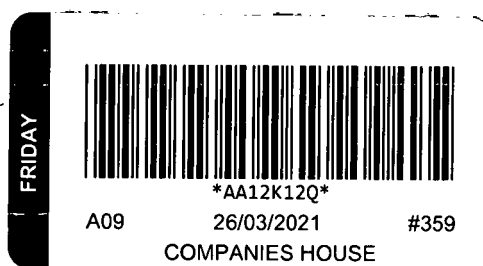


Registered number: 07767724

Byhiras Group Limited

Directors' Report and Financial Statements

For the Year Ended 31 March 2020



Byhiras Group Limited

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Byhiras Group Limited

Company Information

Directors	S.A.M. Lusty R.E. Bond J.W.H. Irwin H.N. Lazkani A.W.Morgan Sir S.M. Robertson Lord E. M. Davies
Registered number	07767724
Registered office	23 Austin Friars London EC2N 2QP
Independent auditors	Grant Thornton UK LLP 30 Finsbury Square London EC2A 1AG

Byhiras Group Limited

Directors' Report For the Year Ended 31 March 2020

The directors present their report and the audited consolidated financial statements of Byhiras Group Limited, Byhiras (Europe) Limited and Byhiras BC Limited (collectively the "Group"), and Byhiras Group Limited (the "Company"), for the year ended 31 March 2020.

Principal activity

The principal activity of the Company during the year under review was that of a holding company for Byhiras (Europe) Limited and Byhiras BC Limited. The principal activity of the Group during the year under review was also the provision of governance services.

Results and dividends

The loss for the year, after taxation, amounted to £3,556,917 (2019: £2,570,512).

No dividend was paid during the year and the directors do not propose payment of a dividend (2018: £nil).

Directors

The directors who served during the year and at the time of approving this report were:

S.A.M Lusty
R.E. Bond
J.W.H.Irwin
H.N. Lazkani
A.W. Morgan
Sir S.M. Robertson
Lord E.M. Davies

Principal risks and uncertainties

The Company operates systems and controls to mitigate any adverse effects across the range of risks that it faces. The Company has no significant exposure to price, credit, liquidity or interest rate risk.

The United Kingdom ("the UK") left the European Union ("the EU") at midnight on 31 January 2020. There is now a transition period until 31 December 2020 with the future relationship between the UK and the EU remaining uncertain. The directors of the Company continue to monitor actively the process for the United Kingdom's proposed withdrawal from the EU ("Brexit") and continue to consider the potential implications of Brexit on the operation of the Company. Brexit could cause disruptions to and create uncertainty surrounding our business, including affecting our relationships with our existing and future counterparties.

In early 2020, the existence of a new coronavirus, now known as COVID-19, was confirmed and since this time COVID-19 has spread across a significant number of countries and has been classified as a pandemic by the World Health Organisation. The outbreak of COVID-19 has resulted in travel and border restrictions. It has caused disruption to businesses and economic activity which has been reflected in recent fluctuations in global stock markets. The Company has continued to operate successfully, however, given the inherent uncertainties, it is not practicable at this time to determine the impact of COVID 19 on the Company or to provide a quantitative estimate of this impact. The directors consider that the impact of coronavirus would not affect the ability of the Company and the Group to generate value in the long-term, or impact its business plan such as to have a material impact on any of the balances in these financial statements.

Byhiras Group Limited

Directors' Report (continued) For the Year Ended 31 March 2020

Going concern

The Group is currently in a start-up phase with revenues of just £179,000 (2019: £14,000) and as a result is making an operational loss. The Group's forecast, taking into account expectations around future fundraising, show that the Group will be able to meet its liabilities as they fall due, however, there is a risk that future fundraising may not be successful. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The directors are confident that the Group will be successful in raising future finance and if that is not the case, a cost reduction plan will be implemented to ensure the Group continues to be a going concern and continues in operational existence for the foreseeable future. The directors have initiated plans for fundraising which are at an advanced stage.

