Company Registration Number: 2607995

Bonhill Group plc

Annual Report & Financial Statements 2022

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Chairman's statement

2022 was a pivotal year for Bonhill which started with a fundraise and a change of leadership, leading to the implementation of a strategic review and a formal sale process announced in October 2022.

As a Group, Bonhill has struggled to bounceback in a post-COVID world. The purchase of Investment News in July 2018 was, with hindsight, a disastrous time for a small UK B2B publisher to be spending $27m of shareholders' money on a US company with a significant percentage of its income from events. The US media market has proven to be the graveyard for many a UK media company assuming that success in the UK can be repeated in the ruthlessly competitive US market. Bonhill proved that it was no exception to this rule.

Furthermore, as a small microcap with little working capital, Bonhill has also struggled to justify the costs of public listing, and to find the cash to make the investments necessary to improve its services to customers. These customers are rightly demanding a much more sophisticated level of audience data than Bonhill's systems allowed, especially in the USA. And Bonhill lacks the economies of scale to make such investments in systems work.

Despite the best efforts of the global team and the considerable number of structural and cost-saving changes put in place this year, the Board decided that it was in the shareholders' best interests to explore different avenues for the future of the company, especially given the ongoing demands for investment in the business.

Group Financial Performance

Please note, under IFRS 5, all financials are classified as discontinued operations for the year ended 31 December 2022 and as such, any trading or profit and loss numbers for the year should be read accordingly.

Revenue for the year ended 31 December 2022 (the "Year") was £14.9 million (2021: £16.4 million). As has been seen in previous years, the Company delivered a slightly stronger second half of the Year ("H2") with £7.6 million of revenue, compared to £7.3 million reported in the first half ("H1"), and EBITDA loss for the Year of £(1.4) million (2021: £0.0 million break even). Overall, the Group saw gross margins at 73%, a 2% reduction on last year.

From a cash perspective this continued to be the biggest focus for the finance team but with multiple years of EBITDA losses and a working capital calendar that was heavily skewed towards the back end of the year, some help was needed to be able to maintain the day-to-day obligations. As such, a successful fundraise was completed in April 2022 raising a net cash sum of £1.0 million. Additionally, the company secured a short-term loan in the second half of the year with Rockwood Strategic Plc of £0.8 million, of which, £0.6 million was drawn down by 31 December 2022. Since the year end this loan facility was increased to £1.0 million, fully utilised and then repaid in full on 1 March 2023. These measures meant that the cash balance at the year end was £1.3 million (2021: £1.4 million) with a net cash position (excl. finance leases) of £0.6m (2021: £1.3 million).

Divisional updates

Business Solutions and Governance

Following the management changes announced in April 2022, the Board conducted a review of the Group and its constituent businesses. As a result, the Board resolved to dispose of the Company's BSG division so that the Company could focus purely on financial services (being approximately 85 per cent of the business).

The Company further announced in August 2022, that it had successfully disposed of the division to Stubben Edge Group Limited for cash consideration of £0.7 million for the core trade and assets of the division. The sale was also expected to enable the Group to achieve approximately £0.6 million in annual cost savings from streamlining central support headcount, reduced office space and lower IT costs.

A 6 month Transitional Services Agreement was put in place at the point of sale to support the financial and technology departments post-acquisition. This ended on 28 February 2023.

Financial Services UK and EMEA ("FSUE")

2022 was a better year for the UK business as it started to see a return to live events. This really gathered pace in H2. Unfortunately we did need to run through some credits from COVID cancelled events and our margins were hit as some events were slightly sub scale, but events revenue increased considerably. In Asia lockdown didn't end fully until late in 2022 so events revenues saw no improvement. This upswing was partly offset by a generally poor performance in media. Macro economic factors meant that asset managers were reluctant to release discretionary marketing spend. Large outflows from investment funds were seen across the board which also impacted market confidence.

ESG (Environmental, Social and Governance) has been one of our great success stories in recent years but again here we saw a decline in support as responsible investing took a backseat behind returns. Our attempt to get traction for ESGClarity in the US was met with resistance and we had less success tempting asset managers to tell their ESG story. An area of success and growth was in video. The London office created a video suite and quickly earned a reputation for creating cost effective content packages and this revenue stream grew steadily throughout 2022.

Financially, FSUE managed to maintain its revenue at £6.3 million (same as in 2021) but EBITDA went from £0.6 million in 2021 to £0.1 million in 2022 due to increased supplier costs. Additionally, there was a big shift in product mix with 42% of revenue coming from events in the year which average a gross margin of 60% (2021: 35% of revenue) and 40% coming from digital which averages 97% margin (2021: 48% of revenue). Lack of cash was a major stumbling block for the UK business. Our relationship with suppliers was badly affected and the business suffered from a lack of confidence and appetite for risk for new ventures.

Following discussions with major shareholders, it was announced in October 2022 that the Company was undergoing a strategic review and a formal sale process. The successful sale of the UK assets and trade and the full Asia business to the Mark Allen Group (MAG) was announced in February 2023 for cash consideration of £6.5 million. At this point, Patrick Ponsford transferred across to the Mark Allen Group and resigned from his positions as Chief Executive Office and Executive Director of Bonhill Group Plc. The Brands that have moved over as part of the sale including Portfolio Advisor, Expert Investor and Fund Selector Asia are well-established and long-trusted and it's encouraging that they have been sold to a vibrant independent company that can better support and grow them in the future.

Financial Services US ("FSUS")

For InvestmentNews, 2022 was a year in which we strengthened both our editorial and sales teams. Staff members came back to InvestmentNews in this year as they witnessed the momentum and success we built in 2022. We launched or further built initiatives in custom content and research, video, webinars and IN GameDay and INASDAQ. All of this was against the poorest performing Wall Street since the Great Recession. The fundamental improvements and new launches in 2022 ensure a bright and prosperous future for the InvestmentNews platform.

Revenue for FSUS reduced to $8.8 million in 2022 (2021: $10.1 million) as we saw a continued decline in both print and digital product streams. There was also a reduction in events revenue as we struggled to get the level of expected delegates. This resulted in a reduction of gross profit to $6.3 million (2021: $7.6 million). To help mitigate the impact of this, the Company looked to flex the workload of current employees and only backfill in critical roles. This resulted in lower staff costs of $0.6 million, however this was not enough to offset the loss. It became clear that Bonhill couldn't support InvestmentNews due to cash restraints and this all factored into the decision to proceed down the sale route.

Post Year end

Since the year end it was announced that the Company was in advanced talks with a buyer for the US business and InvestmentNews brand. We were pleased to exchange contracts with Key Media Limited on 24 May 2023 for a cash consideration of $4.1 million. Key Media is a global publishing company that is well placed, both in terms of culture and platforms, to fully embrace InvestmentNews and help it on its journey back to growth and profitability.

Now the formal sale process is concluded, the Company has announced in its shareholder circular in May 2023 its intention to complete a tender offer as soon as possible, and to return substantially all of the remaining cash in the business to shareholders. After this point, the Company will purely consist of shells and dormant subsidiaries now the assets and trade have all been sold, so it is expected that the Company will enter a voluntary liquidation process.

Lastly, I'd like to thank our staff on both sides of the Atlantic for their patience and fortitude as we went through the sale process. However excellent the assets that Bonhill owned, and however promising their future now is under new ownership, it has not been an easy time for our team as they have endured the uncertainties of a sale.

My sincerest thanks to them all.

Jonathan Glasspool

Section 172(1) statement

The Board recognises its duty to consider the needs and concerns of the Group's key stakeholders during its discussions and decision-making. In accordance with Provision 5 of the 2018 UK Corporate Governance Code, we set out below how the Group engages with its key stakeholders. More information on how the Directors have discharged their duties under section 172 (1) of the Companies Act 2006 is also available in the rest of this Strategic Report and the Corporate Governance Report.

The Directors have ongoing engagement with all our key stakeholders and the Directors continually review the impact that any decisions will have on these key stakeholders.

Key decisions made during the period

During the year, several key decisions were made about the strategy and future of the business. These include:

- Cash fundraise
- The sale of the BSG division to Stubben Edge
- The announcement of the strategic review and formal sale process including:
    - The sale of FSUE to the Mark Allen Group (post year-end)
    - The sale of FSUS to Key Media (post year-end)

Throughout the process of these decisions being made, our key stakeholders, including employees and major shareholders, were kept informed and updated. With regards to the fundraise and sale process, all shareholders were sent a circular giving great detail on the proposals and the rationale behind each proposed decision, allowing shareholders to vote for or against the motions.

As the year was unsettling for employees, it was extremely important to ensure they were kept up to date with progress of each sale process and for them to understand what it meant for them personally. Management were as open as they could be within the constraints of confidentiality and reassured all employees wherever possible about the outcome of each sale.

Other key stakeholders

Outside of any formal sale process, both Executive and Non-executive directors held regular dialogue with key shareholders. Presentations were given to investors, analysts and sales teams at the interim and full year report releases. Board receives investor feedback post the investor roadshows. An "in-person" AGM was held in June, being the first "open" one since 2019. The Group's Annual Report and Accounts is made available to all shareholders both online and in hard copy where requested.

There was ongoing engagement with our customers throughout the year and regular catch ups were had with key partners across the world. Our partners were (and continue to be) kept up to date via emails, social media and newsletters, which updates on new products and events. We also provided post-event feedback reports for sponsors.

Our communities are at the centre of everything that we do as a business. The internal ESG committee that was introduced in 2021 continued to ensure that social responsibility was taken very seriously throughout the year. Additionally, ESGClarity was again one of the biggest brands in the Company.

Board of Directors | Profiles

JONATHAN GLASSPOOL
NON-EXECUTIVE CHAIRMAN
Jonathan is a very experienced executive and non-executive Director, with highly relevant expertise across digital and subscription revenues and in corporate strategy, M&A, international operations, corporate governance and corporate development.

Until July 2020, Jonathan was Executive Director of Bloomsbury Publishing Plc, Managing Director at Bloomsbury's non-consumer division and President of Bloomsbury USA and India. He was instrumental in founding and building Bloomsbury Academic and Professional. He is Chair of Governors of Bath Spa University; Chair of Mall Galleries; Non-executive Director of Edinburgh University Press and Chair of the Industry Advisory Board at Oxford Brookes University.

PATRICK PONSFORD
CHIEF EXECUTIVE OFFICER
Patrick joined the Group in 2019 following its acquisition of Last Word Media (UK) Limited and was most recently MD of the UK and EMEA Financial Services business unit prior to his appointment as Interim CEO in April 2022. Patrick brings over has 30 years' experience in B2B media and events, primarily within financial services to the Group.

Patrick resigned from the Board in February 2023, upon completion of the Mark Allen Group disposal to transfer across to that company.

SARAH THOMPSON
CHIEF FINANCIAL OFFICER
Sarah joined the Group in May 2020 and joined the Board as Chief Financial Officer in September 2020. Sarah previously held senior finance positions at Escada SE and Redcentric Plc. Prior to this, she held various finance positions at Hallmark Cards UK, Homeloan Management Limited and Barclays Plc.

Sarah is an associate of the Chartered Institute of Management Accountants and graduated with a First-Class Degree in Accounting and Finance from Lancaster University.

JOHN FRENCH
CHIEF EXECUTIVE OFFICER – INVESTMENTNEWS LLC
John French was previously CEO of Penton Media, Cygnus Business Media and President of Primedia and Prism Publishing. He is a senior advisor to Oaklins DeSilva+Phillips the investment bank focused on media, marketing and information technologies.

JON KEMPSTER
NON-EXECUTIVE DIRECTOR
Jon joined the Group in June 2020 as a Non-executive Director and the Chair of the Audit Committee. He is also a member of the Remuneration and Nomination committees. Jon's career has included Board positions at Delta plc, Fii Group plc, Linden plc, Low & Bonar plc, Frasers Group plc, Utilitywise plc and Wincanton plc. He is also currently a Non-executive Director at FireAngel Safety Technology plc. Jon is also a Trustee of the Delta plc pension scheme.

Jon qualified as a Chartered Accountant with PricewaterhouseCoopers in 1990 and has a BA (Hons) in Business Studies from the University of Liverpool.

Jon resigned from the Board at the end of March 2023.

RICHARD STAVELEY
NON-INDEPENDENT, NON-EXECUTIVE DIRECTOR
Richard is a consultant to Harwood Capital LLP, the investment manager of Gresham House Strategic plc, which holds 19.4% of the Company's issued share capital; Richard joined the Board in December 2021.

