Registered number: 08827353

ONE REBEL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

COMPANY INFORMATION

Directors	J M Balfour D S Currie G S Dean N A Grimsdick M W Balfour (resigned 4 October 2022) J P Jack , (resigned 7 September 2022) J I Doble (appointed 23 March 2023) B A Palos (appointed 10 October 2023) E E Podbury (appointed 10 October 2023) K J Osborne (appointed 21 November 2023)
Registered number	08827353
Registered office	63 St Mary Axe London EC3A 8LE
Independent auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

Introduction

The principal activity of the Company and Group is the provision of boutique gym classes to the public.

The Group's business model is focused on offering a premium class fitness experience, led by expert

instructors and delivered at world class design-led facilities.

The Group is pursuing a roll out strategy to achieve cost efficiency at scale, in turn delivering strong financial returns for investors.

Business review and key perfomance indicators

The Group's key financial performance indicators during the year were as follows:

	2022	2021
Turnover (£)	15,035,178	5,732,983
Attendence	1,015,389	401,445
EBITDA (£)	(1,205,095)	(838,710)
Adjusted EBITDA for Disposals (£)	(483,867)	-
Number of locations	14	10

The Group's loss for the financial period 2022 was £5,005,145 (2021: £3,594,176).

UK attendance in 2022 was 1.015 million, an 180% increase on the prior year. This increase was driven in the main due to the fact the estate was able to trade throughout the year was not subject to Government lockdown. In addition, there was an increase in the number of UK trading sites to twelve with the acquisition of the St Johns Wood and High Street Kensington sites from Core Collective Health Ltd, and also the Covent Garden site from SweatIT Ltd. Performance from existing clubs was mixed, with some clubs recovering to well beyond pre-pandemic levels and some still falling short. The work from home trend persisted through the year and London footfall remained significantly below pre-pandemic levels, as evidenced by the total number of TFL journeys being 20% lower in 2022 than in 2019. However it was encouraging that the level of footfall and trading improved significantly in Q4 22.

In October 2022 two new clubs were opened, one in Melbourne, Australia and one in Dubai, U.A.E. Trading was in line with expectations and revenue is growing however the early trading losses whilst the clubs are immature have negatively impacted EBITDA in the period.

As a consequence of the factors above the EBITDA for the year was negative £1,205,095, a decrease of £366,385 on the prior year. However, this EBITDA is heavily impacted on the loss on disposal of Fixed Assets which does not reflect trading performance. As such when this loss on disposal is adjusted, EBITDA becomes negative £483,867. This is an improvement of £354,843 in the prior year and management believes give a better reflection of performance.

Future developments

Despite the financial challenges during the financial year and post year end, we are pleased to report that the business has continued its recovery throughout 2023, and in November 2023 it has reached record levels of attendance and revenue. We believe record levels will continue to be reached and the business will continue to execute on its roll out strategy in its target markets.

Principal risks and uncertainties

The ultimate responsibility for risk management of the Group rests with the Board, who delegate responsibility for identifying, monitoring and managing risk to the operational management team of the Group.

The Directors have identified the following to be the key risks associated with the business and the related mitigating steps to manage or reduce their impact:

Category	Risk Description	Mitigation
Economic Conditions	• Changes in economic conditions, such as interest rates and inflation, can result in affect consumer confidence and disposable income. In addition it can increase cost pressure on the business which in turn can affect profitability	• Maintain and enhance our strong brand and differentiated service offering to provide pricing power Monitor the fitness market to ensure customers are offered value for money • All asset financing and other debt issued/agreed by the business is fixed rate • Maintain rigorous procurement policies and maintain strong relationships with suppliers to deliver cost efficiency
Competition	• Potential for increased competition where competitor sites are opened in proximity to our existing clubs, which in turn could result in pricing pressure.	• Continued investment and innovation to ensure we offer a market leading customer experience • Careful selection of new sites for our Clubs
Customer Experience	•The business' success relies upon attracting new customers and retaining existing ones at profitable levels.	•Continued investment and innovation to ensure we offer a market-leading experience •Consistent monitoring of internal standards and trends in the market •Commitment to obtaining and

Organic Rollout	• If it is not possible to identify and secure news sites that meet our selection criteria. then our ability to execute our roll out strategy will be limited. Delays in securing new sites. or agreeing to new sites on compromised terms. would have a negative impact on growth and financial returns.	• Several Board Members with extensive experience of successful site roll outs • Feasibility and financial models prepared for all potential sites • All new sites need to be approved by the Board
Staff Retention	• The business is reliant on being able to recruit and retain high calibre staff at all levels of the organisation to deliver a premium customer experience and drive profitable growth.	• Competitive remuneration packages offered • Rigorous interview and probation period • High proportion of staff are offered share options in the company
Operational Gearing	• The Group has a relatively high operational gearing due to its fixed cost base. • This means there are limited options to reduce the cost base should revenues be lower than expected.	• Monthly financial monitoring and forecasting down to club level • Avoid taking on new sites with terms that don't meet target financial criteria

This report was approved by the board on 9 January 2024 and signed on its behalf.

N A Grimsdick
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

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

Directors' responsibilities statement

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

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

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

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

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

Principal activity

The principal activity of the Company and Group is the provision of boutique gym services to the public.

Results and dividends

The loss for the year, after taxation, amounted to £5,005,145 (2021 - loss £3,594,176).