Thus the directors continue to adopt the going concern basis of accounting in preparation of the financial statements.

Qualifying third party indemnity provisions

The Group and the Company do not have any qualifying third party indemnity provisions.

Directors' responsibilities statement

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

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

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Byhiras Group Limited

Directors' Report (continued) For the Year Ended 31 March 2020

Disclosure of information to auditors

The directors confirm that:

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

Auditors

The auditors, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Section 172 (1) statement

Section 172 of the Companies Act 2006 requires a director of an entity to act in the way he or she considers, in good faith, would be most likely to promote the success of the entity for the benefit of its members as a whole. As part of the Company's deliberations and decision-making process, the directors also take into account the following:

- (i) likely consequences of any decision in the long term;
- (ii) the interests of the Company's employees;
- (iii) the need to foster the Company's business relationships with suppliers, customers and others;
- (iv) the impact of the Company's operations on the community and the environment;
- (v) the desirability of the Company maintaining a reputation for high standards of business conduct; and
- (vi) the need to act fairly between members of the Company

The directors consider its stakeholders to be the people who work for us, invest with us, own us, regulate us and live in the societies we serve. During 2019, the directors gave careful consideration to the factors set out above in discharging their duties under section 172. The directors recognise that building strong relationships with our stakeholders will help deliver the Byhiras (Group) Limited strategy in line with its long-term values. The directors are committed to effective engagement with all of its stakeholders.

Depending on the nature of the issue in question, the relevance of each stakeholder group may differ and, as such, as part of Byhiras (Group) Limited engagement with stakeholders, the directors seek to understand the relative interests and priorities of each group and to have regard to these, as appropriate, in its decision making. The directors acknowledge however, that not every decision it makes will necessarily result in a positive outcome for all stakeholders. The directors also challenge management to ensure all stakeholder interests are considered in the day to day management and operations of Byhiras (Group) Limited.

The directors seek to understand the interests and views of the Company's stakeholders by engaging with them directly as appropriate. The directors believe they have demonstrated compliance with their legal duty under s.172 of the Companies Act 2006.

This report was approved by the board on 12/1/2021

and signed on its behalf.

Rachel Bond

R.E. Bond
Director

Byhiras Group Limited

Independent Auditors' Report to the Members of Byhiras Group Limited

Opinion

We have audited the financial statements of Byhiras Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2020, which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2020 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.4 in the financial statements, which indicates that the group incurred a net loss of £3,556,917 during the year ended 31 March 2020. As stated in note 1.4, these events or conditions, along with the other matters as set forth in note 1.4, indicate that a material uncertainty exists that may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.

Byhiras Group Limited

Independent Auditors' Report to the Members of Byhiras Group Limited (continued)

Other information

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

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the 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 under the Companies Act 2006

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 or the directors' report.

Matters on which we are required to report by exception

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

adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or

the parent Company financial statements are not in agreement with the accounting records and returns; or certain disclosures of directors' remuneration specified by law are not made; or

we have not received all the information and explanations we require for our audit.

Byhiras Group Limited

Independent Auditors' Report to the Members of Byhiras Group Limited (continued)

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' 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.

Grant Thornton UK LLP

William Pointon
Senior Statutory Auditor
For and on behalf of
Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
Date: 12/1/2021

Byhiras Group Limited

Consolidated Statement of Comprehensive Income For the Year Ended 31 March 2020

	Note	2020 £	2019 £
Turnover	3	179,000	14,000
Administrative expenses		(4,619,234)	(4,420,472)
Operating loss	4	(4,440,234)	(4,406,472)
Interest receivable and similar income		1,464	-
Loss before taxation		(4,438,770)	(4,406,472)
Tax	8	881,853	1,835,960
Loss for the financial year		(3,556,917)	(2,570,512)
Loss for the financial year attributable to:			
Owners of the parent Company		(3,556,917)	(2,570,512)
		<u>(3,556,917)</u>	<u>(2,570,512)</u>

All amounts relate to continuing operations.

