when they are deductible tax expenses.

10. CURRENT ASSET INVESTMENTS

	2022 £'000	2021 £'000
Short term investments	1,673	-
	<hr/>	<hr/>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Trade creditors	22	47
Amounts owed to group undertakings	165	-
Social security and other taxes	12	12
Accruals	457	844
Deferred revenue	237	540
	<u>893</u>	<u>1,443</u>

With respect to amounts owed to group undertakings, the related parties allow for net settlement with net payments which are repayable on demand and do not accrue interest.

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£'000	£'000
Accruals	<u>85</u>	<u>-</u>

13. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£'000	£'000
Within one year	45	45
Between one and five years	19	64
	<u>64</u>	<u>109</u>

During the year £45,000 was recognised as an expense in the profit and loss account in respect of operating leases for property (2021: £97,000).

14. CALLED-UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal Value:	2022	2021
			£	£
21	Ordinary	£1	<u>21</u>	<u>21</u>

15. RESERVES

	Retained earnings
	£'000
At 1 January 2022	4,189
Profit for the year	493
	<u>4,682</u>
At 31 December 2022	<u>4,682</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

16. PENSION COMMITMENTS

The Company makes contributions to a number of defined contribution pension schemes. The total expense relating to these plans in the current year was £171,454 (2021: £173,632).

17. RELATED PARTY TRANSACTIONS

Total compensation of key management personnel (including the director, who is paid by The Open Group, L.L.C.) in the year amounted to £809,104 (2021: £1,038,245).

During the year the Company entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding as at 31 December, were as follows:

	Sales to related party £000	Purchases from related party £000	Amounts owed from related party £000	Amounts owed to related party £000
<u>The Open Group, L.L.C.</u>				
2022	2,878	-	-	165
2021	2,711	-	412	-
 <u>Other entities with significant influence over the company</u>				
2022	148	-	-	-
2021	134	-	-	-

18. ULTIMATE PARENT COMPANY

The Company is controlled by its parent company, The Open Group, L.L.C., based at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801, USA. The only group in which the results of the Company are consolidated is that headed by The Open Group, L.L.C. The accounts of the parent company are not publicly available.