Directors

The directors who served during the year and to the date of this report were:

J M Balfour
D S Currie
G S Dean
N A Grimsdick
M W Balfour (resigned 4 October 2022)
J P Jack (resigned 7 September 2022)
J I Doble (appointed 23 March 2023)
B A Palos (appointed 10 October 2023)
E E Podbury (appointed 10 October 2023)
K J Osborne (appointed 21 November 2023)

Financial risk management

Ultimate responsibility for financial risk management rests with the Board of Directors. The Group's policy towards risk management is to take an active approach to identify and manage financial risks and ensure that adequate risk management systems are in place within the group such that risks are adequately identified and appropriately managed. Financial asset and liability transactions are structured to enable the achievement of planned outcomes, reduce volatility and increase certainty.

The Group has exposure to the following financial risks:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Key market risks affecting the Group include foreign currency exchange rate risk and interest rate risk. Financial instruments affected by market risk include borrowings, deposits and derivative financial instruments.

Foreign exchange risk arises on transaction and translation exposures.

The two main types of transactions generating exposure are financing transactions and operating transactions.

Financing exposures come from foreign currency financing activities such as asset purchases, asset sales, capital returns and intercompany loan repayments.

The translation exposure arises from the consolidation of the financial statements of the Company's foreign subsidiary whose presentation currency is different to that of the Group. The risk is that changes in the exchange rate will result in changes in the value of a subsidiary's assets, liabilities, income and expenses.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Significant interest rate risk does not arise from the Group's borrowings as they are at fixed interest rates. The majority of residual interest rate risk comes from deposits.

Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables, and derivative financial instruments. The Group's other receivables largely comprise security deposit payments, on which the credit risk is not concentrated as it is spread over several counterparties. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows, matching the maturity profiles of financial assets and operational liabilities and by maintaining adequate cash reserves.

Future developments

A summary of future developments has been included in the Strategic report.

Going concern

The directors have considered base case, down-side and reverse stress tests forecasts, which included the evaluation of significant downside scenarios such a material drop in demand.

2023 has seen a return to pre-pandemic activity levels at the longer established sites and strong growth at the newer clubs.

At the balance sheet date the Group had convertible loan notes ("CLNs") and other debt arrangements totalling £6.2m which fell due for repayment in 2023. During 2023, the holders of the CLNs agreed a partial conversion into shares in the capital of the Company and repayment of any outstanding balance due. An equity fund-raise was completed in 2023, totalling £11m (inclusive of the CLN conversion), allowing the repayment of the remaining CLN balances and associated interest, other debts and trading liabilities that fell due.

Having reassessed the principal risks and uncertainties, the Directors considered it appropriate to adopt the going concern basis in preparing the Group and Company financial statements.

For more information with regard to going concern and the basis of preparation of the financial statements see note 2.3: Going concern.

Engagement with employees

One Rebel Limited is committed to eliminating discrimination and encouraging diversity amongst our workforce. Our aim is that each employee feels respected and is valued based upon their skills, performance and commitment.

One Rebel Limited is committed to providing equal opportunities including the recruitment, training and promotion of workers, and to eliminating discrimination in the workplace whether on grounds of age, gender, marital status or sexual orientation, race, national or ethnic origin, religious orientation or beliefs or disability. All job applicants and workers are treated equally and the Group is willing to make reasonable adjustments where appropriate for disabled applicants and workers.

Each employee has an obligation to promote an equal opportunity environment within the Group and a duty to observe and apply this policy at all times. Violation of this policy is a serious offence and could result in disciplinary action and/or summary dismissal.

The Group operates a Diversity and Inclusion Committee which provides employees a platform to make suggestions and provide feedback to the senior management around these issues.

As the Group emerged from an uncertain period caused by Covid disruptions, maintaining strong engagement with our employees has never been more critical, especially in a tightening labour market. Team welfare was a high priority and processes were put in place to provide employees the opportunity to raise concerns and provide feedback to management about their needs.

Our team's personal wellbeing and mental health has been at the forefront of our plans and the company has provided support to employees wherever possible.

Disclosure of information to auditors

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

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

Post balance sheet events

Please see note 33 for post balance sheet events within the financial statements.

Auditors

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

This report was approved by the board on 9 January 2024 and signed on its behalf.

N A Grimsdick
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ONE REBEL LIMITED

Opinion

We have audited the financial statements of One Rebel Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, 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 December 2022 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ONE REBEL LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the 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 set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 Group 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:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the business and trade regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, sales tax, payroll tax and income tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements

(including the risk of override of controls), and determined that the principal risks were related to posting

inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures

performed by the engagement team included:

• inspecting correspondence with regulators and tax authorities

• inquires with management including consideration of known or suspected instances of non-compliance with

laws and regulations such as minimum wage legislation, health and safety legislation and fraud;

• evaluating management's controls designed to prevent and detect irregularities;

• identifying and testing journals, in particular journal entries posted with unusual account combinations, postings

with high value transactions or rounded entries; and

• challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Emma Bernardez (Senior Statutory Auditor)
for and on behalf of
Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

Date: 9 January 2024

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

	Note	2022 £	2021 £
Turnover	4	15,035,178	5,732,983
Cost of sales		(3,484,781)	(1,279,264)
Gross profit		11,550,397	4,453,719
Administrative expenses		(14,916,244)	(8,455,993)
Other operating income	5	46,732	1,001,843
Operating loss	6	(3,319,115)	(3,000,431)
Interest receivable and similar income	10	914	468
Interest payable and similar expenses	11	(965,716)	(571,185)
Loss on disposal of Fixed Assets		(721,228)	(23,028)
Loss before taxation		(5,005,145)	(3,594,176)
Tax on loss	12	-	-
Loss for the financial year		(5,005,145)	(3,594,176)
Currency translation differences		(21,642)	33,562
Other comprehensive income for the year		(21,642)	33,562
Total comprehensive income for the year		(5,026,787)	(3,560,614)
Owners of the parent Company		(5,026,787)	(3,560,614)

The notes on pages 22 to 53 form part of these financial statements.