There was no other comprehensive income for 2020 (2019: £NIL).

The notes on pages 14 to 31 form part of these financial statements.

Byhiras Group Limited
Registered number: 07767724

Consolidated Statement of Financial Position
As at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	9	9,198	12,427
Tangible assets	11	196,632	105,807
		<u>205,830</u>	<u>118,234</u>
Current assets			
Debtors: amounts falling due after more than one year	13	480,280	-
Debtors: amounts falling due within one year	13	1,236,966	2,112,671
Cash at bank and in hand	14	855,950	607,507
		<u>2,573,196</u>	<u>2,720,178</u>
Creditors: amounts falling due within one year	15	(318,726)	(426,133)
Net current assets		<u>2,254,470</u>	<u>2,294,045</u>
Total assets less current liabilities		<u>2,460,300</u>	<u>2,412,279</u>
Creditors: amounts falling due after more than one year	16	(2,900,001)	(2,650,001)
Provisions for liabilities			
Deferred taxation	17	(34,991)	(22,464)
		<u>(34,991)</u>	<u>(22,464)</u>
Net liabilities		<u>(474,692)</u>	<u>(260,186)</u>
Capital and reserves			
Called up share capital	18	5,093,737	4,630,404
Share premium account	19	14,360,284	11,533,950
Other reserves	19	3,437,955	3,423,286
Profit and loss account	19	(23,366,668)	(19,847,826)
Equity attributable to owners of the parent Company		<u>(474,692)</u>	<u>(260,186)</u>

The financial statements were approved and authorised for issue by the board on 12/1/2021 and were signed on its behalf by:

Rachel Bond

.....
R.E. Bond
 Director

The notes on pages 14 to 31 form part of these financial statements.

Byhiras Group Limited
Registered number: 07767724

Company Statement of Financial Position
As at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	12	24,184,875	21,044,875
		<u>24,184,875</u>	<u>21,044,875</u>
Current assets			
Debtors: amounts falling due within one year	13	92,955	71,175
Cash at bank and in hand	14	203,273	121,921
		<u>296,228</u>	<u>193,096</u>
Creditors: amounts falling due within one year	15	(22,498)	(21,775)
Net current assets		<u>273,730</u>	<u>171,321</u>
Total assets less current liabilities		<u>24,458,605</u>	<u>21,216,196</u>
Creditors: amounts falling due after more than one year	16	(2,700,001)	(2,650,001)
Net assets		<u><u>21,758,604</u></u>	<u><u>18,566,195</u></u>
Capital and reserves			
Called up share capital	18	5,093,737	4,630,404
Share premium account	19	14,360,284	11,533,950
Other reserves	19	3,136,922	3,136,922
Profit and loss account	19	(832,339)	(735,081)
		<u><u>21,758,604</u></u>	<u><u>18,566,195</u></u>

The loss after tax of the parent Company for the year was £97,258 (2019: £94,138).

The financial statements were approved and authorised for issue by the board on 12/1/2021 signed on its behalf by:

and were

Rachel Bond

R.E. Bond
 Director

The notes on pages 14 to 31 form part of these financial statements.

Byhiras Group Limited

Consolidated Statement of Changes in Equity For the Year Ended 31 March 2020

	Called up share capital £	Share premium account £	Other reserves £	Profit and loss account £	Total equity £
At 1 April 2019	4,630,404	11,533,950	3,423,286	(19,847,826)	(260,186)
Comprehensive income for the year					
Loss for the year	-	-	-	(3,556,917)	(3,556,917)
Total comprehensive income for the year	-	-	-	(3,556,917)	(3,556,917)
Shares issued during the year	463,333	2,826,334	-	-	3,289,667
Share based compensation	-	-	52,744	-	52,744
Shares lapsed during the year	-	-	(38,075)	38,075	-
Total transactions with owners	463,333	2,826,334	14,669	38,075	3,342,411
At 31 March 2020	<u>5,093,737</u>	<u>14,360,284</u>	<u>3,437,955</u>	<u>(23,366,668)</u>	<u>(474,692)</u>

