RNS Number : 3895O
Mind Gym PLC
10 June 2022

Mind Gym PLC

("MindGym", the "Group" or the "Company")

Full year results for the year ended 31 March 2022

MindGym (AIM: MIND), the global provider of human capital and business improvement solutions, is pleased to announce its audited results for the year ended 31 March 2022.

Financial highlights

	12 months to 31 Mar 2022 (FY22)	12 months to 31 Mar 2021 (FY21)	*Change*
Revenue	£48.7m	£39.4m	+24%
Digitally-enabled revenues[1]	£37.4m	£30.5m	+23%
Gross profit margin	87.1%	87.4%	-0.3pps
Adjusted (LBT)/PBT[2]	£(0.5)m	£0.3m	n/a
Statutory (loss)/profit before tax	£(0.5)m	£(0.4)m	n/a
Adjusted Diluted EPS	1.59p	0.30p	+1.29p
Diluted EPS	1.59p	(0.23)p	+1.84p
Total Dividend per share	nil	nil	
Cash at bank	£10.0m	£16.8m	-40%
Capital expenditure	£6.1m	£3.2m	+91%
Adjusted EBITDA cash conversion[3]	95%	418%	-323pps

[1]*Digitally enabled revenues are virtual live delivery (including virtual licensing), and digital products (currently eWorkouts and Performa).*

[2]*Adjustments include restructuring costs in FY21. These adjustments are detailed in Note 6.*

[3]*Adjusted EBITDA cash conversion defined as Adjusted cash generated from operations/Adjusted EBITDA.*

Financial and operating highlights

- **Robust performance in line with the Board's expectations, with revenues surpassing pre-Covid levels:**
  - Revenues of £48.7m were up 25 per cent on FY21 (in constant currency) and up 5 per cent on pre-Covid levels (FY20).
  - Repeat revenues (defined as revenues from clients that have purchased in the current year and in one or more of the previous three years) were 86% (2021: 78%).
  - Adjusted LBT of £0.5m was down £0.8m on FY21 - prior year excluded £0.7m of restructuring costs (adjusted due to the unprecedented impact of COVID). The FY22 loss includes £0.5m of non-recurring cost.

- **MindGym retains a strong financial position to support investments in future growth:**
  - Net cash of £10.0m (31 March 2021: £16.8m), following investments (digital capex of £5.6m) during the financial year in our new digital products.
  - H2 FY22 cash-burn (£2.0m) was substantially lower than H1 FY22 (£4.8m).
  - During the year, the Group entered into a £10m debt facility (£6m RCF, £4m accordion), which was undrawn as at 31 March 2022. This provides the flexibility to support investment in future growth.

- **Good progress with MindGym's Digital strategy: digitally-enabled revenues up 23% versus FY21, with Performa successfully launched:**
  - Digitally-enabled revenues (virtual live, eWorkouts and Performa) of £37.4m, were up 23 per cent versus FY21 and up 158 per cent versus FY20 (when the majority of deliveries were still in-person) and represented 77 per cent share of revenue (77 per cent in FY21 and 32 per cent in FY20).
  - The continued high mix of virtual live delivery (vs. in person) resulted in a gross profit margin of 87.1% (FY21: 87.4%), broadly in line with prior year.
  - Performa, MindGym's digital 1:1 coaching SaaS platform, was launched in January 2022, generating more than £0.5m annualised revenue in its first 12 weeks.
  - 10X which was acquired in administration for £0.1m, has been shown in a large scale co-validated study to be more accurate at predicting behaviour than the leading questionnaires on the market. This will be integrated into MindGym's planned upcoming digital product 'Behavioural Change Platform' (BCP), which is expected to be launched in FY24.

- **Leadership team: New CFO appointment**
  - Dominic Neary joined the Board as Chief Financial Officer on 1 January 2022, bringing highly relevant expertise for MindGym's next phase of growth.

Current Trading and Outlook

- Robust top line growth anticipated in FY23, despite the macro economic headwinds, benefitting from the launch of Performa and our new Points of View ("PoVs") on Leadership and Wellbeing.

- FY23 expected to return to profitability as we see leverage of the investments that were made in FY22 to support growth expectations in the years to come.

Octavius Black, Chief Executive Officer of MindGym, said:

"MindGym made progress during a turbulent year delivering a robust performance in line with the Board's expectations, surpassing pre-Covid revenue.