ONE REBEL LIMITED
REGISTERED NUMBER: 08827353

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note		2022 £		2021 £
Fixed assets					
Intangible assets	14		202,665		204,966
Tangible assets	15		18,150,593		15,252,028
			18,353,258		15,456,994
Current assets					
Stocks	17	406,891		76,666	
Debtors: amounts falling due after more than one year	18	1,316,298		1,036,113	
Debtors: amounts falling due within one year	18	1,755,729		970,435	
Cash at bank and in hand	19	546,619		1,756,718	
		4,025,537		3,839,932	
Creditors: amounts falling due within one year	20	(20,058,708)		(8,471,562)	
Net current liabilities			(16,033,171)		(4,631,630)
Total assets less current liabilities			2,320,087		10,825,364
Creditors: amounts falling due after more than one year	21		(6,161,012)		(10,139,502)
Provisions for liabilities					
Other provisions		(500,000)		-	
			(500,000)		-
Net (liabilities)/assets			(4,340,925)		685,862
Capital and reserves					
Called up share capital	25		98,878		98,878
Share premium account	26		11,341,253		11,341,253
Foreign exchange reserve	26		(23,522)		(1,880)
Profit and loss account	26		(15,757,534)		(10,752,389)
Equity attributable to owners of the parent Company			(4,340,925)		685,862

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 January 2024.

N A Grimsdick
Director

The notes on pages 22 to 53 form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2022**

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note		2022 £		2021 £
Fixed assets					
Intangible assets	14		181,148		183,067
Tangible assets	15		12,940,322		13,033,467
Investments	16		1,533,255		1,532,455
			14,654,725		14,748,989
Current assets					
Stocks	17	329,652		58,825	
Debtors: amounts falling due after more than one year	18	922,611		870,390	
Debtors: amounts falling due within one year	18	5,839,367		1,633,549	
Cash at bank and in hand	19	374,777		1,160,276	
		7,466,407		3,723,040	
Creditors: amounts falling due within one year	20	(19,033,606)		(8,127,653)	
Net current liabilities			(11,567,199)		(4,404,613)
Total assets less current liabilities			3,087,526		10,344,376
Creditors: amounts falling due after more than one year	21		(4,343,471)		(8,847,465)
Provisions for liabilities					
Provisions		(500,000)		-	
			(500,000)		-
Net (liabilities)/assets			(1,755,945)		1,496,911
Capital and reserves					
Called up share capital	25		98,878		98,878
Share premium account	26		11,341,253		11,341,253
Profit and loss account	26		(13,196,076)		(9,943,220)
			(1,755,945)		1,496,911

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 January 2024.

N A Grimsdick
Director

The notes on pages 22 to 53 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2022

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

	Called up share capital	Share premium account	Foreign exchange reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2022	98,878	11,341,253	(1,880)	(10,752,389)	685,862
Comprehensive income for the year					
Loss for the year	-	-	-	(5,005,145)	(5,005,145)
Foreign exchange movement	-	-	(21,642)	-	(21,642)
Other comprehensive income for the year	-	-	(21,642)	-	(21,642)
Total comprehensive income for the year	-	-	(21,642)	(5,005,145)	(5,026,787)
At 31 December 2022	98,878	11,341,253	(23,522)	(15,757,534)	(4,340,925)

The notes on pages 22 to 53 form part of these financial statements.

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

	Called up share capital	Share premium account	Foreign exchange reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2021	98,878	11,341,253	31,683	(7,158,213)	4,313,601
Comprehensive income for the year					
Loss for the year	-	-	-	(3,594,176)	(3,594,176)
Foreign exchange movement	-	-	(33,563)	-	(33,563)
Other comprehensive income for the year	-	-	(33,563)	-	(33,563)
Total comprehensive income for the year	-	-	(33,563)	(3,594,176)	(3,627,739)
At 31 December 2021	98,878	11,341,253	(1,880)	(10,752,389)	685,862

The notes on pages 22 to 53 form part of these financial statements.

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

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2022	98,878	11,341,253	(9,943,220)	1,496,911
Comprehensive income for the year				
Loss for the year	-	-	(3,252,856)	(3,252,856)
Total comprehensive income for the year	-	-	(3,252,856)	(3,252,856)
At 31 December 2022	98,878	11,341,253	(13,196,076)	(1,755,945)

The notes on pages 22 to 53 form part of these financial statements.

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

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	98,878	11,341,253	(6,962,983)	4,477,148
Comprehensive income for the year				
Loss for the year	-	-	(2,980,237)	(2,980,237)
Total comprehensive income for the year	-	-	(2,980,237)	(2,980,237)
At 31 December 2021	98,878	11,341,253	(9,943,220)	1,496,911