Consolidated Statement of Changes in Equity For the Year Ended 31 March 2019

	Called up share capital £	Share premium account £	Other reserves £	Profit and loss account £	Total equity £
At 1 April 2018	4,480,808	10,434,990	3,350,255	(17,277,314)	988,739
Comprehensive income for the year					
Loss for the year	-	-	-	(2,570,512)	(2,570,512)
Total comprehensive income for the year	-	-	-	(2,570,512)	(2,570,512)
Shares issued during the year	149,596	1,098,960	-	-	1,248,556
Share based compensation	-	-	73,031	-	73,031
Total transactions with owners	149,596	1,098,960	73,031	-	1,321,587
At 31 March 2019	<u>4,630,404</u>	<u>11,533,950</u>	<u>3,423,286</u>	<u>(19,847,826)</u>	<u>(260,186)</u>

The notes on pages 14 to 31 form part of these financial statements.

Byhiras Group Limited

Company Statement of Changes in Equity For the Year Ended 31 March 2020

	Called up share capital £	Share premium account £	Other reserves £	Profit and loss account £	Total equity £
At 1 April 2019	4,630,404	11,533,950	3,136,922	(735,081)	18,566,195
Comprehensive income for the year					
Loss for the year	-	-	-	(97,258)	(97,258)
Total comprehensive income for the year	-	-	-	(97,258)	(97,258)
Contributions by and distributions to owners					
Shares issued during the year	463,333	2,826,334	-	-	3,289,667
Total transactions with owners	463,333	2,826,334	-	-	3,289,667
At 31 March 2020	5,093,737	14,360,284	3,136,922	(832,339)	21,758,604

Company Statement of Changes in Equity For the Year Ended 31 March 2019

	Called up share capital £	Share premium account £	Other reserves £	Profit and loss account £	Total equity £
At 1 April 2018	4,480,808	10,434,990	3,136,922	(640,943)	17,411,777
Comprehensive income for the year					
Loss for the year	-	-	-	(94,138)	(94,138)
Total comprehensive income for the year	-	-	-	(94,138)	(94,138)
Contributions by and distributions to owners					
Shares issued during the year	149,596	1,098,960	-	-	1,248,556
Total transactions with owners	149,596	1,098,960	-	-	1,248,556
At 31 March 2019	4,630,404	11,533,950	3,136,922	(735,081)	18,566,195

The notes on pages 14 to 31 form part of these financial statements.

Byhiras Group Limited

Consolidated Statement of Cash Flows For the Year Ended 31 March 2020

	2020 £	2019 £
Cash flows from operating activities		
Loss for the financial year	(3,556,917)	(2,570,512)
Adjustments for:		
Amortisation of intangible assets	7,969	6,768
Depreciation of tangible assets	76,756	62,481
Research and development tax charge/(credit)	1,020,933	(1,839,437)
Interest received	(1,464)	-
Taxation charge	12,527	3,477
(Increase)/decrease in debtors	(615,208)	118,361
Decrease in amounts owed by groups	189,700	15,507
(Decrease)/increase in creditors	(57,407)	2,436,018
Share based compensation	52,744	73,031
Net cash used in operating activities	(2,870,367)	(1,694,306)
Cash flows from investing activities		
Purchase of intangible fixed assets	(4,740)	(3,639)
Purchase of tangible fixed assets	(167,581)	(83,914)
Interest received	1,464	-
Net cash used in investing activities	(170,857)	(87,553)
Cash flows from financing activities		
Issue of ordinary shares	3,289,667	1,248,556
Net cash generated from financing activities	3,289,667	1,248,556
Net increase/(decrease) in cash and cash equivalents	248,443	(533,303)
Cash and cash equivalents at beginning of year	607,507	1,140,810
Cash and cash equivalents at the end of year	855,950	607,507
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	855,950	607,507
	855,950	607,507

The group has no borrowings and therefore no net debt reconciliation has been presented.