Having qualified as a Chartered Accountant at PricewaterhouseCoopers, Richard has worked in a senior capacity and fund manager at a number of successful fund management businesses, including Majedie Asset Management and was a co-founder of River and Mercantile Asset Management. He is a Chartered Financial Analyst (CFA) Charterholder and holds a Bachelor of Arts degree in Politics from the University of Newcastle.

LAURIE BENSON
NON-EXECUTIVE DIRECTOR

Laurie joined the Group in January 2022 as a Non-Executive Director and the Chair of the Remuneration Committee. She is also a member of the Audit and Nomination Committees.

Laurie, who was formerly an MD of Bloomberg Media EMEA, now advises boards on transforming their organisations and exploiting the benefits of digital technology. She brings a mix of private and public sector executive and board experience. She is currently a Non-executive Director of The Intellectual Property Office of the UK and a Trustee of The Royal Airforce Museum. Formerly, she has held roles as a Non-executive Director and Audit Chair of AIM quoted Christie Group Plc, an independent Non-executive Director and Remcom Chair of Grant Thornton LLP, a Non-executive Director of The Medical Algorithms Company, and a Commissioner at The Charity Commission for England and Wales.

Corporate Governance statement

In this section of our Report, we have set out our approach to governance and provided further information on how the Board and its Committees operate.

10 PRINCIPLES OF CORPORATE GOVERNANCE

Deliver growth

1. Establish a strategy and business model which promote long-term value for shareholders.
2. Seek to understand and meet shareholder needs and expectations.
3. Take into account wider stakeholder and social responsibilities and their implications for longer-term success.
4. Embed effective risk management, considering both opportunities and threats, throughout the organisation.

Maintain a dynamic management framework

5. Maintain the Board as a well-functioning, balanced team led by the Chair.
6. Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities.
7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.
8. Promote a corporate culture that is based on ethical values and behaviours.
9. Maintain governance structures and processes.

Build trust

10. Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

QCA Code compliance

The Board continues its adoption of, and compliance with, the Corporate Governance Guidelines for Smaller Quoted Companies published in 2018 by the Quoted Companies Alliance (the "QCA Code") and the Company has continued to be compliant with the QCA Code since publishing the statement. The Directors recognise the value and importance of high standards of corporate governance and anticipate that the Company will continue to comply with the QCA Code. Given the Group's size and plans for the future, it will also endeavour to have regard to the provisions of the UK Corporate Governance Code as best practice guidance to the extent appropriate for a company of its size and nature. Outlined in this report are the 10 key governance principles as defined in the QCA Code.

The composition of the Board

The Board is responsible to the shareholders and sets the Group's strategy for achieving long-term success. It is also ultimately responsible for the management, governance, controls, risk management, direction and performance of the Group.

During the year the Board consisted of up to four Non-executive Directors and three Executive Directors. There were a few changes in Board composition in 2022. Firstly, Simon Stilwell resigned from his role as Chief Executive Officer on 6 April 2022, and was replaced immediately by Patrick Ponsford. Secondly, Laurie Benson joined as a Non-executive Director and Chair of the Remuneration Committee on 18 January 2022. Thirdly, John French joined the Board as an Executive Director on 13 July 2022. He was previously serving as the Non-executive Director for Bonhill Group Inc and was on the Board of Managers for InvestmentNews LLC before joining the main Plc Board. At the time of publication of this report, the Board consists of three Non-executive Directors and two Executive Directors.

Following the acquisition of the UK and Asia business by the Mark Allen Group, Patrick Ponsford resigned from his role as Chief Executive Officer and was not replaced. Jon Kempster also announced his resignation from his roles as both Non-executive Director and Chair of the Audit Committee with effect from 31 March 2023. There are no plans to replace these roles.

The Board considers that all directors other than Richard Staveley are independent, in character and in judgement, and have no business relationships which impact on their independence. Richard Staveley is considered to be non-independent as a result of his relationship with Harwood Capital LLP.

In making these judgements the Board took into account director's shareholdings.

Board effectiveness

The skills and experience of the Board are set out in their biographical details on page 6. The experience and knowledge of each of the Directors gives them the ability to constructively challenge strategy and to scrutinise performance.

HOW THE BOARD OPERATES

The Board is responsible for the Group's strategy and for its overall management. The operation of the Board is documented in a formal schedule of matters reserved for its approval, which is reviewed annually. These include matters relating to:

- The Group's strategic aims and objectives
- The structure and capital of the Group
- Financial reporting, financial controls and dividend policy
- Internal control, risk and the Group's risk appetite
- Raising new capital, budgets and granting of security over material Group assets
- The approval of significant contracts and expenditure
- Effective communication with shareholders
- Any changes to Board membership or structure
- Delegation of authority and establishing Board Committees and receiving reports from the Board Committees

CORPORATE GOVERNANCE

BOARD MEETINGS

The Board held 11 meetings and had 23 additional meetings during the year to 31 December 2022. Non-executive Directors communicate directly with Executive Directors and senior management between formal Board meetings.

Directors are expected to attend all meetings of the Board, and the Committees on which they sit, and to devote sufficient time to the Group's affairs to enable them to fulfil their duties as Directors.

In the event that Directors are unable to attend a meeting, their comments on papers to be considered at the meeting will be discussed in advance with the Chairman so that their contribution can be included in the wider Board discussion.

The following shows Directors' attendance at scheduled Board meetings during the year.

Jonathan Glasspool – 11/11
Jonathan Glasspool attended all Board meetings and Committee meetings in 2022.

Simon Stilwell – 3/3
Simon Stilwell attended all Board meetings until his resignation on 6 April 2022. He also attended Committee meetings by invitation.

Patrick Ponsford – 5/5
Patrick Ponsford was appointed in July 2022 and attended all Board meetings since then. He also attended Committee meetings by invitation.

Sarah Thompson – 1/1
Sarah Thompson attended the December Board meeting. Outside of this period, Sarah was on maternity leave. She also attended Committee meetings during this period by invitation.

John French – 5/5
John French was appointed in July 2022 and attended all Board meetings since then. He also attended Committee meetings by invitation.

Jon Kempster – 11/11
Jon Kempster has attended all Board and Committee meetings in 2022.

Richard Staveley – 10/11
Richard Staveley has attended all but one of the Board meetings in 2022.

Laurie Benson – 11/11
Laurie Benson has attended all Board and Committee meetings since her appointment on 18 January 2022.

BOARD DECISIONS AND ACTIVITY DURING THE PERIOD

The Board has a schedule of regular business, financial and operational matters, and each Board Committee has compiled a schedule of work, to ensure that all areas for which the Board has responsibility are addressed and reviewed during the course of the year.

The Chairman is responsible for ensuring that the Directors receive accurate and timely information and ensures that any feedback or suggestions for improvement on Board papers are fed back to management. Minutes of each meeting are produced and circulated. Each Director is aware of the right to have any concerns minuted.

BOARD COMMITTEES

The Board has delegated specific responsibilities to the Audit, Remuneration and Nomination Committees, details of which are set out below. Each Committee reports back to the Board and has written terms of reference setting out its duties, authority and reporting responsibilities. Copies of all the Committee terms of reference are available on the Company's website www.bonhillplc.com or on request from the Company Secretary. The terms of reference of each Committee have already been reviewed by the Board during the year and it is intended that these will be kept under continuous review to ensure they remain appropriate and reflect any changes in legislation, regulation or best-practice. Each Committee is comprised of Non-executive Directors of the Company.

Audit Committee report

The Audit Committee was chaired by Jon Kempster at the year end, its other members are Jonathan Glasspool and Laurie Benson (who became interim chair of the committee from 1 April 2023).

Dear Shareholder

It has been a period of significant change for the Group.

Early in 2022 the Group raised £1.1m in order to provide funds to assist the Group achieve its ambition to grow and re – establish the presence in the market the Group previously enjoyed especially in the US.

It was decided as part of this strategy that the Business Solution and Governance division be sold and this was successfully achieved in August 2022. The streamlined Group was then a focused financial services Group providing services across the globe through its UK, US and Asian offices. Unfortunately trading continued to be challenging especially in the US and the lack of cash generation lead to a formal strategic review and a formal process being announced in October 2022. Post the year end the sale of the UK and Asian business was completed and we have exchanged contracts on the sale the US business with a view to completing the transaction in June 2023.

The Board believes that the current members have sufficient skill, qualifications and experience to discharge their duties in accordance with the Committee's terms of reference and, as a Committee, have the competence in the sector within which the Company operates.

The terms of reference for the Committee were reviewed during the year and were deemed to still be appropriate for the Committee's role and responsibilities.

The Committee met 6 times between the start of 2022 and the signing of this report. I, as Chair of the Audit Committee, have also met with the external auditors without Executive Directors or management present.

The Committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported. It receives and reviews reports from the Group's management and auditor relating to the annual accounts and the accounting and internal control systems in use throughout the Group.

We continue to drive improvements in reporting across the Group and the separate divisions and geographies. It is considered that there are adequate controls and segregation of duties in place and the Committee is satisfied that the internal control systems in place are significantly robust and operating effectively. The risk register was reviewed and updated to reflect the main risks presently facing the Group.

The Group does not have an internal audit function, and this has historically been reviewed annually.

The Committee also advises the Board on the appointment of the auditor, reviews its fees and discusses the nature, scope and results of the audit with the auditor. During 2022 a tender process was undertaken prior to any decision to commence the sale and eventual wind down of the activity within the Group. The tender process resulted in Cooper Parry Group Limited being appointed as Group auditors. The Audit Committee meets at least three times a year and has unrestricted access to the Group's auditor. The Chief Executive and Chief Financial Officer attend the Audit Committee meetings by invitation to ensure the Committee is fully informed of material events within the business. The Committee monitors the nature and extent of non-audit services provided by the external auditor. A summary of the remuneration paid for audit and non-audit services appears in note 3 to the financial statements.

Whistleblowing

The Audit Committee is responsible for the review of the Group's procedures for responding to the allegations of whistle blowers and the arrangements by which staff may, raise concerns in confidence. It is hoped that this service will encourage individuals to speak out without fear of reprisal.

Laurie Benson (Interim Chair of the Audit Committee)
7 June 2023

Nomination Committee report

The Nomination Committee is chaired by Jonathan Glasspool and its other members during the year were Jon Kempster and Laurie Benson.

Dear Shareholder

The Nomination Committee is responsible for reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and making recommendations to the Board with regard to any changes. The Committee considered succession planning, taking into account the challenges and opportunities facing the Group and the skills and expertise needed on the Board in the future, in addition to the leadership needs of the organisation. The most significant changes in 2022 were the replacement of Simon Stilwell by Patrick Ponsford as Interim CEO in April 2022, and the subsequent promotion of Patrick Ponsford to Group CEO in July. In July, the board also appointed John French to the board as CEO of Investment News. Since the year end, Patrick stepped down from the Board in February 2023 to join the Mark Allen Group upon completion of the UK/Asia sale. Jon Kempster resigned as a director on 31 March 2023. Additionally, John French will step down from the Board in June 2023 to join Key Media upon the completion of the US sale.

The Committee works to terms of reference approved on 27 June 2018. The Committee met formally 4 times during the year.

Time commitments

All Directors have been advised of the time required to fulfil the role prior to appointment and were asked to confirm that they can make the required commitment before they were appointed. This requirement is also included in their letters of appointment.

The Board is satisfied that the Chairman and each of the Non-executive Directors are able to devote sufficient time to the Group's business. There has been no significant change in the Chairman's other time commitments since his appointment.

Development

The Company Secretary ensures that all Directors are kept abreast of changes in relevant legislation and regulations, with the assistance of the Company's advisers where appropriate, and it is a standing item on the Board's agenda. Executive Directors are subject to the Company's performance development review process through which their performance against pre-determined objectives is reviewed and their personal and professional development needs considered. Non-executive Directors are encouraged to raise any personal development or training needs with the Chairman.

External appointments

In the appropriate circumstances, the Board may authorise Executive Directors to take non-executive positions in other companies and organisations, provided the time commitment does not conflict with the Director's duties to the Company, since such appointments should broaden their experience.

The acceptance of appointment to such positions is subject to the approval of the Chairman.