The notes on pages 22 to 53 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash flows from operating activities		
Loss for the financial year	(5,005,145)	(3,594,176)
Adjustments for:		
Amortisation of intangible assets	77,223	64,516
Depreciation of tangible assets	2,507,747	2,121,529
Loss on disposal of tangible assets	721,228	23,028
Interest paid	965,716	571,185
Interest received	(914)	(468)
(Increase)/decrease in stocks	(330,225)	56,015
(Increase)/decrease in debtors	(1,065,476)	624,187
Increase in creditors	4,141,436	2,707,929
Increase in provisions	500,000	-
Net cash generated from operating activities	2,511,590	2,573,745
Cash flows from investing activities		
Purchase of intangible fixed assets	(74,922)	(91,775)
Purchase of tangible fixed assets	(6,058,049)	(3,287,436)
Sale of tangible fixed assets	15,623	-
Interest received	914	468
Net cash from investing activities	(6,116,434)	(3,378,743)
Cash flows from financing activities		
Other new loans	-	350,000
Repayment of/new finance leases	(408,428)	(378,525)
Interest Paid	(50,994)	-
Proceeds from issuing convertible loan notes	1,400,000	498,010
Debt issue costs incurred	-	(26,087)
New finance leases	2,249,980	643,568
Finance lease interest paid	(788,237)	(231,351)
Net cash used in financing activities	2,402,321	855,615
Net (decrease)/increase in cash and cash equivalents	(1,202,523)	50,617
Cash and cash equivalents at beginning of year	1,746,562	1,729,508
Foreign exchange gains and losses	(21,642)	(33,563)
Cash and cash equivalents at the end of year	522,397	1,746,562

Cash and cash equivalents at the end of year comprise:

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash at bank and in hand	546,619	1,756,718
Bank overdrafts	(24,222)	(10,156)
	522,397	1,746,562

The notes on pages 22 to 53 form part of these financial statements.

1. General information

One Rebel Limited (the "Company") is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is stated on the Company information page and the nature of the Group's and Company's operations and principal activity are set out in the Strategic report and Director's report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

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

The following principal accounting policies have been applied:

2.2 Basis of consolidation

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

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the 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.

2. Accounting policies (continued)

2.3 Going concern

The directors have carefully evaluated the Going Concern basis for these financial statements, including the potential longer term impacts of the COVID-19 pandemic, the prevalence of working from home, and cost inflation pressures.

Despite this challenging environment, trading since the balance sheet date has shown a positive trend with monthly attendance and revenue increasing through 2023. Sites that were trading before 2020 have now exceeded pre-pandemic activity levels and the business's newer locations continue to grow as planned.

The directors have considered base case, down-side and reverse stress tests forecasts, which included the evaluation of significant downside scenarios such as a material drop in demand.

The directors recognise that the term on £5.4m convertible loan notes ended on 28 May 2023. It was agreed with the holders to partially convert these loan notes into shares in the capital of the company and for the remaining balance and associated interest to be repaid. It was agreed with the noteholders to delay this event until October 2023.

The convertible loan notes were subordinate to a term loan and asset finance agreements with a combined £1,003,352 outstanding at the balance sheet date. Under the terms of these agreements, repayment of the convertible loan notes triggers an option for these facilities to be immediately repaid.

Equity investment totalling £11m (inclusive of the partial conversion of loan notes) was secured on during September and October 2023, allowing the full repayment of the remaining convertible loan notes, term loan and asset finance agreement, as well as outstanding trading liabilities.

Based on reasonably expected scenarios and available market information the directors have confidence in the Group and Company's ability to continue as a going concern and as such continue to adopt the going concern basis in the preparing the accounts for the year ended 31 December 2022.

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is 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 profit or loss 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 profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2. Accounting policies (continued)

2.5 Revenue

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

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

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

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

Revenue from franchising and licensing arrangements are recognised on the basis that reflect the purpose for which the fees are charged. Where fees cannot be directly attributed to a particular service or supply as part of the franchise or licence arrangement (eg: initial non-refundable fees) the fees are recognised by reference to stage of complete per the contractual arrangements.

2.6 Operating leases: the Group as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2. Accounting policies (continued)

2.7 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

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

2.8 Government grants

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

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2.9 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.10 Finance costs

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

2.11 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.12 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.

2. Accounting policies (continued)

2.13 Tangible fixed assets

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

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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:

Leasehold improvements	- Over lease term
Assets under construction	- Not depreciated
Fixtures, fittings and equipment	- 3-5 years straight line
Other fixed assets	-

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.14 Impairment of fixed assets

At each reporting period end date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent ofo the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an idvidiual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use the estimated future cash flows are discounted to their present value using a pre-tax discount rate the reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cashflows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

2. Accounting policies (continued)

2.15 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 Statement of Financial Position. 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.

2.16 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.17 Debtors

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

2.18 Cash and cash equivalents

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

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

2.19 Creditors

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

2.20 Financial instruments

The Group has elected to apply the provisions of Section 11 “Basic Financial Instruments” of FRS 102 to all of its financial instruments.

The Group has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Group's Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument.

2. Accounting policies (continued)

2.20 Financial instruments (continued)

Financial assets and liabilities are offset, with 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 trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

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

Basic financial liabilities, which include trade and other payables, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate

2. Accounting policies (continued)

2.20 Financial instruments (continued)

method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Group will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

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

2.21 Convertible debt

The proceeds received on issue of the Group's convertible debt are allocated into their liability and equity components and presented separately in the Statement of Financial Position.

The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that did not include an option to convert.

The difference between the net proceeds of the convertible debt and the amount allocated to the debt component is credited direct to equity and is not subsequently remeasured. On conversion, the debt and equity elements are credited to share capital and share premium as appropriate.

Transaction costs that relate to the issue of the instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

2. Accounting policies (continued)

2.22 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.

2.23 Retirement benefits

Employees are enrolled in a defined contribution scheme. Employer contributions to the scheme are charged as an expense as they are incurred.