The notes on pages 14 to 31 form part of these financial statements.

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

1. Accounting policies

1.1 General Information

Byhiras Group Limited is a private limited company which is limited by shares. It is registered in the United Kingdom. The address of its registered office and principal place of business is 23 Austin Friars, London, EC2N 2QP.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 2).

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

The following principal accounting policies have been applied:

1.3 Basis of consolidation

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

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss after tax of the parent Company for the year was £97,258 (2019: £94,138).

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

1. Accounting policies (continued)

1.4 Going concern

The Group is currently in a start-up phase with revenues of just £179,000 (2019: £14,000) and as a result is making an operational loss. The Group's forecast, taking into account expectations around future fundraising, show that the Group will be able to meet its liabilities as they fall due, however, there is a risk that future fundraising may not be successful. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The directors are confident that the Group will be successful in raising future finance and if that is not the case, a cost reduction plan will be implemented to ensure the Group continues to be a going concern and continues in operational existence for the foreseeable future. The directors have initiated plans for fundraising which are at an advanced stage.

On 30 January 2020, the World Health Organization declared the outbreak of COVID-19 to be a health emergency of international concern. This coronavirus outbreak has severely restricted the level of economic activity around the world. In response to this coronavirus outbreak, the governments of many countries, states, cities and other geographic regions have taken preventative or protective actions, such as imposing restrictions on travel and business operations and advising or requiring individuals to limit or forego their time outside of their homes.

Following the advice issued by the UK Government in March 2020 regarding employees working from home and other social distancing measures, we have enacted procedures to facilitate this and have a detailed plan that enables effective operation to continue whilst employees are not physically present in the Company's offices.

The directors consider that the impact of coronavirus would not affect the ability of the Group to generate value in the long-term, or impact its business plan such as to have a material impact on any of the balances in these financial statements. The directors have undertaken an assessment of the impact of COVID-19 on the ability of the Company and the Group to continue as a going concern for the next 12 months from the date of approval of these financial statements.

Thus the directors continue to adopt the going concern basis of accounting in preparation of the financial statements.

1.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable for the provision of governance services during the year, excluding discounts, rebates, value added tax and other sales taxes.

1.6 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years

The estimated useful lives range as follows:

Software	-	3 years
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Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

1. Accounting policies (continued)

1.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

Depreciation is provided on the following basis:

Other fixed assets	- 3 years straight line
Computer equipment	- 3 years straight line

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Consolidated Statement of Comprehensive Income.

1.8 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

1.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

1.10 Debtors

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

1.11 Cash and cash equivalents

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

1.12 Creditors

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

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

1. Accounting policies (continued)

1.13 Foreign currency translation

Functional and presentation currency

The Company and Group's functional and presentational currency is Pound Sterling ("GBP").

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income within 'other operating income'.

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

1. Accounting policies (continued)

1.14 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Consolidated Statement of Comprehensive Income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Statement of Financial Position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to Consolidated Statement of Comprehensive Income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Consolidated Statement of Comprehensive Income is charged with fair value of goods and services received.

Upon exercise of share options, the proceeds received net of attributable transaction cost are credited to share capital, and where appropriate share premium.

Share options:

(a) Employee share option schemes: On 8 May 2014, the Group established a share option scheme. The Group operates an employee share option scheme to provide long-term incentives to employees and executives of the Group. Under the scheme, options are granted to eligible employees conferring the right to acquire ordinary shares in the Group at a price approximating to their fair market value at the date of grant. There is a three-year or five-year vesting period. No options were exercised in the year.

(b) Other options: Approved and unapproved options over shares are also available to employees, directors, shareholders and suppliers in consideration for services rendered. No share options were exercised in the year.