Our digital strategy has seen the successful launch of our latest product, Performa, our 1:1 digitally enabled coaching service. Performa has distinct competitive advantages in this new, fast-growing market including our proprietary Precision Coaching methodology and our ability to integrate with MindGym's library of existing content to deliver integrated solutions to challenges like leadership and inclusion. The more than £0.5m in annualised revenue generated in the first 12 weeks is a promising indication of what's to come.

MindGym's future digital transformation will increasingly be powered by data and this has been enhanced by the acquisition of 10X Psychology's IP, which will enable us to deliver highly personalised, mass customisation and equip clients to target their investment on what works best.

"We have had a good start to the new financial year and, notwithstanding economic uncertainty, have confidence that organisations will increasingly turn to MindGym and our unique portfolio of proven solutions to address their talent and culture challenges."

The Company will host a webcast and conference call for analysts and investors at 9:00am BST today. If you would like to attend the webcast and conference call, please contact mindgym@mhpc.com.

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About MindGym

MindGym is a company that delivers business improvement solutions using scalable, proprietary products which are based on behavioural science. The Group operates in three global markets: business transformation, human capital management and learning & development.

MindGym is listed on the London Stock Exchange Alternative Investment Market (ticker: MIND) and headquartered in London. The business has offices in London, New York and Singapore.

Further information is available at www.themindgym.com @themindgym

Statement of the Board Chair

MindGym's purpose is to partner with the world's best companies and help them optimise their Human Capital.

The depth and duration of the COVID pandemic surprised and tested society and business more than any event in the last 75 years. Government policy and spending expanded at unprecedented levels, and all businesses faced unprecedented risks and opportunities.

Early on, MindGym took two critical decisions

Ø Firstly, the business pivoted to digital. In-person coaching was largely replaced with digitally-enabled solutions which were more than 95% of delivery in FY22. MindGym successfully expanded its proven ability to operate Live delivery, at scale.

Ø Secondly, recognising the opportunity that this has provided, MindGym has invested in excess of £8m in building new digital products, and a further £6.6m primarily in FY22, ensuring that the organisation had the appropriate structure to support this growth: primarily in Marketing, Innovation and Digital structures. This provides the infrastructure to roll-out our new digital products (Performa and BCP), and the more than doubling in Points of View ("PoV") innovation that we have seen in FY22.

These investments are paying back. During FY 2022, we have seen revenue growth of 24% and are ahead of pre-COVID growth levels. Performa was launched successfully in January 2022, and BCP is in the pipeline for a launch in FY24.

In the long term, the Global 'human performance' market continues to be very attractive. It remains highly fragmented (no single player has more than 1% market share) and has an attractive long-term growth profile.

Short to medium term risks remain. Whilst we are exiting COVID, in-person visits to clients can still be challenging, and large events have not yet recovered to their pre-COVID levels.

Our role in society

MindGym's social objectives are a core part of who we are. In 2009, we launched ParentGym, a programme providing free parental training to parents of children aged 2-11. In FY22, this has helped over 650 families and we have also partnered with the Prison Advice and Care Trust (PACT), recently launching our first training to parents in prison. Many of our employees use their charity days to support this and other charities.

MindGym has also conducted a third-party analysis of its operational greenhouse gas emissions for the last financial year. The report will be used to set a reduction objective through the 'Science Based Targets' initiative.

The Board

We welcomed Dominic Neary, our new CFO who joined the Board in December 2021. He replaces Richard Steele who played a significant part in launching MindGym on the AIM market, and to our development since, including to supporting us through the worst of COVID.

Dominic's experience at Just Eat, MoneySuperMarket and Reckitt Benckiser has already proven to be valuable,
and we look forward to working with him to grow our business over the coming years.

Dividend
MindGym's dividend policy during COVID has been to freeze dividend payments. This has allowed the business to focus on investment in growth over the coming years. As stated above, these investments are beginning to pay back, particularly with the recent launch of Performa and once the Board has greater clarity on the performance of its digital investments, and of the broader economic outlook, we will revisit our dividend policy.

Ruby McGregor-Smith,
Board Chair

CEO's review

In the last two years, business and society have changed fundamentally. Widespread homeworking came suddenly and has reset employees' expectations of what they do and where they do it.