2.24 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.25 Pensions

Defined contribution pension plan

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

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

2. Accounting policies (continued)

2.26 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting 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 profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

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

In preparing these finacial statements, the directors have had to make the following judgements:

- Determine whether there are indicators of impairment of the Group's intangible and tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determine whether leases entered into by the Group either as a lessor or a lessee are operating or finance leases. These decisions depend of an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine the equity element of the convertible loan notes. The equity component is calculated as the difference between the net present value ("NPV") of future interest payments are the nominal value of the loan. Judgements are applied when calculating the discount rate applied including the size of the business and the industry it operates in.
- Determine the share option fair value at grant date.

Other key sources of estimation uncertainty:

- Intangible and tangible fixed assets (see notes 14 and 15)

Intangible and tangible fixed assets, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual valie assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- Deferred tax (see note 12)

There are two principal drivers of the temporary differences that are available for offset against future profits of the Group and which give rise to deferred tax assets. These are capital allowances and tax losses carried forward.

Management has made various assumptions in assessing the extent to which deferred tax assets will be recovered. Uncertainties including those pertaining to the current economic climate and relevant market conditions, are taken into consideration when calculating the level of probable deferred tax utilisation. Changes to profitability forecasts and the level of losses and other assets forecast to be utilised impacts the level of unrecognised deferred tax assets.

4. Turnover

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

	2022 £	2021 £
Sale of goods	994,909	249,173
Sale of services	13,619,788	5,146,271
Franchise and licencing fees	420,482	337,539
	15,035,179	5,732,983

	2022 £	2021 £
United Kingdom	14,203,773	5,342,250
Rest of the world	831,405	390,733
	15,035,178	5,732,983

5. Other operating income

	2022 £	2021 £
Other operating income	14,983	-
Government grants receivable	31,749	1,001,843
	46,732	1,001,843

6. Operating loss

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

	2022 £	2021 £
Depreciation of tangible fixed assets	2,507,747	2,121,529
Amortisation of intangible fixed assets	77,223	27,994
Exchange differences	14,961	13,493
Other operating lease rentals	2,533,607	1,604,209
Loss on disposal of tangible fixed assets	721,228	23,028

7. Auditors' remuneration

During the year, the Group obtained the following services from the Company's auditors:

	2022 £	2021 £
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	51,000	40,000
Non-audit fees	5,650	1,500

8. Employees

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

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	4,418,027	2,174,856	3,659,270	1,705,058
Social security costs	312,335	195,780	312,335	195,780
Cost of defined contribution scheme	89,390	39,386	53,114	39,386
	4,819,752	2,410,022	4,024,719	1,940,224

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

	Group 2022 No.	Group 2021 No.	Company 2022 No.	Company 2021 No.
Club staff	235	201	186	172
Head office	27	23	21	19
	262	224	207	191

9. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	299,274	192,513
Fees paid to non-executive directors	50,000	57,500
	349,274	250,013

The highest paid director received remuneration of £116,548 (2021 - £132,730).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,430 (2021 - £1,319).

10. Interest receivable

	2022 £	2021 £
Other interest receivable	914	468
	914	468

11. Interest payable and similar expenses

	2022 £	2021 £
Bank interest payable	157,937	-
Convertible loan note interest	599,086	339,834
Interest on asset finance agreements	208,693	231,351
	965,716	571,185

12. Taxation

	2022	2021
	£	£
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2021 - the same as) the standard rate of corporation tax in the UK of 19% (2021 - 19%) as set out below:

	2022	2021
	£	£
Loss on ordinary activities before tax	(5,005,144)	(3,594,176)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(950,977)	(682,893)
Effects of:		
Expenses not deductible for tax purposes	124,331	30,000
Capital allowances for year in excess of depreciation	-	200,000
Fixed Asset differences	528,896	-
Deferred taxation asset not recognised	418,766	452,893
Other permanent differences	(7,134)	-
Other tax adjustments, reliefs and transfers	(84,011)	-
Remeasurement of deferred tax not recognised	(53,466)	-
Difference in overseas tax rates	23,595	-
Total tax charge for the year	-	-

Factors that may affect future tax charges

Legislation will be introduced to charge corporation tax and set the main rate at 25% and the small profits rate at 19% for the financial year beginning 1 April 2024.

13. 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 £3,252,856 (2021 - loss £2,980,237).

14. Intangible assets

Group

	Licenses and trademarks	Computer software	Total
	£	£	£
Cost			
At 1 January 2022	111,867	452,158	564,025
Additions	67,368	7,554	74,922
At 31 December 2022	179,235	459,712	638,947
Amortisation			
At 1 January 2022	46,420	312,639	359,059
Charge for the year on owned assets	54,139	23,084	77,223
At 31 December 2022	100,559	335,723	436,282
Net book value			
At 31 December 2022	78,676	123,989	202,665
At 31 December 2021	65,447	139,519	204,966

14. Intangible assets (continued)

Company

	Licenses and trademarks	Computer software	Total
	£	£	£
Cost			
At 1 January 2022	96,179	435,415	531,594
Additions	67,368	3,451	70,819
At 31 December 2022	163,547	438,866	602,413
Amortisation			
At 1 January 2022	45,394	303,133	348,527
Charge for the year	54,139	18,599	72,738
At 31 December 2022	99,533	321,732	421,265
Net book value			
At 31 December 2022	64,014	117,134	181,148
At 31 December 2021	50,785	132,282	183,067