1.15 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

1. Accounting policies (continued)

1.16 Interest income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

1.17 Current and deferred taxation

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

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

2. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the year end date and the amounts reported for revenues and expenses during the year.

Critical judgments in applying the entity's accounting policies

The Company and Group have made the judgement not to capitalise the development costs incurred due to going concern uncertainty.

The convertible loan notes have no set repayment date and are therefore valued at their redeemable amount, being the earliest point at which the loan could be converted to equity or redeemed, without discounting.

Critical accounting estimates and assumptions

The Company and Group considers the non-recognition of the deferred tax asset relating to losses as a key estimation.

The Group considers the recognition of their Research & Development tax reclaims and impairment of the investment in the subsidiary as a key estimations.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

3. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Service fees	179,000	14,000
	<u>179,000</u>	<u>14,000</u>

All turnover arose within the United Kingdom.

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

4. Operating loss

The operating loss is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	76,756	62,481
Amortisation of intangible assets	7,969	6,768
Fees payable to the Company's auditor for the audit of the Company's accounts	8,550	7,200
Fees payable to the Group's auditors for other services:		
Audit of the accounts of subsidiaries	22,650	20,500
Audit-related assurance services	3,800	3,500
Foreign exchange losses/(gains)	2,084	(149)
Operating lease rentals: land and buildings	273,034	300,554

5. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2020 £	Group 2019 £
Wages and salaries	2,361,751	2,593,825
Social security costs	297,787	303,724
Pension costs	53,648	40,007
Share based compensation	52,744	73,031
	<u>2,765,930</u>	<u>3,010,587</u>

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

	2020 No.	2019 No.
Management and administration	2	2
Technology and operations	23	30
	<u>25</u>	<u>32</u>

All employees contracts are held in the subsidiary's name. There are no employee costs to disclose for the parent company.

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

6. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	280,000	245,000

The highest paid director received remuneration of £140,000 (2019: £122,500).

The value of the company's contributions paid to a defined benefit pension scheme in respect of the highest paid director amounted to £1,400 (2019: £1,167).

During the year one director participated in the defined contributions pension scheme (2019: one).

7. Interest receivable

	2020 £	2019 £
Other interest receivable	1,464	-

8. Taxation

	2020 £	2019 £
R&D tax credit	(818,504)	(1,839,437)
Total current tax	(818,504)	(1,839,437)
Deferred tax		
Origination and reversal of timing differences	7,993	3,477
Effect of changes in tax rates	4,810	-
Adjustment in respect of previous periods	(76,152)	-
Total deferred tax	(63,349)	3,477
Taxation on loss on ordinary activities	(881,853)	(1,835,960)

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Loss on ordinary activities before tax	(4,438,770)	(4,406,472)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(843,366)	(837,230)
Effects of:		
Expenses not deductible for tax purposes	466,796	819
Unused losses	384,563	836,411
Origination and reversal of timing differences	4,810	3,477
R&D tax credit in respect of prior year	-	(900,269)
Adjustments from previous periods	(76,152)	-
R&D tax credit	(818,504)	(939,168)
Total tax charge/(credit) for the year	(881,853)	(1,835,960)

Byhiras Group Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

9. Intangible assets**Group and Company**

	Software £
Cost	
At 1 April 2019	23,639
Additions	4,740
At 31 March 2020	<u>28,379</u>
Amortisation	
At 1 April 2019	11,212
Charge for the year	7,969
At 31 March 2020	<u>19,181</u>
Net book value	
At 31 March 2020	<u>9,198</u>
At 31 March 2019	<u>12,427</u>

10. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss after tax of the parent Company for the year was £97,258 (2019 - loss £94,138).