Conflicts of interest

At each meeting the Board considers Directors' conflicts of interest. The Company's Articles of Association provide for the Board to authorise any actual or potential conflicts of interest.

Independent professional advice

Directors have access to independent professional advice at the Company's expense. In addition, they have access to the advice and services of the Company Secretary who is responsible for advice on corporate governance matters to the Board.

Directors' and officers' liability insurance

The Company has purchased Directors' and officers' liability insurance during the period as allowed by the Company's Articles.

Election of Directors

In accordance with the provisions of the Code, no Directors will stand for election at the Annual General Meeting.

Promotion of a corporate culture that is based on ethical values and behaviours

The Board monitors and promotes a healthy corporate culture and has considered how the culture is consistent with the Company's objectives, strategy and business model and with the description of principal risks and uncertainties.

The Board has considered and assessed the culture as being inclusive, transparent and collaborative with appropriate behaviours. The Board is satisfied that the Company has a "speak up" culture and the Directors have observed this occurring in practice during the year ended 31 December 2022. The Group has a Code of Conduct, an Anti-bribery and Corruption policy, a Modern Slavery Statement and policies and procedures relating to whistleblowing stating the Company's commitment to conducting its business with honesty and integrity, its expectation that staff will maintain high standards, and encouraging prompt disclosure of any suspected wrongdoing. The terms of reference of the Audit Committee include reviewing the adequacy and security of the Company's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters and keeping under review the Company's procedures for handling allegations from whistleblowers.

The Directors follow the guidance set out by Rule 21 of the AIM Rules relating to dealings by Directors in the Company's securities and, to this end, the Company has adopted an appropriate share dealing code.

Risk management and internal control

The Board is responsible for determining the nature and extent of significant risks that have an impact on the Group's operations, and for maintaining a risk management framework and internal control system. The Board is responsible for the management of risk and has carried out a robust assessment of the principal risks and uncertainties affecting the Group's business, discussed how these affect operations, performance and solvency and what mitigating actions, if any, can be taken.

The Board is satisfied that effective risk management is embedded in the Group's business and effective risk management and related control systems are in place. The decision to put the company up for sale in December 2022 was a consequence of these systems, particularly in relation to cash controls.

The Board has ultimate responsibility for the Group's system of internal control and for reviewing its effectiveness. However, any such system of internal control can provide only reasonable, but not absolute, assurance against material misstatement or loss. The Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Group.

The principal elements of the Group's internal control system include:

- A schedule of matters reserved for the Board;
- Close management of the day-to-day activities of the Group by the Executive Directors and other members of senior management;
- Monthly reports to the Board;
- An organisational structure with defined levels of responsibility, which promotes entrepreneurial decision making and rapid implementation whilst minimising risks;
- A comprehensive annual budgeting process producing a detailed integrated profit and loss, balance sheet and cash flow, which is approved by the Board;
- Weekly cashflow reports
- Detailed monthly reporting of performance against budget; and
- Central control over key areas such as capital expenditure authorisation and banking facilities.

The Group continues to review its system of internal control to ensure compliance with best practice, whilst also having regard to its size and the resources available. The Board considers that the introduction of an internal audit function is not appropriate at this juncture.

Relations with shareholders

The Directors seek to develop their understanding of the expectations and motivations of the Company's shareholders through effective communication with them. The Board encourages regular interaction and communication with both private and institutional shareholders and responds to shareholder queries in a timely manner. The Group maintains communication with institutional shareholders through individual meetings with Executive Directors, particularly following publication of the Group's interim and full year results. Private shareholders are encouraged to attend the Annual General Meeting at which the Group's activities are considered and questions answered. General information about the Group is also available on the Group's website (www.bonhillplc.com). This includes an overview of activities of the Group and details of all recent Group announcements. Where voting decisions are not in line with the Company's expectations, the Board will engage with those shareholders to understand and address any issues. The Company Secretary is the main point of contact for such matters and the Non-Executive Chairman principally responsible for such communication, following the sale of the UK part of Bonhill PLC to the Mark Allen Group in February 2023 and the sale of the US business to Key Media in May 2023 (completion to take place June 2023).

The Chairman and independent Non-executive Directors are available to discuss any matter stakeholders might wish to raise, and the Chairman and independent Non-executive Directors will attend meetings with investors and analysts as required. Investor relations activity and a review of the share register are standing items on the Board's agenda.

Jonathan Glasspool
7 June 2023

Remuneration Committee report

The Remuneration Committee is chaired by Laurie Benson; its other members during the year were Jon Kempster and Jonathan Glasspool.

Dear Shareholder

Committee terms of reference
Under the terms of reference adopted on 27 June 2018, the Committee meets at least twice a year.

The Remuneration Committee has responsibility for making recommendations to the Board on the Company's policy on the remuneration of the Company's Chief Executive, Executive Directors and for the determination, within agreed terms of reference, of specific remuneration packages for each of the Executive Directors.

The remuneration and terms and conditions of appointment of the Non-executive Directors of the Company is set by the Chairman and the Executive Directors.

The terms of reference of the Committee cover such issues as membership and frequency of meetings, together with the role of the Company Secretary and the requirements of notice of, and quorum for, and the right to attend, meetings, including the ability of the Committee to invite non-members to attend meetings of the Committee, and, if considered appropriate, the appointment of independent remuneration consultants.

The duties of the Remuneration Committee include determining and monitoring policy on, and setting levels of, remuneration, contracts of employment, early termination, performance-related pay and bonuses, pension arrangements, share incentive schemes, grants of awards under any share option scheme adopted by the Company, reporting and disclosure. The terms of reference also set out the reporting responsibilities and the authority of the Committee to exercise its duties. The Committee is required to conduct an annual assessment of its compliance with its terms of reference and of its effectiveness. This assessment had been due to take place in early 2023 but given the strategic review and subsequent decision to divest company assets, the review has been postponed. The annual report sets out the remuneration paid to Directors, including bonus payments and long-term incentives during the year ending 31 December 2022, in note 6 to the financial statements.

Executive reward scheme
The reward scheme for the Company is designed to be performance focused, whereby management's objectives are fully aligned to shareholders' interests in achieving growth and shareholder value. The reward scheme aspires to attract and retain the highest quality individuals who will contribute fully to the success of the Group. The scheme includes salary, bonus and participation in the share option scheme. Reflecting Company performance, the threshold performance targets were not met and no bonus was payable for the year to 31 December 2022.

Share Option Scheme
During the year, and following the announcement of the strategic review, the Committee granted options over a total of 6,000,000 new ordinary shares of 1 penny each to the following executive Directors and certain members of its senior management team:

Name	**Position held**	**Number of Ordinary Shares over which New Options granted**	**Resulting total number of Ordinary Shares over which total options currently held**
Patrick Ponsford	Group CEO	500,000	2,000,000
John French	Executive Director	1,500,000	1,500,000
Certain members of senior management team	-	4,000,000	4,000,000
		6,000,000	**7,500,000**

The New Options were granted under the Bonhill Group 2018 Employee Share Option Plan (the "Plan") and have an exercise price of 5.75p per share, being the closing mid-price per Ordinary Share on 6 October 2022, the last dealing day prior to the Date of Grant. The New Options were granted as EMI tax favoured options or non-tax favoured options as relevant.

The New Options were expected to vest and become exercisable from the second anniversary of the Date of Grant, subject to the grantee's continued service within the Group (save for good leavers) and a performance condition being met, however post the year end and with the exchange of contracts on the UK/US/Asia sales, it is unlikely that these will now vest.

Many previously granted share options either lapsed or were cancelled during the year, so at the year end, the only options outstanding were the New Options, as outlined above, together with existing options held by Sarah Thompson, Group CFO, over 2 million Ordinary Shares at an exercise price of 1p per share and existing options held by Patrick Ponsford, Group CEO, over 1.5 million Ordinary Shares at an exercise price of 1p per share.

The Committee appointed FIT Remuneration Consultants LLP ("FIT") to provide independent advice to the Remuneration Committee and to assist the Committee in reviewing the operation of the scheme. FIT is a member of the Remuneration Consultants Group and a signatory to its Code of Conduct. FIT has no connection to the Group that could impair its independence.

Details of Directors' interests in share options are presented at note 7 to the financial statements.

Directors' remuneration in the year to 31 December 2022

The table below sets out the single figure for the total remuneration received by the Executive Directors and Non-executive Directors who served in the year. No Director participated in any decision on their own remuneration.

£'000	Year ended 31 December	Basic Salary	Bonus	Pension	Total
Executive Directors					
Patrick Ponsford	2022	80	15	7	175
	2021	-	-	-	-
Sarah Thompson	2022	90	-	10	100
	2021	147	-	17	164
John French	2022	106	-	-	106
	2021	-	-	-	-
Simon Stilwell *	2022	149	-	15	164
	2021	195	-	20	215
Non-executive Directors					
Jonathan Glasspool**	2022	50	15	-	65
	2021	30	-	-	30
Jon Kempster	2022	30	-	-	30
	2021	30	-	-	30
Richard Staveley***	2022	31	-	-	31
	2021	-	-	-	-
Laurie Benson	2022	30	-	-	30
	2021	-	-	-	-
Neil Sachdev	2022	-	-	-	-
	2021	20	-	-	20
Anne Donoghue	2022	-	-	-	-
	2021	23	-	-	23
Total	**2022**	**566**	**30**	**32**	**628**
	2021	445	-	37	482

* Simon Stilwell receives cash in lieu of pension contributions.

** Jonathan Glasspool was awarded a bonus of £15,000 for his temporary role as Interim Executive Chairman in 2022.

*** Richard Staveley's remuneration includes the two weeks of 2021 since his appointment on 16 December.

Laurie Benson

7 June 2023

Directors' report

The Directors submit their report and the audited financial statements of Bonhill Group plc for the year ended 31 December 2022.

Results and dividends

The results for the year are set out on page 24. The Directors do not recommend the payment of a dividend.

Future developments

Future developments of the Group are disclosed earlier in this report.

Financial risk management

Financial risks are considered and disclosed in note 18 to the financial statements.

Directors

The following Directors have held office since 1 January 2022:

Jonathan Glasspool, Non-executive Chairman	
Patrick Ponsford, Chief Executive Officer	(appointed 13 July 2022, resigned 28 February 2023)
Sarah Thompson, Chief Financial Officer	
John French, Chief Executive Officer (IN LLC)	(appointed 13 July 2022)
Jon Kempster, Non-executive Director	(resigned 31 March 2023)
Richard Staveley, Non-Independent Non-executive Director	
Laurie Benson, Non-executive Director	(appointed 18 January 2022)
Simon Stilwell, Chief Executive	(resigned 6 April 2022)

Capital structure

Refer to note 18 of the accounts for details on the capital structure of the Company.

Directors' interests in ordinary shares

Interests of Directors who held office as at 31 December 2022 in the ordinary shares of the Company were as follows:

	As at 31 December 2022 Ordinary shares of 1p each	**As at 31 December 2021 Ordinary shares of 1p each**
	Number	Number
J Glasspool	**586,142**	382,857
J Kempster (resigned 31 March 2023)	**75,884**	68,986
L Benson	**53,792**	-
S Stilwell (resigned 6 April 2022)	**3,779,050**	3,185,500

Employees

The Group recognises the importance of its employees and encourages internal communications with all staff. The Group has regular updates to advise employees regarding the Group's objectives and performance. The Group operates an open-door policy to encourage all staff to discuss with management any concerns they may have relating to the business.

Corporate Governance

The Corporate Governance statement is set out on page 8.

Directors' and officers' liability insurance

The Group maintains liability insurance covering the Directors and officers of the Company.

Statement as to disclosure of information to the auditor

So far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware, and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Streamlined energy and carbon reporting
The Group has chosen not to report data from any of its UK subsidiary undertakings as none of them are large companies and, therefore, are not required to report such information on a stand-alone basis. The parent company is exempt from reporting as given the nature of its activities it is a low energy user consuming less than 40MWh during the year.

Principal risks and uncertainties
Due to the activity that has taken place post the year end and the proposal to enter into a members voluntary liquidation in 2023, the Directors have elected not to disclose a formal risk register in this report.

Going Concern
On 10 October 2022, the Group announced a Strategic Review and Formal Sale Process of the business. Details of this process can be found in the Chairman's review on page 3. As such, management have not deemed it appropriate to prepare the accounts on a going concern basis due to the intention to cease trading under Bonhill Group Plc in 2023. Instead, the accounts have been prepared on a "break-up" basis. See note 1 for more information.