15. Tangible fixed assets

Group

	Leasehold improvements	Assets under construction	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2022	15,034,667	2,243,079	4,707,532	21,985,278
Additions	4,376,367	-	2,193,334	6,569,701
Disposals	(1,089,607)	(94,196)	(18,587)	(1,202,390)
Transfers between classes	859,577	(2,148,883)	1,289,306	-
At 31 December 2022	19,181,004	-	8,171,585	27,352,589
Depreciation				
At 1 January 2022	4,680,900	-	2,052,350	6,733,250
Charge for the year on owned assets	1,537,989	-	969,758	2,507,747
Disposals	(36,754)	-	(2,247)	(39,001)
At 31 December 2022	6,182,135	-	3,019,861	9,201,996
Net book value				
At 31 December 2022	12,998,869	-	5,151,724	18,150,593
At 31 December 2021	10,353,767	2,243,079	2,655,181	15,252,027

15. Tangible fixed assets (continued)

Company

	Leasehold improvements	Assets under construction	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2022	15,034,667	1,030,163	3,289,826	19,354,656
Additions	2,033,154	-	635,940	2,669,094
Disposals	(576,941)	(94,196)	(18,587)	(689,724)
Transfers between classes	859,577	(935,967)	76,390	-
At 31 December 2022	17,350,457	-	3,983,569	21,334,026
Depreciation				
At 1 January 2022	4,677,712	-	1,643,477	6,321,189
Charge for the year on owned assets	1,400,269	-	675,736	2,076,005
Disposals	(1,243)	-	(2,247)	(3,490)
At 31 December 2022	6,076,738	-	2,316,966	8,393,704
Net book value				
At 31 December 2022	11,273,719	-	1,666,603	12,940,322
At 31 December 2021	10,356,955	1,030,163	1,646,349	13,033,467

16. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2022	1,532,455
Additions	800
At 31 December 2022	1,533,255

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
1R Australia Pty Ltd	C/- Stannards Accounts & Advisors Pty Ltd, Level 1, 60 Toorok Road, South Yarra, Victoria 3141, Australia.	Ordinary	100 %
One Rebel (Hammersmith) Limited	63 St. Mary Axe, London, England, EC3A 8AA	Ordinary	100 %
One Rebel (Ealing) Limited	63 St. Mary Axe, London, England, EC3A 8AA	Ordinary	100 %
1R Middle East Fitness Ltd	63 St. Mary Axe, London, England, EC3A 8AA	Oridinary	100 %
One Rebel (High Street Kensington) Limited	63 St. Mary Axe, London, England, EC3A 8AA	Ordinary	100 %
One Rebel (St John's Wood) Limited	63 St. Mary Axe, London, England, EC3A 8AA	Ordinary	100 %
One Rebel (Covent Garden) Limited	63 St. Mary Axe, London, England, EC3A 8AA	Ordinary	100 %

Subsidiary undertakings (continued)

One Rebel (Covent Garden) Limited, One Rebel (Hammersmith) Limited and One Rebel (High Street Kensington) Limited have claimed exemption from the requirement of the Companies Act 2006 relating to audit of individual accounts by virtue of section 479A on the basis that they are a subsidiary undertaking and its parent undertaking is established under the law of the United Kingdom.

One Rebel (Ealing) Limited and One Rebel (St John's Wood) Limited have claimed exemption from the requirement of the Companies Act 2006 relating to audit of individual accounts by virtue of section 480 on the basis that they are a dormant undertaking and its parent undertaking is established under the law of the United Kingdom.

17. Stocks

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Finished goods and goods for resale	406,891	76,666	329,652	58,825
	406,891	76,666	329,652	58,825

The difference between purchase price or production cost of stocks and their replacement cost is not material.

18. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Due after more than one year				
Other debtors	1,316,298	1,036,113	922,611	870,390
	1,316,298	1,036,113	922,611	870,390

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Due within one year				
Trade debtors	112,872	65,640	111,810	65,640
Amounts owed by group undertakings	-	-	4,198,973	687,172
Other debtors	139,100	557,576	89,733	557,576
Prepayments and accrued income	1,503,757	347,219	1,438,851	323,161
	1,755,729	970,435	5,839,367	1,633,549

19. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	546,619	1,756,718	374,777	1,160,276

20. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Other loans	501,955	-	277,058	-
Bank overdrafts	24,222	10,156	24,222	10,156
Convertible loan notes	6,594,052	549,610	6,560,687	410,000
Trade creditors	3,257,097	2,110,532	3,153,294	2,072,738
Amounts owed to group undertakings	-	-	-	42,134
Other taxation and social security	950,810	660,545	936,123	660,545
Obligations under finance lease and hire purchase contracts	1,797,668	852,920	1,556,854	797,819
Other creditors	73,712	59,528	44,407	9,439
Accruals and deferred income	6,859,192	4,228,271	6,480,961	4,124,822
	20,058,708	8,471,562	19,033,606	8,127,653

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

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Other loans	635,836	328,051	-	328,051
Net obligations under finance leases and hire purchase contracts	2,629,285	2,199,066	1,894,657	2,009,086
Convertible loan notes	-	4,776,003	-	4,117,332
Accruals and deferred income	2,895,891	2,836,382	2,448,814	2,392,996
	6,161,012	10,139,502	4,343,471	8,847,465

Accruals and deferred income is compromised of accrued expenditure relating to lease incentives, goods and services not yet invoiced, and deferred income relating to long term performance obligations relating the company's franchise and licence agreements.