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

11. Tangible fixed assets

Group

	Computer equipment £	Other fixed assets £	Total £
Cost or valuation			
At 1 April 2019	317,014	441	317,455
Additions	166,228	1,353	167,581
At 31 March 2020	<u>483,242</u>	<u>1,794</u>	<u>485,036</u>
Depreciation			
At 1 April 2019	211,207	441	211,648
Charge for the year	76,348	408	76,756
At 31 March 2020	<u>287,555</u>	<u>849</u>	<u>288,404</u>
Net book value			
At 31 March 2020	<u>195,687</u>	<u>945</u>	<u>196,632</u>
At 31 March 2019	<u>105,807</u>	<u>-</u>	<u>105,807</u>

12. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2019	21,044,875
Additions	3,140,000
At 31 March 2020	<u>24,184,875</u>

Byhiras Group Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

12. Fixed asset investments (continued)**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Byhiras (Europe) Limited	Provision of governance services	Ordinary	100%
Byhiras BC Limited	Provision of information technology services	Ordinary	100%

The aggregate of share capital and reserves for the year ended 31 March 2020 for the subsidiary undertakings were as follows;

	Aggregate of share capital and reserves £	Loss £
Byhiras (Europe) Limited	2,032,391	(3,421,080)
Byhiras BC limited	(80,811)	(38,578)
	<u>1,951,580</u>	<u>(3,459,658)</u>

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

13. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Due after more than one year				
Other debtors	480,280	-	-	-
	<u>480,280</u>	<u>-</u>	<u>-</u>	<u>-</u>

Other debtors include a deposit of £480,280 (2019: £Nil) falling due more than one year but less than five years.

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Due within one year				
Trade debtors	70,800	13,200	-	-
Amounts owed by Group undertakings	30,625	20,325	83,724	60,566
VAT recoverable	66,976	86,767	1,038	2,125
Other debtors	864,568	1,894,177	-	-
Prepayments and accrued income	128,121	98,202	8,193	8,484
Deferred taxation	75,876	-	-	-
	<u>1,236,966</u>	<u>2,112,671</u>	<u>92,955</u>	<u>71,175</u>

Included in other debtors is a rent deposit of £43,990 (2019: £51,302) falling due within one year.

14. Cash and cash equivalents

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Cash at bank and in hand	855,950	607,507	203,273	121,921
	<u>855,950</u>	<u>607,507</u>	<u>203,273</u>	<u>121,921</u>

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

15. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade creditors	88,486	219,005	3,025	3,025
Amounts owed to group undertakings	-	-	4,223	-
Other taxation and social security	105,279	103,344	-	-
Other creditors	-	7,210	-	-
Accruals and deferred income	124,961	96,574	15,250	18,750
	<u>318,726</u>	<u>426,133</u>	<u>22,498</u>	<u>21,775</u>

16. Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Other creditors	2,700,001	2,650,001	2,700,001	2,650,001
Amounts owed to group undertakings	200,000	-	-	-
	<u>2,900,001</u>	<u>2,650,001</u>	<u>2,700,001</u>	<u>2,650,001</u>

Other creditors comprises of convertible loan notes holding a 0% interest coupon rate with no set repayment date.

17. Deferred taxation

Group

	2020 £	2019 £
At beginning of year	(22,464)	(18,987)
Charged to profit or loss	63,349	(3,477)
At end of year	<u>40,885</u>	<u>(22,464)</u>

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

17. Deferred taxation (continued)

The deferred tax balance is made up as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Accelerated capital allowances	40,885	(22,464)	-	-
	<u>40,885</u>	<u>(22,464)</u>	<u>-</u>	<u>-</u>
Comprising:				
Asset - due within one year	75,876	-	-	-
Liability	(34,991)	(22,464)	-	-
	<u>40,885</u>	<u>(22,464)</u>	<u>-</u>	<u>-</u>

The amount of trading losses for which a deferred tax asset has not been recognised was £2,708,323.

18. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
50,897,360 (2019:46,264,030) ordinary shares of £0.10 each	5,089,736	4,626,403
40,008 (2019 - 40,008) A ordinary shares of £0.10 each	4,001	4,001
	<u>5,093,737</u>	<u>4,630,404</u>

Share capital represents the nominal value of shares that have been issued.