On behalf of the Board

Jonathan Glasspool
Chairman
7 June 2023

Directors' responsibilities for the preparation of the financial statements

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable laws 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 Group and Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the United Kingdom, 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 Company 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 financial statements comply with the requirements of 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.

Website publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent auditor's report to the members of Bonhill Group Plc

Opinion

We have audited the financial statements of Bonhill plc (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 and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Statements of Cash Flows and the related 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 UK adopted international accounting standards.

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 UK adopted international accounting standards;
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, 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.

Emphasis of Matter – financial statements prepared on a basis other than going concern

We draw attention to note 1 of the financial statements, which describes the Strategic Review and Formal Sale Process of the business. As such, management have not deemed it appropriate to prepare the accounts on a going concern basis due to the intention to cease trading under Bonhill Group Plc in 2023.

Our opinion is not modified in respect of this matter.

Our approach to the audit

We adopted a risk-based audit approach. We gained a detailed understanding of the group's business, the environment it operates in and the risks it faces.

The key elements of our audit approach were as follows:

In order to assess the risks identified, the engagement team performed an evaluation of identified components and to determine the planned audit responses based on a measure of materiality, calculated by considering the significance of components as a percentage of the group's total revenue and profit before taxation and the group's total assets.

From this, we determined the significance of each component to the group as a whole and devised our planned audit response. In order to address the audit risks described in the key audit matters section which were identified during our planning process, we performed a full-scope audit of the financial statements of the parent company, Bonhill Media UK Limited, and Investment News LLC. The operations that were subject to full-scope audit procedures made up 91% of consolidated revenues and 80% of aggregated absolute results after tax. Entities subject to review-scope audit procedures made up 9% of the consolidated revenue and 1% of consolidated loss after tax. We applied analytical procedures to the Statements of Financial Position and Income Statements of the entities comprising the remaining operations of the group, focusing on applicable risks identified as above, and their significance to the group's balances.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk Description	Our response to the risk
Revenue recognition: As detailed in note 1 to the financial statements, Summary of significant accounting policies, the Group's revenue is generated from a number of streams, as follows: • advertising, • subscriptions, • event revenues, and • research. Under ISA 240 there is a presumed risk that revenue is misstated due to fraud. We assess the main areas of risk to be manual adjustments between order and invoice values and the risk that revenue may not be recognised in the correct period.	We have assessed accounting policies for consistency and appropriateness with the financial reporting framework and in particular that revenue was recognised when performance obligations were fulfilled. In addition, we reviewed for the consistency of application as well as the basis of any recognition estimates. We have obtained an understanding of processes through which the businesses initiate, record, process and report revenue transactions. We performed walkthroughs of the processes as set out by management, to ensure controls appropriate to the size and nature of operations are designed and implemented correctly throughout the transaction cycle. A sample of revenue transactions have been reviewed and vouched to invoice, order, and nominal posting. A complete listing of journals posted to revenue nominal codes has been obtained. We have tested unexpected manual adjustments to supporting evidence on a sample basis. We performed cut-off procedures to test transactions around the year end and verified a sample of revenue to originating documentation to provide evidence that transactions were recorded in the correct year. Our procedures did not identify any material misstatements in the revenue recognised during the year.

Our application of materiality

We apply the concept of materiality in planning and performing our audit, in determining the nature, timing and extent of our audit procedures, in evaluating the effect of any identified misstatements, and in forming our audit opinion.

The materiality for the group financial statements as a whole was set at £149,000. This has been determined with reference to the benchmark of the group's revenue which we consider to be an appropriate measure for a group of companies such as these. Materiality represents 1% of group revenue. Performance materiality has been set at 75% of group materiality.

The materiality for the parent company financial statements as a whole was set at £134,000 and performance materiality represents 75% of materiality. This has been determined with reference to the parent company's net assets, which we consider to be an appropriate measure for a holding company with investments in trading subsidiaries, and capped at 90% of overall group materiality. Materiality represents 1.2% of net assets as presented on the face of the parent company's Balance Sheet.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information included in 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 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.

Opinions 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 by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 19, 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 the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

Our assessment focused on key laws and regulations the group and parent company have to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, AIM listing rules, UK adopted international accounting standards and relevant tax legislation in the jurisdictions in which the group operates.

Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the group and parent company and how the group and parent company is complying with that framework by making enquiries of management, those responsible for legal and compliance procedures and the Company Secretary. We corroborated our enquiries through review of board minutes for instances of non-compliance;
- obtaining an understanding of the group and parent company's policies and procedures and how the group and parent company has complied with these, through discussions and sample testing of controls;
- obtaining an understanding of the group and parent company's risk assessment process, including the risk of fraud;
- designing our audit procedures to respond to our risk assessment; and,
- performing audit testing over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness with a focus on manual journals and those posted directly to the consolidation that increased revenue or that reclassified costs from the statement of comprehensive income to the balance sheet, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias specifically those in relation to goodwill and development costs intangible assets.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach.

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 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 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. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

The engagement partner determined that the engagement team collectively had the appropriate competence and capabilities to identify and recognise non-compliance with laws and regulations through the following:

- understanding of, and practical experience with, audit engagement of a similar nature and complexity, through appropriate training and participation; and
- knowledge of the industry in which the client operates.

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 auditor's report.

Use of our report

This report is made solely to the parent 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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Cooper Parry Group Limited

Melanie Hopwell (Senior Statutory Auditor)
For and on behalf of Cooper Parry Group Limited
Statutory Auditor

Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA
7 June 2023

Consolidated statement of comprehensive income

for the year ended 31 December 2022

	Notes	**Year ended 31 December 2022 £'000**	Year ended 31 December 2021 £'000
Revenue	2	**14,913**	16,360
Cost of sales		(4,071)	(4,064)
Gross Profit		**10,842**	12,296
Operating Expenses	3	(12,263)	(12,272)
Adjusted EBITDA		**(1,421)**	24
Amortisation of lease asset	15	**(634)**	(673)
Internal amortisation and impairment	10	**(4,137)**	(7,463)
Depreciation	11	**(119)**	(130)
Share based payments	19	**97**	(87)
Gain/loss on disposal		**589**	-
Restructuring costs	3	**(544)**	-
Operating Loss		**(6,169)**	(8,329)
Finance costs	7	**(102)**	(146)
Loss before tax		**(6,271)**	(8,475)
Tax	8	**(280)**	395
Loss for the period		**(6,551)**	(8,080)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		**596**	129
Total comprehensive loss for the year		**(5,955)**	(7,951)
Basic loss per share attributable to the owners of the parent	9	**(5.49)p**	(8.2)p
Diluted loss per share attributable to the owners of the parent	9	**(5.49)p**	(7.24)p

Under IFRS 5, all operations of the business, both in the financial statements and notes on pages 31 to 52, are classed as discontinued. The notes form an integral part of these financial statements.

Consolidated statement of financial position

as at 31 December 2022

	Notes	**31 December 2022 £'000**	31 December 2021 £'000
Non-current assets			
Goodwill	10	**-**	4,810
Other intangible assets	10	**-**	6,624
Property, plant and equipment	11	**-**	103
Deferred tax asset	8	**-**	292
Right-of-use asset	15	**-**	2,140
		-	13,969
Current assets			
Trade and other receivables	13	**2,071**	3,288
Cash and cash equivalents		**1,270**	1,372
Goodwill	10	**3,548**	-
Property, plant and equipment	11	**54**	-
Right-of-use asset	15	**2,174**	-
Current tax asset		**53**	-
Assets held for sale	10	**4,509**	-
		13,679	4,660
Total assets		**13,679**	18,629
Non-current liabilities			
Deferred tax liability	8	**-**	(348)
Borrowings	16	**-**	(81)
Lease financial liability	15	**-**	(1,686)
		-	(2,115)
Current liabilities			
Trade and other payables	14	**(2,935)**	(3,366)
Borrowings	16	**(690)**	(19)
Lease financial liability	15	**(2,316)**	(619)
Deferred tax liability	8	**(308)**	-
Current tax liability	8	**-**	(1)
		(6,249)	(4,005)
Total liabilities		**(6,249)**	(6,120)
Net assets		**7,430**	12,509
Equity			
Share capital	18	**1,193**	986
Share premium account	18	**2,525**	1,759
Share-based payment reserve	19	**249**	346
Merger reserve		**1,976**	1,976
Other reserves		**104**	104
Retained earnings		**1,330**	7,881
Foreign exchange reserve		**53**	(543)
Total equity attributable to owners of the parent		**7,430**	12,509

The notes on pages 31 to 52 form an integral part of these financial statements. The financial statements on pages 24 to 52 were approved and authorised to issue by the Board and signed on its behalf on 7 June 2023

Jonathan Glasspool
Chairman
7 June 2023

Company statement of financial position

as at 31 December 2022

	Notes	31 December 2022 £'000	31 December 2021 £'000
Non-current assets			
Other intangible assets	10	**-**	-
Property, plant and equipment	11	**-**	62
Deferred tax asset	8	**-**	34
Right-of-use asset	15	**-**	330
Investment in subsidiaries	12	**-**	11,139
		-	11,565
Current assets			
Trade and other receivables	13	**906**	1,385
Cash and cash equivalents		**261**	187
Property, plant and equipment	11	**9**	-
Right-of-use asset	15	**512**	-
Investment in subsidiaries	12	**5,097**	-
		6,785	1,572
Total assets		**6,785**	13,137
Non-current liabilities			
Borrowings	16	**-**	(40)
Deferred tax liability	8	**-**	-
		-	(40)
Current liabilities			
Trade and other payables	14	**(677)**	(1,802)
Borrowings	16	**(649)**	(10)
Lease finance liability	15	**(425)**	(300)
		(1,751)	(2,112)
Total liabilities		**(1,751)**	(2,152)
Net assets		**5,034**	10,985
Equity			
Share capital	18	**1,193**	986
Share premium account	18	**2,525**	1,759
Share-based payment reserve	19	**249**	346
Merger reserve		**1,976**	1,976
Other reserves		**104**	104
Retained (deficit)/ earnings		**(1,013)**	5,814
Total equity attributable to owners of the parent		**5,034**	10,985

The financial statements consolidate the accounts of Bonhill Group plc and all of its subsidiary undertakings ('subsidiaries'). Intra-group sales and profits are eliminated fully on consolidation. The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the Company statement of comprehensive income. The loss for the parent Company for the year was £0.8 million (31 December 2021: £4.7 million).

The notes on pages 31 to 52 form an integral part of these financial statements. The financial statements on pages 24 to 52 were approved and authorised to issue by the Board and signed on its behalf on 7 June 2023.