22. Loans

Analysis of the maturity of loans is given below:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Amounts falling due within one year				
Finance leases	1,797,668	852,920	1,556,854	797,819
Convertible loan notes	6,594,052	549,610	6,560,687	410,000
Other loans	501,955	-	277,058	-
	8,893,675	1,402,530	8,394,599	1,207,819
Amounts falling due 1-2 years				
Finance leases	1,008,564	1,090,431	682,770	1,015,800
Convertible loan notes	-	4,561,991	-	4,117,332
Other loans	241,583	328,051	-	328,051
	1,250,147	5,980,473	682,770	5,461,183
Amounts falling due 2-5 years				
Finance leases	1,620,721	1,027,531	1,211,887	993,286
Convertible loan notes	-	214,012	-	-
Other loans	394,253	-	-	-
	2,014,974	1,241,543	1,211,887	993,286
Amounts falling due after more than 5 years				
Finance leases	-	81,104	-	-
	-	81,104	-	-
	12,158,796	8,705,650	10,289,256	7,662,288

22. Loans (continued)

Convertible loan notes in One Rebel Ltd

In 2019 the Company agreed a facility for the issue of £6,000,000 8% secured convertible loan notes. The notes may be converted into new fully paid A Ordinary shares at the conversion price per share based on a pre-money valuation of £30,000,000. Accruing interest shall only be payable at the end of the term on amounts of principal which is not converted. In the event of non-conversion repayment must be made within three months of the end of the term. The convertible loan notes are secured by a fixed and floating charge over all of the Company's assets and undertakings.

Convertible loan note issue costs of £135,250 were incurred, which have been deducted from the initial carrying value and will be charged to profit and loss as part of the interest charge calculated using the effective interest rate method.

As at the start of the accounting period the convertible loan notes in issue were split into two tranches and the terms relevant to each are set out below:

Tranche 1 - £3,550,000

Tranche 2 - £410,000

Tranches 1 and 2 of these convertible loan notes were fully issued as at the reporting date and had a term to 28 May 2023.

Tranche 3 - £1,400,000
On 8 April 2022 £1.4m of convertible loan notes were issued. The notes have the same terms as the Tranche 1 and 2 notes already in issue, with an initial term ending on 28 May 2023.

As such all noteholders may at the discretion serve an irrecoverable notice to convert the debt to equity a minimum of 30 days prior to the intented conversion date to the company at any time during the initial term, ending on 28 May 2023.

In May 2023 the CLN holders served a repayment notice for a total amount of £6.9m, of principle and accrued interest, and under the terms of the agreement the due date was 28th August 2023. Under the terms of the agreed investment in October 2023 the repayment date for the CLNs was extended to be co-terminus with the completion of the fundraising transaction. As part of the fundraising transaction it was agreed that £5.3m of the CLN liability would be converted to equity and £1.6m of the CLN liability was repaid in October 2023.

Additional debt and subordination agreement

In June 2021 the Company entered into a loan agreement for a principal of £350,000, under the terms of the Coronavirus Business Interruption Loan Scheme. The loan is repaid by instalments over a term of 60 months. At the date of signing these financial statements the £350,000 loan has been drawn down.

In October 2021 the Company entered into a finance lease agreement for a principal of £398,487 to fund the fit out of new studios. The loan is repaid by instalments over a term of 60 months. At the date of signing these financial statements the £398,487 loan has been drawn down.

As part of the facilities set out above agreed above the holders of the Tranche 1 and Tranche 2 convertible loan notes issued by One Rebel Limited agreed to be subordinated behind the aggregate value of debt up to a maximum amount of £750,000. As part of this agreement the convertible loan note holders will receive an additional 4% interest per annum calculated upon the balance of the debt behind which their debt is subordinated, and it shall be allocated in proportion to number of convertible loan notes currently in issue.

23. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Within one year	1,683,336	1,001,434	1,042,613	934,119
Between 1-2 years	1,023,071	1,194,756	911,198	1,127,441
Between 2-5 years	1,721,147	1,270,364	1,497,695	1,131,427
Over 5 years	-	81,014	-	-
	4,427,554	3,547,568	3,451,506	3,192,987

24. Provisions

Group

	Provision £
Arising on acquisition of fixed assets	500,000
At 31 December 2022	500,000

24. Provisions (continued)

Company

	Provision	Total
	£	£
Arising on acquisition of fixed assets	500,000	500,000
At 31 December 2022	500,000	500,000

25. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
3,922,000 (2021 - 3,922,000) 39,220,070 (2021: 39,220,070) Series A shares of £0.001 each shares of £0.01 each	39,220	39,220
5,304,900 (2021 - 5,304,900) 53,048,951 (2021: 53,048,951) A ordinary shares of £0.001 each shares of £0.01 each	53,049	53,049
660,900 (2021 - 660,900) 6,608,775 (2021: 6,608,775) B investments shares of £0.001 each shares of £0.01 each	6,609	6,609
	98,878	98,878

26. Reserves

Share premium account

The share premium account includes the premium on issue of equity shares, net of any issue costs.

Foreign exchange reserve

The foreign exchange reserve represents exchange differences arising on the consolidation of the companies in the Group that operate in Australian Dollars and United Arab Emirates Dirham.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

27. Pension commitments

A defined contribution pension scheme is operated by the Group for One Rebel UK Limited, the parent company within the Group. The pension cost charge represents contributions payable by the Group, to the fund and amounted to £53,114 (2021: £39,386) Contributions totalling £34,588 (2021: £9,008) were payable to the fund at the reporting date and are included in creditors.

28. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £nil (2020: £120,029).

29. Commitments under operating leases

At 31 December 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Not later than 1 year	3,146,339	1,881,323	2,244,152	1,793,500
Later than 1 year and not later than 5 years	12,190,479	8,271,202	8,013,583	6,464,417
Later than 5 years	17,320,191	11,944,095	12,693,557	9,627,168
	32,657,009	22,096,620	22,951,292	17,885,085

30. Related party transactions

The company has taken advanatage of the exemption available under paragrpah 33.1A of the Financial Reporting Standard 102 not to disclosure transactions with other wholly owned members of the Group.