During the year, a further 4,633,334 (2019: 1,495,961) ordinary shares of £0.10 were issued. These shares were issued at a premium of £0.61 per share. Consideration was received in full. These shares rank pari passu with the existing share capital.

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

19. Reserves

Share premium account

Share premium reserve records the amount above the nominal value received for shares issued by the Company. Share premium may only be utilised to write-off any expenses incurred or commissions paid on the issue of those shares, or to pay up new shares to be allotted to members as fully paid bonus shares.

Other reserves

Other reserve comprises share based compensation, and share option premium. During the current and the prior year £Nil was received for the right to acquire shares at £0.10 each.

Profit and loss account

The Profit and Loss Account comprises all current and prior period retained profits and losses after deducting any distributions made to the company's shareholders.

20. Share-based payments

	Number 2020	WAFV 2020	Number 2019	WAFV 2019
Outstanding at the beginning of the year	3,492,180	175,055	3,492,180	175,055
Granted during the year	-	-	-	-
Lapsed during the year	(270,659)	(38,075)	-	-
	<u>3,221,521</u>	<u>136,980</u>	<u>3,492,180</u>	<u>175,055</u>

For the year ended 31 March 2020, the Group recognised £52,744 (2019: £73,031) in share based compensation.

No share options were exercised in the year.

21. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £53,648 (2019: £40,007). Contributions totalling £Nil (2019: £7,210) were payable to the fund at the reporting date.

22. Commitments under operating leases

At 31 March 2020 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £
Not later than 1 year	<u>65,985</u>	<u>65,736</u>

Byhiras Group Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

23. Related party transactions

No disclosure has been made of the transactions with the Company's subsidiary undertakings in accordance with paragraph 33.5 of FRS 102, whereby disclosure is not required in Group financial statements of any Group entities which have been eliminated on consolidation.

S.A.M. Lusty, a Director of the Company, is also a Director of the subsidiary undertaking and a Designated Member of Cagera LLP. During the year Byhiras (Europe) Limited paid expenses on behalf of Cagera LLP totalling £3,780 (2019: £3,780). As at 31 March 2020, the balance owed to Byhiras (Europe) Limited by Cagera LLP was £12,660 (2019: £8,800).

S.A.M. Lusty and A.W. Morgan, Directors of the Company, are also Directors of the subsidiary undertaking and Directors of Cagera Investors Limited. During the year Byhiras (Europe) Limited paid expenses on behalf Cagera Investors Limited totalling £6,520 (2019: £2,520). As at 31 March 2020, the balance owed to Byhiras (Europe) Limited by Cagera Investors Limited was £17,965 (2019: £11,445).

24. Post balance sheet events

In early 2020, the existence of a new coronavirus, now known as COVID-19, was confirmed and since this time COVID-19 has spread across a significant number of countries and has been classified as a pandemic by the World Health Organisation. The outbreak of COVID-19 has resulted in travel and border restrictions. It has caused disruption to businesses and economic activity which has been reflected in recent fluctuations in global stock markets. The Company has continued to operate successfully, however, given the inherent uncertainties, it is not practicable at this time to determine the impact of COVID 19 on the Company or to provide a quantitative estimate of this impact. The directors consider that the impact of coronavirus would not affect the ability of the Company to generate value in the long-term, or impact its business plan such as to have a material impact on any of the balances in these financial statements.

During the months after the year end and up to the date that these financial statements were signed, Byhiras Group Limited issued a total of 140,845 ordinary shares of £0.10 each at a premium of £0.61 per share. These shares rank pari passu with existing share capital.

During the months after the year end and up to the date that these financial statements were signed, Byhiras Group Limited issued loan notes totalling £2,310,000 with a 8% interest coupon rate and maturity date after 36 months from the issue.

25. Controlling party

In the members' opinion, the Group and Company's ultimate controlling party is S.A.M. Lusty.