Employees' expectations of their employers have changed in other important ways too. From the issue of race to the recent invasion of Ukraine by Russia, corporations are now expected to lead on the issues of the day, or face being challenged by their employees internally, as vociferously as by customers on social media.

It's not just social and political trends. Employees also increasingly demand that employers take responsibility for their wellbeing, provide flexibility, deliver on a purpose beyond profit, have diverse talent, build an inclusive culture and nourish their development.

Company leaders have struggled to keep up. As a result, the corporate world is experiencing the Great Resignation as an unprecedented number of employees quit their job for something new . As one of our clients put it: **"The war for talent is over; the employee won."**

These macro changes put Human Capital and corporate culture at the centre of the business agenda. The 'human performance' market is large, profitable, growing and massively disaggregated. There is no single player with more than 1% share despite major Tech and Consulting businesses actively investing and acquiring, and private equity funding a flurry of start-ups. In the coming years, we are likely to see the emergence of a few dominant players. Our strategy is designed to establish MindGym as one of the dominant players in this market with our combination of market leading IP, strong relationships with clients and an engaging digital platform driven by data.

Digital Transformation

In January 2022, we launched Performa, our new, highly scalable, 1:1 coaching platform, based on our proprietary Precision Coaching methodology. This delivers greater performance improvements in a fraction of the time compared to conventional coaching . We are encouraged by early feedback and, in the first 12 weeks post launch, Performa has generated annualised revenue in excess of £0.5m.

The development of our new 'Behavioural Change Platform' (BCP) is due to launch in FY24.. Initially this will be offered to the more than 500,000 participants who currently attend live sessions each year, and will greatly increase the level of sustained change to behaviour and performance. Ultimately this will be the single digital journey through which all participants engage with MindGym and its content, and provide a fully integrated 'Behaviour Change Ecosystem' for clients.

Data Driven

Data is the fuel which will drive the Digital ecosystem by both enabling mass customisation and providing clients with insight on where and how to invest for maximum impact. During FY23, we will launch a new suite of custom-built proprietary diagnostics in areas such as leadership, inclusion and wellbeing, to add to our existing portfolio which includes JX, our proprietary diagnostic that measures judgement.

We are very pleased by the recent acquisition (for £0.1m) of '10X Psychology''s full suite of IP assets on diagnostics. This is the result of c. £10m of investment by Peter Saville, the respected psychologist behind SHL and Saville Assessment, and has been shown to be more accurate than the leading psychometric tools on the market. This will be integrated into BCP which will be launched in FY24.

Market-leading IP

MindGym leads the market on resesarch-based Points of View (PoVs) on universal human capital challenges. Over the last 10 years we have published papers and launched supporting products on Performance, Management, DEI, Ethics, Personal effectiveness and re-organisation. This year's investment in innovation means that we can significantly increase the pace of new launches, starting with Leadership Development in H1 and followed by Wellbeing in H2.

This content is supported by a growing library of >200 live workshops which have been tested on over three million professionals, over 100 digital eWorkouts, and our proven ability to deliver live at scale to audiences in excess of 1,000 at a time, using our growing pool of c. 400 MindGym accredited coaches in over 40 countries, and over 1,000 accredited in-house coaches.

Delighting Clients and building long-lasting relationships

We have worked with 62% of the FTSE 100 and 56% of the S&P 500. The quality of our work continues to result in high levels of repeat revenue (c. 86% in FY22).

Performance

MindGym navigated COVID well due to its strong balance sheet and proven experience in digital - for over a decade, we have been running live virtual programmes with hundreds of coaches and, in recent years, have built a library >100 digital programmes.

This allowed us to pivot to digital quickly in FY21, and in FY22, revenues of £48.7m, were up 24% on the prior year, of which 77% were digitally enabled (FY21 77%). Digitally enabled revenues of £37.4m included £5.4m of digital products (mostly eWorkouts, and a nominal amount of revenue from Performa).

MindGym invested in Opex in FY22 to create the infrastructure for growth as it pivots the business to digital, and as a result, reported LBT was in line with expectations at £0.5m (FY21: LBT of £0.4m).

People and Culture

I am immensely grateful to our determined team whose spirit, ingenuity and generosity have set MindGym up not only for the success of today but to transform how millions of people employed by our clients will think, feel and behave for years to come.

As you would expect, we invest significantly in learning and development for our team too, using internal and external resources where appropriate. We also sponsor colleagues in their masters, doctorates and a range of other external qualifications.