Jonathan Glasspool
Chairman
7 June 2023

Consolidated statement of changes in equity

for the year ended 31 December 2022

	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Merger reserve £'000	Other reserves £'000	Retained earnings £'000	Foreign exchange reserve £'000	Total £'000
Balance as at 31 December 2020	986	1,759	245	1,976	104	16,011	(672)	20,409
	-	-	-	-	-			
Loss for the period	-	-	-	-	-	(8,080)	-	(8,080)
Other comprehensive income	-	-	-	-	-	-	129	129
Total comprehensive loss for the period	-	-	-	-	-	(8,080)	129	(7,951)
Transactions with owners in their capacity as owners:								
Share option charge	-	-	101	-	-	-	-	101
Other movements	-	-	-	-	-	(50)	-	(50)
Balance as at 31 December 2021	986	1,759	346	1,976	104	7,881	(543)	12,509
Loss for the year	-	-	-	-	-	(6,551)	-	(6.551)
Other comprehensive income	-	-	-	-	-	-	596	596
Total comprehensive loss for the year	-	-	-	-	-	(6,551)	596	(5,955)
Transactions with owners in their capacity as owners:								
Issue of share capital	207	932	-	-	-	-	-	1,139
Share issue costs	-	(166)	-	-	-	-	-	(166)
Share option charge	-	-	(97)	-	-	-	-	(97)
Balance as at 31 December 2022	**1,193**	**2,525**	**249**	**1,976**	**104**	**1,330**	**53**	**7,430**

Company statement of changes in equity

for the year ended 31 December 2022

	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Merger reserve £'000	Other reserves £'000	Retained earnings £'000	Total £'000
Balance as at 31 December 2020	986	1,759	245	1,976	104	10,498	15,568
Loss for the period	-	-	-	-	-	(4,687)	(4,687)
Other comprehensive income	-	-	-	-	-	3	3
Total comprehensive loss for the period	-	-	-	-	-	(4,684)	(4,684)
Transactions with owners in their capacity as owners:							
Share option charge	-	-	101	-	-	-	101
Balance as at 31 December 2021	986	1,759	346	1,976	104	5,814	10,985
Profit / (loss) for the year	-	-	-	-	-	(6,827)	(6,827)
Total comprehensive loss for the year	-	-	-	-	-	(6,827)	(6,827)
Transactions with owners in their capacity as owners:							
Issue of share capital	207	932	-	-	-	-	1,139
Share issue costs	-	(166)	-	-	-	-	(166)
Share option charge	-	-	(97)	-	-	-	(97)
Balance as at 31 December 2022	**1,193**	**2,525**	**249**	**1,976**	**104**	**(1,013)**	**5,034**

Consolidated statement of cash flows

for the year ended 31 December 2022

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Cash generated from operations	**(797)**	426
Interest paid	**(93)**	(123)
Taxation paid	**(17)**	476
Net cash (used in) / generated from operating activities	**(907)**	779
Investing activities		
Purchases of property, plant and equipment	**(67)**	(49)
Purchases of intangible assets	**-**	(24)
Restructuring costs	**46**	
Net cash used in investing activities	**(21)**	(73)
Financing activities		
Proceeds from issue of ordinary shares	**973**	-
Repayment of borrowings	**(19)**	(988)
Lease repayments	**(616)**	(629)
Government (C-19 & PPP) funding received	**-**	920
Borrowings received	**600**	50
Net cash generated from / (used in) financing activities	**938**	(647)
Foreign exchange revaluation loss	**(112)**	(30)
Net (decrease)/ increase in cash and cash equivalents	**(102)**	29
Cash and cash equivalents at the beginning of the period	**1,372**	1,343
Cash and cash equivalents at the end of the period	**1,270**	1,372

The Group consists of entities with functional currencies of GBP, USD, SGD and HKD.

As explained in note 1 to the financial statements on page 31, these financial statements have been prepared under IFRS 5 and therefore all cash flows are from discontinued operations.

Company statement of cash flows

for the year ended 31 December 2022

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Cash used in operations	**(945)**	(127)
Interest paid	**(23)**	(11)
Taxation paid	**-**	476
Net cash (used in) / generated from operating activities	**(968)**	338
Investing activities		
Purchases of property, plant and equipment	**(11)**	(48)
Purchases of intangible assets	**-**	(5)
Restructuring costs	**(187)**	-
Net cash used in investing activities	**(198)**	(53)
Financing activities		
Proceeds from issue of ordinary shares	**973**	-
Receipt of borrowings	**600**	-
Repayment of borrowings	**(1)**	
Repayment of lease liability	**(333)**	(246)
Net cash generated from / (used in) financing activities	**1,239**	(246)
Net increase in cash and cash equivalents	**73**	39
Cash and cash equivalents at the beginning of the period	**187**	148
Cash and cash equivalents at the end of the period	**260**	187

Notes to the cash flow statement

Reconciliation of loss after tax to cash flows used in operations

	Group		Company	
	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000	**Year ended 31 December 2022 £'000**	Year ended 31 December 2021 £'000
Loss after tax	**(6,551)**	(8,080)	**(6,827)**	(8,080)
Adjustments for:				
Tax	**280**	(395)	**-**	(395)
Finance costs	**102**	146	**23**	146
Amortisation and impairment	**4,771**	8,135	**6,316**	8,135
Depreciation of property, plant and equipment	**119**	130	**23**	130
Share-based payment charge	**(97)**	101	**(97)**	101
PPP loan forgiveness	**-**	(931)	**-**	(931)
Gain on disposal	**(589)**	-	**-**	-
Restructuring costs	**544**	-	**189**	-
Operating cash flows before movements in working capital	**(1,421)**	(894)	**(373)**	(894)
Movement in receivables	**1,565**	1,308	**3**	1,308
Movement in payables	**(941)**	12	**(183)**	12
Movement in intragroup transactions*	**-**		**(390)**	
Cash flows generated from / (used in) operations	**(797)**	426	**(945)**	426

*On 1 January 2022 the assets and trade of Bonhill Group Plc were transferred to Bonhill Media UK Limited.

Notes to the financial statements

for the Year ended 31 December 2022

Bonhill Group plc is a public limited company incorporated in the United Kingdom, whose shares are publicly traded on the AIM market. The Company is registered and domiciled in England and its principal place of business is 29 Clerkenwell Road, London EC1M 5RN.

1. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

The consolidated financial statements are presented in GBP, which is also the Group's presentational currency.

Amounts are rounded to the nearest thousand, unless otherwise stated.

Basis of preparation

The financial statements of Bonhill Group plc have been prepared in accordance with International Financial Reporting Standards as adopted by the United Kingdom and IFRIC interpretations (IFRS) and the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process pf applying the accounting policies.

On 10 October 2022, the Group announced a Strategic Review and Formal Sale Process of the business. Details of this process can be found in the Chairman's statement on page 3. As such, management have not deemed it appropriate to prepare the accounts on a going concern basis due to the intention to cease trading under Bonhill Group Plc in 2023. Instead, the accounts have been prepared on a "break-up" basis. Both the sales of the UK/Asia and US business were asset sales and therefore the only assets with a book value that were purchased were intangible assets (customer relationships and brand). As such, these items have been reclassified in the Balance Sheet at 31 December 2022 to current assets – "assets held for sale". All other non-current assets and non-current liabilities have been reclassified as "current". Under IFRS 5, all operations of the business, both in the financial statement and notes on pages 31 to 52, are classed as discontinued. It is the intention of the Board to enter into a members' voluntary liquidation post returning substantially all of the remaining funds to shareholders, subject to shareholder approval.

Consolidation

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

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Group.

The consolidated financial statements incorporate the results of business combinations using the acquisition 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 on which control ceases.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised.

All subsidiaries have an accounting reference date of 31 December 2022.

Subsidiaries

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Foreign exchange

Transactions entered into by Group entities in a currency other than the currency of the primary economic environment in which they operate (their "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date.

On consolidation, the results of overseas operations are translated into GBP at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations, including goodwill arising on the acquisition of those 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 and accumulated in the foreign exchange reserve.

Revenue
Revenue represents the fair value, net of value added tax, of consideration received or receivable, for goods sold and services provided to customers. There are five income streams recognised within revenue:

Advertising (traditional)
Revenue is recognised when the relevant publication is printed (performance obligation as defined).

Advertising (online)
Revenue is recognised over the period over which the campaign runs i.e. over time.

Subscriptions
Subscription contracts have distinct performance obligations over the period of the subscription. Revenue is therefore recognised evenly on a time basis over the subscription period.

Event revenues
Event revenue is recognised in the period the events are held.

Research
Revenue is recognised immediately on purchases or in line with a bespoke contract.

In each case, customers may be invoiced in advance of income recognition, in which case the proportion of invoiced income relating to subsequent periods is included in deferred income.

Where revenue is recognised on an over time basis, an output method is used to determine the revenue recognised. Point in time performance obligations are determined to be met through either the performance of the agreed service or through online or physical distribution. Where a contract is for multiple revenue streams, the allocation of transaction price is agreed at point of contract.

The Group has a policy of 30 day payment terms.

For executive management purposes, the business has three reportable segments. Segmental analysis has been performed in note 3.

During the period, no individual customer accounted for more than 10% of the reported revenue.

Share-based payments
The Group issues equity-settled share-based payments to full-time employees. Equity-settled share-based payments are measured at the fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with the fair value of goods and services received.

Intangible assets
Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable assets and liabilities of the acquired subsidiary at the date of acquisition.

Goodwill, with an indefinite useful life, is tested annually for impairment and carried at cost less accumulated impairment losses. Any impairment charge is recognised in administrative expenses within the statement of comprehensive income in the year in which it occurs. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Website development costs
Website development costs are accounted for in accordance with IAS 38. Expenditure on internally developed products is capitalised if it can be demonstrated that:

- it is technically feasible to develop the product for it to be sold;
- adequate resources are available to complete the development;
- there is an intention to complete and sell the product;
- the Group is able to sell the product;
- sale of the product will generate future economic benefits; and
- expenditure on the project can be measured reliably.

Capitalised development costs are amortised over the periods the Group expects to benefit from selling the products developed. The amortisation expense is included within administrative expenses in the consolidated statement of comprehensive income. Website development costs are amortised over three years.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in the consolidated statement of comprehensive income as incurred.

Software
The Group only capitalises internally generated costs from the configuration and capitalisation of SaaS projects when it is able to obtain economic benefits from the activities independent from the SaaS solution itself in accordance with IAS38. Amortisation is charged over their estimated useful economic lives, using the straight-line method:

Software	5 years straight line

Brand
The fair values of identifiable brands are capitalised in accordance with IFRS 3, measured at acquisition fair value. Amortisation is charged over their estimated useful economic lives, using the straight-line method, on the following bases:

Brands	10 years straight line

Customer relationships
The fair values of identifiable customer relationships are capitalised in accordance with IFRS 3, measured at acquisition fair value. Amortisation is charged over their estimated useful economic lives, using the straight-line method:

Customer relationships	7 years straight line

Impairment of non-current assets excluding deferred tax assets
At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the impairment of intangible assets line in the consolidated statement of comprehensive income as an expense immediately.

Investments
Investments are stated at cost less any provision for impairment in value.

Property, plant and equipment
Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses. Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

Fixtures, fittings and equipment 3 years straight line

Current and deferred taxation
Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits ('temporary differences') and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Where there are taxable temporary differences arising on subsidiaries, deferred tax liabilities are recognised except where the Group is able to control the reversal of temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are generally recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Where there are deductible temporary differences arising on subsidiaries, deferred tax assets are recognised only where it is probable that they will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based upon tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The closing deferred tax asset balance is comprised of tax losses, right of use assets and lease liabilities, however this balance has been fully impaired at the year end to reflect to non-likelihood of recoverability due to the sale and liquidation of the business.

Leased assets and obligations
All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a term of 12 months or less.

Assets leased for a period of less than a year are not recorded in the statement of financial position. Rental payments are charged directly to profit or loss on a straight-line basis over the lease term.

Where assets are leased for a period of more than a year, a right-of-use asset and lease liability are recognised on the statement of financial position. After lease commencement, the right-of-use asset is measured using a cost model at cost less accumulated amortisation. The lease liability is initially measured at the present value of the lease payments payable over the lease term. The present value of the lease payment is determined using the discount rate representing the incremental borrowing rate of the Company.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

Provisions
Provisions are recognised when the Group has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reliably estimated. Where the effect of the time value of money is material, the provision is based on the present value of future outflows, discontinued at the pre-tax discount rate that reflects the risks specific to the liability.

Defined contribution schemes
Contributions to defined contribution pension schemes are charged to the consolidated statement of comprehensive income in the year to which they relate.

Financial instruments
Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group has become party to the contractual provisions of the instrument.

Trade and other receivables
Trade receivables are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and subsequently measured at amortised cost using the effective interest method less provision for impairment.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar ageing. The Group has determined that trade receivables across different propositions, sectors and countries have similar risk characteristics. The carrying amount of the asset is reduced through the use of a provision account, and the amount of the loss is recognised in the statement of comprehensive income. When a trade receivable is uncollectible, it is written off against the provision account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the statement of comprehensive income.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, 12 month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Cash and cash equivalents
Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Trade payables
Trade payables are initially recognised at cost and subsequently measured at amortised cost using the effective interest method. There is no material variance between book and fair values.

Borrowings
Borrowings are recorded initially at their fair value, net of direct transaction costs, and finance charges are recognised in profit or loss over the term of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding. There is no material variance between book and fair values.

Government funding and grants
The UK Bounceback loans received in December 2020 and January 2021 were recognised on the balance sheet where they will remain until repaid in full. The bounceback loan received through Lloyds Bank (£50,000) was fully repaid in March 2023. The other bounceback loan received through Coutts will be repaid in full before the end of June 2023.

Equity instruments
Financial instruments issued by the Group are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The Group's ordinary shares are classified as equity instruments. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Reserve	**Description and purpose**
Share capital	Represents the nominal value of equity shares.
Share premium	Amount subscribed for share capital in excess of the nominal value.
Share option reserve	Represents equity-settled share-based employee remuneration until such options are exercised.
Other reserve	Represents transactions with equity participants. This reserve includes the Capital Redemption Reserve as a result of the cancellation of the deferred shares.
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.
Merger reserve	Where the Group has applied merger relief under the UK Companies Act s615.