Key management personnel are considered to be the directors of the Group. The total compensation paid to key management personel for services provided of the Group was £422,542 (2021: £342,770).

Directors were aditionally paid £80,000 and £23,529 as compensation for personal gurantees.

31. Share-based payments

The Group operates an Enterprise Management Incentive plan for certain UK employees who are employed at One Rebel UK and a similar scheme for certain employees, who are employed with the Australian subsidiary. In accordance with the provision of the plans, employees may acquire B Investment hares in the Group with their relevant Company with options vesting on the occurrence of certain exit events, us as a listing or a sale of the Company or at the discretion of directors.

No amounts are paid or payable by the recipient on receipt of the option. The options carry no other rights to dividends or voting rights.

	Weighted average exercise price (pence) 2022	Number 2022	Weighted average exercise price (pence) 2021	Number 2021
Outstanding at the beginning of the year	15.0530	11,456,461	15.0805	11,345,780
Granted during the year	7.9000	418,461	7.9000	701,920
Forfeited during the year	7.4708	(747,434)	7.0879	(591,239)
Outstanding at the end of the year	15.2933	11,127,488	15.0530	11,456,461

Of the total number of options outstanding at the year end, nil (2021: nil) has vested and were exercisable at the end of the year.

Nil (2021: nil) share options were exercised during the year.

The following information is relevant in the determination of the fair value of options granted during the current and previous years under the equity-settled share based remuneration schemes.

	2022	2021
Option pricing model used	:-Scholes-Merton Model	:-Scholes-Merton Model
Weighted average share price (pence)	5.13	3.0
Exercise price (pence)	15.29	13.99
Weighted average contractual life (days)	10	10
Expected volatility	51.58%	52.33%
Expected dividend growth rate	0%	0%
Risk-free interest rate	3.67%	0.97%

31. Share-based payments (continued)

The Black-Scholes option pricing model was used to value the share-based payment awards as it was considered that this approach would result in a materially accurate estimate of the fair value of the options.

No share-based remuneration expense has been recognised in 2022 (2021: £nil) as although there was a more than probable occurrence of an exit event, the share-based remuneration expense was deemed immaterial to the financial statements, therefore no expense has been recognised.

32. Controlling party

In the view of the directors there is no sole ultimate controlling party.

33. Post balance sheet events

Issue of Shares

In October 2023 the Group executed a significant equity fundraising in several parts, consisting of an investment of £0.7m of new funds from existing investors, the conversion of £5.3m convertible loan note liabilities to equity and an investment of £5m of new funds from Imbiba Growth 2 LLP (Imbiba).

By way of background, in May 2018 the Company issued £3.5m of Convertible Loan Notes (CLNs) and

additional tranches of £0.4m and £1.4m were issued in Jan 2020 and April 2022 respectively. The CLNs

attracted interest at 8% per annum.

The conversion window, and potential repayment date, was originally scheduled for May 2020, however this was extended 28 August 2023. In May 2023 the Group was given notice by the CLN holders that they would not convert into equity, and that repayment would be required. The total amount due was approximately £6.9 million,inclusive of capital and interest.

The repayment of the CLNs was tracked as a key risk and the scenario where repayment would be required was planned for. It was understood a significant fundraising would be required to enable repayment. The aim was to evidence our recovery from the impacts of Covid before targeting a fundraising in the first half of 2023.

In keeping with this plan, in Q1 2023 the Group, with the help of advisers, sought external debt and equity funding, engaging with over 17 private equity houses. However the market conditions were poor, and the ability of the Group to raise funds was further hampered by the fact that it, due to the ramifications of Covid, was loss making in 2020, 2021 and 2022. Despite recognition of the strength of the 1REBEL brand and product, the process did not result in funding.

Subsequently, after exploring several fundraising options an offer was received from Imbiba, a leading private equity firm in the hospitality and leisure sector. Investment terms were agreed, including with the holders of the CLNs and existing investors holding the Series A shares.

To enable this transaction the waiving of pre-emption rights and authority to allot shares were approved by special resolution of the voting shareholders.

The terms of the investment resulted in the issuance of 7,681,370,435 new shares which resulted in significant dilution for existing A ordinary and B Investment shareholders.

On 26 September 2023 the articles of association of the Company were amended and four new share classes were created: P1 Ordinary Shares, P2 Ordinary Shares, B1 Ordinary Shares and B2 Ordinary Shares.

All new share classes have equal voting rights as the existing Series A and A ordinary shares. The P1 and P2 shares have a limited liquidation preference over other share classes and in addition the P2 shares have various consent and other rights in respect to certain corporate actions. All four new share classes rank equally with others in respect of any dividends declared.

On 10 October 2023 the following shares were issued:

• 859,106,529 P1 Ordinary Shares were issued for a consideration of £0.001746 per share

• 311,557,323 P1 Ordinary Shares for a consideration of £0.001797 per share

• 1,049,994,791 P1 Ordinary Shares for a consideration of £0.001813 per share

• 2,105,263,158 P2 Ordinary Shares for a consideration of £0.002375 per share

On 11 October 2023 305,597,806 P1 Ordinary Shares were issued for a consideration of £0.002375 per share.

On 12 October 2023 3,049,850,828 B1 Ordinary Shares were issued for a consideration of £0.000001 per share.

Repayment of Loans

Following the share issue described above, on 16 October 2023 the Company repaid the remaining balance of convertible loan notes totalling £1,396,359 and associated interest of £269,270. On 13 October 2023 a term loan of £248,908 and asset finance agreements totalling £708,095 covered by the subordination deed were also repaid in full.