Judgements and estimates
The Group makes judgements and assumptions concerning the future that impact the application of policies and reported amounts. The resulting accounting estimates calculated using these judgements and assumptions will, by definition, seldom equal the related actual results but are based on historical experience and expectations of future events. The judgements and key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are discussed below.

Impairment of assets
The Group is required to assess whether goodwill has suffered any impairment loss, based on the recoverable amount of its cash generating units ("CGUs"). The recoverable amount has been determined based on value in use calculations and these calculations require the use of estimates in relation to future cash flows and suitable discount rates as disclosed in note 11. Actual outcomes could vary from these estimates. Post the year end all intangible assets and goodwill were written down to align to the consideration received through each of the sales processes and then "sold" as part of the deals. The resulting balance sheet has intangible asset and goodwill values of £nil.

Adjusting items
Adjusting items are reviewed on a transactional level basis as to their nature and intention. Items which are discrete, time-bound and have arisen as a direct result of a one-off activity, such as the acquisition of a subsidiary company have been recognised as adjusting. During 2022 any adjusting items relate to the sale of the Business, Solutions and Governance segment of the business or to the Strategic Review and Formal Sale Process.

Expected credit losses
The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar ageing. The Group has determined that trade receivables across different propositions, sectors and countries have similar risk characteristics.

Share-based payments
Share options are recognised as an expense based on their fair value at date of grant. The fair value of the options is estimated through the use of a valuation model – which requires inputs such as the risk-free interest rate, expected dividends, expected volatility and the expected option life – and is expensed over the vesting period. Some of the inputs used to calculate the fair value are not market observable and are based on estimates derived from available data, such as employee exercise behaviour and employee turnover.

Valuation of acquired intangible assets
The fair value of these acquired intangible assets is based on valuation techniques. The valuation models require input based on assumptions about the future. Management uses its best knowledge to estimate the fair value of acquired intangible assets as of the acquisition date. The value of intangible assets is tested for impairment when there is an indication that they might be impaired. Management also make assumptions about the useful life of the acquired intangible assets which might be affected by external factors. Should an impairment be made, the corresponding investment in subsidiary is also impaired.

2. Segmental analysis

For executive management purposes, there are three distinct segments for reporting; Financial Services UK & EMEA (“FUSE”/”UK&Asia”) and Financial Services US (“FSUS”/”InvestmentNews”) and Corporate (being the costs of the Plc in addition to Shared Services and all costs not specifically attributable to one of the other two segments).

	Year ended 31 December 2022 £’000	Year ended 31 December 2021 £’000
Analysis of revenue by core propositions		
Business information	**9,271**	10,277
Live events	**4,936**	5,263
Data and insight	**706**	820
Total revenue	**14,913**	16,360
Analysis of revenue by country		
United Kingdom	**6,651**	7,727
North America	**7,204**	7,377
Asia Pacific	**1,058**	1,256
Total revenue	**14,913**	16,360

Year ended 31 December 2022	FSUE £’000	FSUS £’000	BSG/Corporate £’000	**Total £’000**
Reportable segmental income statement				
Revenue	6,282	7,204	1,426	**14,913**
Adjusted EBITDA	346	(669)	(1,097)	**(1,421)**
Adjusted operating profit/(loss)	294	(4,990)	(929)	**(5,625)**
Statutory operating profit/(loss)	197	(4,990)	(1,376)	**(6,169)**
Statutory profit/(loss) before tax	196	(5,896)	(571)	**(6,271)**

Year ended 31 December 2021	FSUE £’000	FSUS £’000	BSG/Corporate £’000	**Total** £’000
Reportable segmental income statement				
Revenue	6,336	7,377	2,647	16,360
Adjusted EBITDA	566	564	(1,107)	23
Adjusted operating loss	302	(6,966)	(1,665)	(8,329)
Statutory operating loss	302	(6,966)	(1,665)	(8,329)
Statutory loss before tax	299	(7,840)	(934)	(8,475)

3. Operating loss

(a) Operating loss for the year has been arrived at after charging the following items:

	Note	**Year ended 31 December 2022 £'000**	Year ended 31 December 2021 (restated) £'000
Depreciation of property, plant and equipment	11	**112**	130
Amortisation of purchased or internally generated intangible assets	10	**1,311**	1,271
Impairment of intangible assets	10	**2,826**	6,191
Amortisation of right of use assets	15	**634**	673
Foreign exchange (gain) or loss		**(199)**	13
Operating lease rentals in respect of land and buildings		**35**	32
Staff costs	5	**8,086**	9,127
Directors' remuneration	6	**628**	482
Events costs		**2,193**	2,108
Print/digital related costs		**1,610**	1,727
Grant income related to COVID-19		**(16)**	(931)
Gain/loss on disposal		**(589)**	-
Other costs		**3,911**	3,876
Adjusted operating costs		**20,541**	24,689
Adjusting items		**544**	-
Statutory operating costs		**21,085**	24,689

Other costs include freelancers, contractors, distribution costs, technology costs, travel expenses, marketing costs and professional fees.
Gain on disposal relates to the sale of the Business Solution and Governance division to Stubben Edge, being cash consideration of £0.7 million less costs.

(b) During the year, the following services were obtained from the Group's auditor as detailed below:

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Audit services		
– Recurring fees payable to Company auditor for the audit of parent Company and consolidated accounts	**110**	80
– Additional fees payable in relation to non-recurring audit work	**-**	1
Other services		
Fees payable to the Company's auditor and its associates for other services:		
– The audit of Company's subsidiaries	**-**	53

The disclosure of the auditor's remuneration stated above relates to the Company's auditor, Cooper Parry Group Limited for the year ended 31 December 2022 (2021: BDO LLP).

(c) Adjusting items

In the year ended 31 December 2022, the Group incurred £0.5m of cost which the Directors believe should be disclosed as adjusting items (2021: £0). These costs directly relate to the disposal of the BSG division, the strategic review and the formal sale process. Adjusted results are prepared to provide additional relevant information on our future or past performance where equivalent information cannot be presented using financial measures under IFRS.

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
M&A related costs	**544**	-
Total	**544**	-

4. Reconciliation of Adjusted EBITDA to statutory earnings

Earnings before interest, depreciation and amortisation ("EBITDA") is a measure of earnings and cash generative capacity. Adjusted EBITDA, which excludes non-recurring items, is a non-GAAP financial measure which facilitates an understanding of underlying earnings and cash generative capacity. A reconciliation of Adjusted EBITDA to statutory earnings is set out below.

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Adjusted EBITDA	**(1,421)**	23
Adjusting items	**(544)**	-
EBITDA	**(1,965)**	23
Depreciation	**(119)**	(130)
Amortisation and impairment	**(4,771)**	(8,135)
Gain on disposal	**589**	-
Share option (charge)/credit	**97**	(87)
Operating loss	**(6,169)**	(8,329)
Net finance costs	**(102)**	(146)
Loss before tax	**(6,271)**	(8,475)
Taxation	**(280)**	395
Loss after tax	**(6,551)**	(8,080)

5. Staff costs

	Group		Company	
	Year ended 31 December 2022 £'000	Year ended 31 December 2021 restated £'000	**Year ended 31 December 2022 £'000**	Year ended 31 December 2021 £'000
Staff costs (excluding Directors)				
– Wages and salaries	**7,201**	7,935	**-**	2,337
– Social security costs	**778**	854	**-**	343
– Share-based payments charge/(credit)	**(97)**	87	**(97)**	87
– Pensions	**204**	251	**-**	138
Staff costs	**8,086**	9,127	**(97)**	2,905

On 1 January 2022 all non-Board UK employees were TUPEd to Bonhill Media UK Limited, leaving only the Directors in the Company.

Average monthly number of persons employed by the Group:

	Group		Company	
	Year ended 31 December 2022	Year ended 31 December 2021	**Year ended 31 December 2022**	Year ended 31 December 2021
Senior management/Board	**13**	13	**6**	9
Finance and administration	**23**	17	**-**	15
Editorial/design/events	**63**	67	**-**	19
Marketing and sales	**25**	44	**-**	11
	124	141	**6**	54

6. Directors' remuneration

	Base Salary	Pension	Bonus	**Year ended 31 December 2021 £'000**	Year ended 31 December 2020 £'000
Executive:					
Patrick Ponsford (appointed 13 July 2022)	80	7	15	**102**	-
Sarah Thompson (appointed 15 September 2020)	90	10	-	**100**	164
John French (appointed 13 July 2022)	106	-	-	**106**	-
S Stilwell (resigned 6 April 2022)	149	15	-	**164**	215
Non-executive:					
Jonathan Glasspool (appointed 27 May 2021)**	50	-	15	**65**	30
Jon Kempster (appointed 29 June 2020)	30	-	-	**30**	30
Richard Staveley (appointed 16 December 2021)	31	-	-	**31**	-
Laurie Benson (appointed 18 January 2022)	30	-	-	**30**	-
Neil Sachdev (resigned 27 May 2021)	-	-	-	**-**	20
Anne Donoghue (resigned 30 September 2021)	-	-	-	**-**	23
Total	**566**	**32**	**30**	**628**	**482**

No share options were exercised during the period (31 December 2021: nil).

* Simon Stilwell received cash in lieu of pension contributions.

** Jonathan Glasspool received a bonus of £15,000 for his temporary role as Executive Chairman during the year

Directors' interests in share options

The interests of the Directors in office during the year in share options of the Company are set out in the table below.

	31 December 2022 Number	Granted Number	Forefeited/ Lapsed Number	31 December 2021 Number	Exercise price Pence	Exercisable period
Patrick Ponsford	**750,000**	-	-	750,000	1.0	25/10/2023 to 25/10/2030
	750,000	-	-	750,000	1.0	25/10/2024 to 25/10/2030
	500,000	500,000	-		1.0	06/10/2024 to 07/10/2032
	2,000,000	500,000	-	1,500,000		
John French	**1,500,000**	1,500,000	-	-	1.0	06/10/2024 to 07/10/2032
	1,500,000	1,500,000	-	-		
Sarah Thompson	**1,000,000**	-	-	1,000,000	1.0	25/10/2023 to 25/10/2030
	1,000,000	-	-	1,000,000	1.0	25/10/2024 to 25/10/2030
	2,000,000	-	-	2,000,000		
Simon Stilwell	**-**	-	(7,440)	7,440	80.0	16/08/2021 to 16/08/2028
	-	-	(7,441)	7,441	80.0	16/08/2022 to 16/08/2028
	-	-	(376,000)	376,000	1.0	16/08/2021 to 16/02/2022
	-	-	(376,000)	376,000	1.0	16/08/2022 to 16/02/2023
	1,166,775	-	(635,225)	1,802,000	1.0	25/10/2023 to 25/10/2030
	1,166,775	-	(635,225)	1,802,000	1.0	25/10/2024 to 25/10/2030
	2,333,550	-	(2,037,331)	4,370,881		

7. Finance costs

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Interest payable on bank loan and overdrafts	**(11)**	(55)
Net interest recognised under IFRS16 lease liabilities	**(91)**	(91)
	(102)	(146)

8. Income tax

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Current tax (charge)/credit	**(1)**	(9)
Receipt of R&D Tax Credits in respect of Prior Year	-	476
Adjustment in respect of prior periods	**-**	1
Total current tax	**(1)**	468
Deferred tax on other intangibles	**332**	30
Deferred tax on other temporary differences	**-**	242
Adjustment in respect of prior periods	**79**	(265)
Effect of change in tax rates	**11**	(80)
Impairment of deferred tax asset	**(701)**	-
Total deferred tax	**(279)**	(73)
Total tax charge	**(280)**	395

Corporation tax on UK profits is calculated at 19.00% (31 December 2021: 19.00%) of the estimated assessable profit for the year. Corporation tax on US profits is calculated at 21.73% (31 December 2021: 28.41%) of the estimated assessable profit for the year.

The tax charge for the year can be reconciled to the loss before tax per the consolidated statement of comprehensive income as follows:

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Factors affecting the tax charge for the year:		
Loss before taxation	**(6,271)**	(8,475)
Loss before tax multiplied by the standard rate of corporation tax in the UK of 19.00%	**(1,191)**	(1,610)
Effects of:		
Profits taxed at overseas tax rates	**-**	(671)
Other income & expenses not deductible for tax purposes	**(1)**	(511)
Adjustments to tax charge in respect of prior years	**(79)**	(211)
Difference in tax rates on deferred tax	**(255)**	80
Change in valuation allowance/movement in unrecognised deferred tax	**1,237**	2,992
Other effects including foreign exchange differences and impairment	**569**	(464)
Total tax charge	**280**	(395)

Deferred and current tax assets and liabilities can be reconciled as follows:

	Group £'000	Company £'000
Deferred tax assets as at 1 January 2022	292	34
Movement in the year	365	(33)
Prior year adjustment	79	-
Impairment of deferred tax asset	(705)	-
Effect of foreign exchange revaluation	(31)	-
Deferred tax assets as at 31 December 2022	**-**	**1**

	Group £'000	Company £'000
Deferred tax liabilities as at 1 January 2022	(348)	-
Movement in the year	40	-
Effect of foreign exchange revaluation	-	-
Deferred tax liabilities as at 31 December 2022	**(308)**	**-**
Net deferred tax liabilities	**(308)**	**(34)**

	Group £'000	Company £'000
Current tax asset as at 1 January 2022	(1)	-
Adjustment in respect of prior years	3	-
Current tax charge	(1)	-
Tax paid in advance	54	-
Other	(3)	-
Effect of foreign exchange revaluation	1	-
Current tax liability as at 31 December 2022	**53**	-

The Group has unrecognised tax losses of £13.1 million in the UK and $13.0 million in the US (31 December 2021 total: £18.7 million).
The decision was taken at the year end to impair the full balance of the Group's deferred tax asset due to management's view of its recoverability in light of a sale.

9. Earnings per share

(a) Basic earnings per share
Basic loss per share is calculated by dividing the loss attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year.

Based on statutory earnings

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Loss attributable to owners of the parent	**(6,551)**	(8,080)
Weighted average number of ordinary shares in issue	**119,268,534**	98,585,692
Basic loss per share (pence per share)	**(5.49)p**	(8.20)p

Based on adjusted earnings	**Year ended 31 December 2022 £'000**	Year ended 31 December 2021 £'000
Loss attributable to owners of the parent	**(6,007)**	(8,080)
Weighted average number of ordinary shares in issue	**119,268,534**	98,585,692
Basic loss per share (pence per share)	**(5.04)p**	(8.20)p

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. As the company is loss-making in the year, any share options would be anti-dilutive and therefore diluted EPS is the same as basic EPS.

10. Intangible assets

Group	Brand £'000	Customer relationships £'000	Sub-total £'000	Goodwill £'000	Total £'000
Cost					
1 January 2021	4,688	5,882	10,570	17,008	27,578
Additions (external)	-	-	-	-	-
Foreign exchange movement	18	29	48	147	195
1 January 2022	4,706	5,911	10,617	17,155	27,773
Additions (external)	-	-	-	-	-
Foreign exchange movement	414	655	1,069	153	1,222
31 December 2022	**5,120**	**6,566**	**11,686**	**17,309**	**28,995**
Amortisation and impairment					
1 January 2021	964	1,831	2,795	6,248	9,043
Amortisation charge for the year	430	763	1,193	-	1,193
Impairment of intangibles	-	-	-	6,078	6,078
Foreign exchange movement	9	(4)	5	19	24
1 January 2022	1,403	2,590	3,993	12,345	16,338
Amortisation charge for the year	468	843	1,311	-	1,311
Impairment of intangibles	705	705	1,410	1,416	2,826
Foreign exchange movement	144	319	463	-	463
31 December 2022	**2,720**	**4,457**	**7,177**	**13,761**	**20,938**
NBV at 31 December 2022	**2,400**	**2,109**	**4,509**	**3,548**	**8,057**
NBV at 31 December 2021	3,303	3,321	6,624	4,810	11,434

Note that the tax amortisation benefit of the InvestmentNews brand and customer relationships will be amortised over 15 years. Any publishing rights, website development and software from previous years have been fully amortised leaving a NBV of £nil at 31 December for both 2021 and 2022. As per note 1, brand and customer relationships have been reclassed from non-current intangible assets to current assets held for sale, and Goodwill has also been reclassed as a current asset. This results in an intangible asset value of the balance sheet of £nil. They have been included here for completeness and comparison. The impairment of intangibles relates to the revaluation of the InvestmentNews LLC related assets to bring them in line with the NRV at the point of sale.

The breakdown of goodwill, brand and customer relationships intangible asset values by brand are as follows:

	31 December 2022 £'000	31 December 2021 £'000
Goodwill		
InvestmentNews LLC	**-**	1,262
Last Word Media	**3,548**	3,548
	3,548	4,810

	Useful Economic Life (UEL)	Remaining UEL	**31 December 2022 £'000**	31 December 2021 £'000
Brand				
InvestmentNews	10	5	**1,503**	2,298
Last Word Media	12	8	**897**	1,005
			2,400	3,303

	Useful Economic Life (UEL)	Remaining UEL	**31 December 2022 £'000**	31 December 2021 £'000
Customer relationships				
InvestmentNews	7	2	**1,779**	2,938
Last Word Media	10	6	**330**	383
			2,109	3,321

11. Property, plant and equipment

	Fixtures, fittings and equipment	
	Group	Company
	£'000	£'000
Cost		
1 January 2021	856	227
Additions	49	48
Disposal	(12)	-
Foreign exchange movement	1	-
1 January 2022	894	275
Transfer of assets to subsidiary	-	(241)
Additions	68	11
Disposal	(29)	-
Foreign exchange movement	23	-
31 December 2022	**955**	**46**
Depreciation		
1 January 2021	666	142
Charge for the year	130	71
Disposal	(12)	-
Foreign exchange movement	1	-
1 January 2022	791	213
Transfer of assets to subsidiary	-	(185)
Charge for the year	112	16
Disposal	(21)	(7)
Foreign exchange movement	19	-
31 December 2022	**901**	**36**
Net book value		
31 December 2022	**54**	**9**
31 December 2021	103	62

As per note 1, under IFRS 5, all property, plant and equipment values in the balance sheet have been reclassed from non-current tangible assets to current assets held for sale.

12. Investments

Company	Subsidiary undertakings £'000
Cost	
1 January 2021	26,455
Additions	-
31 December 2021	26,455
Additions	-
31 December 2022	**26,455**
Impairment	
1 January 2021	(7,893)
Impairment	(7,423)
31 December 2021	(15,316)
Impairment	(6,042)
31 December 2022	**(21,358)**
Net book value	
31 December 2022	**5,097**
31 December 2021	11,139

Impairment was made to the investment in Bonhill Finance Ltd. Due to the consideration amount agreed on the US sale, the investment in Bonhill Finance Ltd is deemed irrecoverable.

At 31 December 2022, the Company held 100% of the issued ordinary share capital and voting rights of the following subsidiary undertakings which have been included in the consolidated accounts. Both Last Word Media (Asia) Pte Limited and Last Word Media (HK) Limited were sold to the Mark Allen Group on 28 February 2023 and from that point no longer belong to the Group.

Company	Principal activity	Incorporated in	Registered office
Bonhill Finance Limited	Financing arm of the Group	England and Wales	c/o Virtual Company Secretary Limited, 7 York Road, Woking, GU22 7XH
Bonhill Group Inc.	Holding company for InvestmentNews LLC	USA	685 Third Avenue, New York, 10017
Bonhill Media UK Limited	Online, print publishing & events	England and Wales	c/o Virtual Company Secretary Limited, 7 York Road, Woking, GU22 7XH
InvestmentNews LLC	Online, print publishing & events for US IFAs	USA	685 Third Avenue, New York, 10017
Last Word Media (Asia) PTE Limited	Online, print publishing & events for investors and entrepreneurs	Singapore	3 Church Street, #12-02, Samsung Hub, Singapore (049483)
Last Word Media (HK) Limited	Online, print publishing & events for investors and entrepreneurs	Hong Kong	36/F Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong
Last Word Media (UK) Limited	Online, print publishing & events for investors and entrepreneurs	England and Wales	c/o Virtual Company Secretary Limited, 7 York Road, Woking, GU22 7XH

13. Trade and other receivables

	Group		Company	
	31 December 2022 £’000	31 December 2021 £’000	**31 December 2022 £’000**	31 December 2021 £’000
Trade receivables	**1,747**	2,761	**-**	857
Provision for impairment of trade receivables	**(85)**	(160)	**-**	(118)
	1,662	2,601	**-**	739
Other receivables*	**195**	485	**4**	184
Prepayments and accrued income	**213**	185	**1**	92
Deferred expenses	**1**	17	**-**	2
Amounts owed from subsidiary undertakings	**-**	-	**901**	368
	2,071	3,288	**906**	1,385

*other receivables consist of rent deposits and event venue deposits.

On 1 January 2022, the assets and trade of Bonhill Group Plc were transferred internally to Bonhill Media UK Limited. Remaining balances only relate specifically to the Plc.

The Group’s financial assets are short term in nature. In the opinion of the Directors, the carrying values equate to their fair values.

14. Trade and other payables

	Group		Company	
	31 December 2022 £’000	31 December 2021 £’000	**31 December 2022 £’000**	31 December 2021 £’000
Trade payables	**742**	515	**1**	221
Taxation and social security	**34**	110	**34**	121
Other payables	**881**	838	**15**	256
Accruals	**518**	907	**52**	325
Deferred income	**759**	996	**-**	305
Amounts owed to subsidiary undertakings	**-**	-	**574**	574
	2,935	3,366	**677**	1,802

On 1 January 2022, the assets and trade of Bonhill Group Plc were transferred internally to Bonhill Media UK Limited. Remaining balances only relate specifically to the Plc.

The Group's financial liabilities are short term in nature. In the opinion of the Directors, the carrying values equate to their fair values.

15. Right-of-use asset

All leases are accounted for by recognising a right-of-use asset and a lease liability except for leases of low value assets and leases with a term of 12 months or less.

In applying the modified retrospective approach, the Group has taken advantage of the following practical expedients - leases with a remaining term of 12 months or less from the date of application have been accounted for as short-term leases (i.e. not recognised on the balance sheet) even though the initial term of the leases from lease commencement date may have been more than 12 months.

	Group	
	2022	2021
Right-of-use asset	**£'000**	£'000
Carrying value as at start of the period	**2,140**	158
Additions to right-of-use assets	**619**	2,637
Amortisation charged	**(634)**	(673)
Termination of leases	**(137)**	-
Foreign exchange impact of revaluation	**187**	18
Carrying value as at the end of the period	**2,174**	2,140

	Group	
	2022	2021
Lease liability	**£'000**	£'000
Carrying value as at start of the period	**2,305**	184
Additions to lease liability	**616**	2,573
Interest charged	**91**	91
Repayments made	**(678)**	(565)
Termination of leases	**(227)**	-
Foreign exchange impact of revaluation	**210**	22
Carrying value as at the end of the period	**2,316**	2,305

Lease liability current/non-current split	**£'000**	£'000
Current lease liability	**2,316**	619
Non-current lease liability	**-**	1,686
Total lease liability	**2,316**	2,305

	Company	
	2022	2021
Right-of-use asset	**£'000**	£'000
Carrying value as at start of the period	**330**	-
Additions to right-of-use assets	**619**	537
Amortisation charged	**(299)**	(207)
Termination of lease	**(137)**	-
Carrying value as at the end of the period	**512**	330

Lease liability	**£'000**	£'000
Carrying value as at start of the period	**300**	-
Additions to lease liability	**554**	473
Interest charged	**13**	9
Repayments made	**(345)**	(182)
Termination of lease	**(97)**	-
Carrying value as at the end of the period	**425**	300

Lease liability current/non-current split	**£'000**	£'000
Current lease liability	**425**	300
Total lease liability	**425**	300

During the year the Group signed a new lease for London premises at 29 Clerkenwell Road, London.

16. Borrowings

	Group	
	31 December 2022 £'000	31 December 2021 £'000
Loan	**609**	-
UK Bounceback loans	**81**	100
	690	100

	Company	
	31 December 2022 £'000	31 December 2021 £'000
Loan	**609**	-
UK Bounceback loan	**40**	50
	649	50

The Company took out a UK Bounceback Loan for £50,000 in January 2021, in addition to the one taken in December 2020. Both loans became repayable from January 2022. The Company also took out a short-term loan facility of £800,000 with Rockwood Plc, of which £600,000 was drawn at 31 December 2022. In February 2023, the facility was extended to £1.0m and was fully repaid in March 2023.

Per note 1, all Borrowings have been reclassed to a current liability and therefore due within one year. The interest-bearing loans are repayable as follows:

	Group	
	31 December 2022 £'000	31 December 2021 £'000
Within one year	**690**	19
Between one and two years	**-**	20
Between two and five years	**-**	60
Over five years	**-**	1
Total	**690**	100

	Company	
	31 December 2022 £'000	31 December 2021 £'000
Within one year	**649**	10
Between one and two years	**-**	10
Between two and five years	**-**	30
Total	**649**	50

17. Financial risk management

The Group's financial instruments are comprised of cash, borrowings, trade receivables, other receivables, trade payables and other payables. The fair values of these instruments are not materially different to their book values. The objective of holding financial instruments is to raise finance for the Group's operations and manage related risks. The Group's activities expose the Group to a number of risks including interest rate risk, credit risk and liquidity risk. The Group manages these risks by regularly monitoring the business and providing ongoing forecasts of the impact on the business.

Liquidity risk
The Directors closely monitor the Group's and Company's financial position to ensure it has sufficient funds to meet its obligations as they fall due. The Group finance function produces regular forecasts that estimate the cash inflows and outflows for the next twelve months, so that management can ensure that sufficient financing is in place as it is required. The Chief Financial Officer models the monthly cash flow on a daily basis to ensure there are no surprises. Management have worked with our key customers and suppliers to ensure that the overall working capital cycle is as smooth as possible.

Maturity analysis
The table below analyses the Group's and the Company's financial liabilities based on the contractual gross undiscounted cash flows for amounts outstanding at the reporting date up to maturity date. Please note that whilst this demonstrates the contractual repayments, all liabilities have been reclassed as current and therefore will be paid back within one year.

Maturity analysis at 31 December 2022	**Less than 6 months £'000**	**Between 6 months and 1 year £'000**	**Between 1 year and 5 years £'000**	**Greater than 5 years £'000**	**Total £'000**
Group					
Borrowings	**619**	**10**	**60**	**-**	**690**
Lease financial liability	**602**	**164**	**1,516**	**34**	**2,316**
Trade and other payables	**2,935**	**-**	**-**	**-**	**2,935**
Total liabilities	**4,157**	**174**	**1,577**	**34**	**5,941**
Company					
Borrowings	**5**	**5**	**30**	**-**	**40**
Lease financial liability	**425**	**-**	**-**	**-**	**425**
Trade and other payables	**677**	**-**	**-**	**-**	**677**
Total liabilities	**1,107**	**5**	**30**	**-**	**1,141**

Maturity analysis at 31 December 2021	Less than 6 months £'000	Between 6 months and 1 year £'000	Between 1 year and 5 years £'000	Greater than 5 years £'000	Total £'000
Group					
Borrowings	9	10	80	1	100
Lease financial liability	336	283	1,298	388	2,305
Trade and other payables	3,366	-	-	-	3,366
Total liabilities	3,711	293	1,378	389	5,771
Company					
Borrowings	5	5	40	-	50
Lease financial liability	178	122	-	-	300
Trade and other payables	1,802	-	-	-	1,802
Total liabilities	1,985	127	40	-	2,152

Trade and other payables consist of trade payables, other payables, accruals and amounts owed to subsidiary undertakings as shown in note 14.

The Group and Company would normally expect that sufficient cash is generated in the operating cycle to meet the contractual cash flows as disclosed above through effective cash management.

Credit risk exposure
Credit risk predominantly arises from trade receivables, cash and cash equivalents and deposits with banks. Credit risk is managed on a Group basis. External credit checks are obtained for larger customers. In addition, the credit quality of each customer is assessed internally before accepting any terms of trade. Internal procedures take into account the customer's financial position, their reputation in the industry and past trading experience. As a result, the Group's and Company's exposure to bad debts is not significant. Cash and cash equivalents are held with banks with a minimum rating of 'A'.

Movements on the Group and Company's provision for impairment of trade receivables:

	Group		Company	
	31 December 2022	31 December 2021	**31 December 2022**	31 December 2021
Financial assets	**£'000**	£'000	**£'000**	£'000
As at start of period	**160**	440	**118**	137
Addition to provision	**8**	80	**-**	63
Intercompany transfer of provision	**-**	-	**(118)**	
Utilisation of provision	**(83)**	(360)	**-**	(82)
As at end of period	**85**	160	**-**	118

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss ("ECL") provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar ageing. The Group has determined that trade receivables across different propositions, sectors and countries have similar risk characteristics. The Group has determined appropriate expected loss rates by considering historical credit losses experienced over a three year period prior to the period end and adjusting these based on current and forward looking information. The Group have identified political and economic uncertainty in its key operating countries as the key macroeconomic factors affecting its customers. The provision is calculated by management based on their best estimate of recoverability considering the age of the debtor.

As at 31 December 2022, the lifetime expected loss provision for trade receivables is as follows:

	Lifetime ECL					
Debtors 'at risk'	1%	10%	15%	50%	100%	**Total £'000**
BSG	18	-	175	20	21	**234**
FSUS	402	6	33		8	**448**
FSUK	123	26	41	5	-	**195**
Total debt 'at risk'	543	32	249	25	29	**878**
Provision calculation						
BSG	0	-	26	10	21	**57**
FSUS	4	1	4	-	8	**17**
FSUK	1	2	6	2	-	**11**
Total credit provision	5	3	36	12	29	**85**

18. Called up share capital

Issued and fully paid ordinary shares of 1p each

	Number	£'000
As at 1 January 2021	98,585,692	986
As at 1 January 2022	98,585,692	986
Shares issued during the year	20,682,842	207
As at 31 December 2022	**119,268,534**	**1,192**

Issue of shares

Across April and May 2022 20,682,842 shares were issued with an aggregate premium of £931,635, less placing expenses of £165,780, which produced a net premium of £765,855.

Rights of shares

Dividends and income - Ordinary shares are entitled to receive dividends as approved by the Board of Directors.

Voting rights - Ordinary shares are entitled to one share per vote at General Meetings. Deferred shares cannot be transferred.

Distribution - Upon liquidation of the Company, once all liabilities have been met, ordinary shareholders will receive the value paid up per share plus £100.

The Company has granted options to subscribe for ordinary shares of 1p each, as follows:

Grant date	Subscription price per share	Period within which options are exercisable	Number of shares for which rights are exercisable **31 December 2022**	31 December 2021
16.08.2018	80.0p	16/08/2021 - 16/08/2028	**-**	14,880
16.08.2018	80.0p	16/08/2022 - 16/08/2028	**-**	14,882
16.08.2018	1.0p	16/08/2021 - 16/02/2022	**-**	451,000
16.08.2018	1.0p	16/08/2022 - 16/02/2023	**376,000**	451,000
26.10.2021	1.0p	25/10/2023 - 25/10/2030	**4,624,775**	6,010,000
26.10.2021	1.0p	25/10/2024 - 25/10/2030	**4,624,775**	6,010,000
07.10.2022	1.0p	07/10/2024 - 07/10/2032	**6,000,000**	-
			15,625,550	12,951,762

During the 12-month period, 3,326,212 share options were forfeited or cancelled (12 months ended 31 December 2021: 1,500,000). 6,000,000 share options were issued due to the introduction of the new EMI scheme.

Share premium

The share premium account shows the amount subscribed for share capital in excess of nominal value, net of share issue costs.

	£'000
Share premium as at 31 December 2021	1,759
Subscription of share capital in excess of nominal value (net of issue costs)	766
Share premium as at 31 December 2022	**2,525**

Merger reserve

Consideration for the acquisition of Last Word Media included £2.0m of shares. The Group applied merger relief under the UK Companies Act s615 and so the value of the shares issued as consideration above their nominal value is included in a merger reserve.

19. Equity-settled share option schemes

During the year the Group recognised an expense for the following share-based payments.

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Share option charge/ (credit)	**(97)**	101
Employer NICs on share options	**-**	(14)
	(97)	87

Details of the number of share options and the weighted average exercise price ("WAEP") during the period are as follows:

	Year ended 31 December 2021		Year ended 31 December 2021	
	No.	**WAEP**	No.	WAEP
Outstanding at the beginning of the year	**12,951,762**	**1.2p**	14,451,762	1.2p
Forfeited during the year	**(3,311,332)**	**1.4p**	(1,500,000)	1.0p
Granted during the year	**6,000,000**	**1.0p**	-	-
Outstanding at the end of the year	**15,640,430**	**1.1p**	12,951,762	1.2p
Exercisable at the end of the year	**390,881**	**4.0p**	465,880	4.0p

The market price of the Company's shares on 31 December 2022 was 7.75p (31 December 2021: 7.5p). The average remaining contractual life is 8.1 years (31 December 2021: 6.9 years). The outstanding share options have exercise prices between 1.0p and 80.0p.

6,000,000 share options were issued during the year, the details of which are in the Remuneration Committee report on page 15. The Group did not enter into any share-based payment transactions with parties other than employees during the current or previous periods.

20. Related party transactions

Group and Company
There is no ultimate controlling party.

Key management compensation
No individuals other than the Directors meet the definition of key management personnel. Details of key management personnel compensation is disclosed in note 6.

Transactions/balances with Directors

On 10 October 2022, the Company announced that it had entered into a standby loan facility with Rockwood Strategic Plc ("Rockwood"), its largest shareholder, managed by Harwood Capital LLP ("Harwood") to provide up to £800,000 in cash at a monthly compound interest rate of 2% on funds drawn down, which will be capitalised ("Loan Facility"). The Loan Facility, which runs to 1 May 2023, has an arrangement fee of 5%, may be drawn down in tranches of £200,000 and will be used for working capital purposes. Rockwood Strategic Plc is a substantial shareholder of the Company and a related party under the AIM Rules for Companies (the "AIM Rules"). The provision of the Loan Facility by Rockwood to the Company constitutes a related party transaction (the "Transaction") under the AIM Rules. The loan was fully repaid on 1 March 2023.

21. Commitments and contingent liabilities

(a) Lease commitments
At 31 December 2022, the Group had no total future lease payments under non-cancellable operating leases less than 1 year being expensed under the short-term lease expedient on transition to IFRS 16 (31 December 2021: £nil).

(b) Contingent liabilities
There are no contingent liabilities expected to result in a material loss for the Group.

The Company is included in a Group registration for VAT purposes and is therefore jointly and severally liable for all other Group companies' unpaid debt in this connection.

(c) Capital commitments
There were no material capital commitments as at 31 December 2022 (31 December 2021: £nil).

22. Events after the reporting date
Since the year end there have been several key activities to note.

Firstly, the UK assets and trade as well as the business and share capital of Last Word Media Asia (Pte) Limited and Last Word Media (HK) Limited were sold to the Mark Allen Group for a total consideration of £6.5m. This deal included the transfer of the UK office lease and as such, both the lease asset and lease liability were derecognised at the point of completion. Also at the point of completion Patrick Ponsford transferred over to the Mark Allen Group and resigned from his role as Chief Executive Officer and Director of Bonhill Group Plc.

The Rockwood loan facility was increased to £1.0m (from the £0.6m agreed before the year end) and was fully drawn down by February 2023. Upon completion of the above deal, the consideration funds were partly used to repay this loan in full on 1st March 2023.

Additionally, the sale of the US assets and trade have been sold to Key Media for a conditional cash consideration of $4.1m. Key Media did not want to assume the New York office lease and as such we are in negotiations with the landlord to agree an early settlement figure which will be split 50:50 with Key Media. Once agreed and completed, the lease asset and lease liability will be derecognised in the accounts. At the point of completion John French will transfer over to Key Media and resign from his role as Chief Executive Officer of InvestmentNews and Director of Bonhill Group Plc.

The Company has announced in its shareholder circular in May 2023 its intention to complete a tender offer as soon as possible, and to return substantially all of the remaining cash in the business to shareholders. After this point, the Company will purely consist of shells and dormant subsidiaries once the assets and trade have all been sold, so it is expected that the Company will enter a voluntary liquidation process.

Directors and advisers

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Richard Staveley
Laurie Benson
Sarah Thompson
John French

Secretary
Louise Park

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