We benefit from and remain deeply committed to the diversity of our organisation. Our Board is 37% female and 25% are from a minority ethnic background. Our Executive team is 57% female and 29% from a minority ethnic background. We are committed to report on our gender pay gap during FY23 and take appropriate measures.

Social Impact

ESG has been at the core of MindGym from before its inception. We started the business 21 years ago with the mission 'to help people use their minds more effectively to get more out of life and give more to others'. This remains core to the work we do.

In 2009, we launched ParentGym which delivers up to 2,000 free parenting workshops a year in areas of social deprivation. In 2022, we formed a partnership with PACT (the Prison Advice and Care Trust) to support prisoners who are also parents; we have also trained PACT workers to deliver ParentGym in UK prisons.

Looking ahead

Despite the macro economic headwinds including Russia's invasion of Ukraine, we anticipate robust top line growth in FY23, with the launch of Performa and our new PoVs on Leadership and Wellbeing. Leveraging the FY21 investments in our infrastructure, will also see us return to profitability.

We have a strong reputation built over two decades, working with the world's leading companies, an incredible team generating market-leading IP, transformational digital products, and the right strategy to deliver a proposition that will change forever the way companies care for, develop and lead people. The opportunity is immense and we are ready to realise it

Octavius Black
Chief Executive Officer

Financial review

In FY22, MindGym has seen revenue growth of 24% to £48.7m (FY 21: £39.4m), with an LBT of £0.5m (FY 21: LBT £0.4m). FY22 included investment in overheads to create the infrastructure which will support substantial growth in the coming years. The LBT includes a £0.5m non-recurring cost related to the cost control programme in the final quarter which has offset the increase in annualised overheads that this investment would otherwise have generated.

Revenues

Digitally-enabled revenues have grown by 23% in FY22, representing 77% (FY21: 77%) of group sales, despite a small shift towards in-person delivery during the year.

MindGym has seen double-digit growth in both EMEA and the US.

Investment in the new US regional structure, which grew revenues 31% in FY22, now provides a platform from which we believe we can target substantial revenue expansion in the coming years. We are seeing regional growth throughout the country, with notable opportunities in the West.

EMEA has grown at 14% in FY22, and investments in organisational structures are enabling MindGym to win large projects from clients which should lead to even stronger relationships in the future

£000's	**Year to March 31st 2022**	**Year to March 31st 2021**	**Change %**
Group Statutory View	48,668	39,383	+ 24%
EMEA	19,715	17,241	+ 14%
US	28,953	22,142	+ 31%

Revenue mix by type compared to previous year

	FY22	FY21	% change
Delivery	64%	55%	+9%
Design	11%	13%	-2%
Digital	11%	16%	-5%
Licensing and certification	6%	8%	-2%
Other (e.g. project management)	7%	6%	1%
Advisory	1%	2%	-1%
Total	**100%**	**100%**	

Product mix has seen a significant shift towards live delivery as companies have invested in virtual delivery in the second year of COVID.

Digital sales mix has declined from 16% to 11% in FY22; this is the result of eWorkouts sales being down 14% compared to FY21. H2 FY21 sales were impacted by high sales in the second half as companies looked for areas to re-direct their learning and development spend during COVID. eWorkouts are up 26% on pre-COVID levels, and are expected to continue to grow in the years ahead. Performa sales in FY22 were minimal. The new 1:1 SaaS coaching platform was launched in January 2022, and generated more than £0.5m of annualised revenue in its first twelve weeks. Performa sales are spread across the lifetime of the license - typically twelve months, and most of these revenues will be recognised in FY23.

Gross Profit

Gross profit as a percentage of revenue at 87.1% was broadly in line with prior year (FY21 87.4%). This was reflected in the regions with Gross profit margin in the US of 87.2% (FY21: 87.7%), slightly higher than in EMEA with 87.0% (FY21: 87.0%). The marginal decline in the US was primarily caused by the high level of eWorkout sales in the US in FY21.

We are seeing a gradual increase of in-person delivery from some of our clients - in-person delivery was only 0.5% of total delivery during FY21. This has a higher cost of delivery, but the margin impact in FY22 was offset by minor savings in cost of sale. Going forward, this trend will continue., although we do not expect a fundamental shift. This trend will impact the gross margin percentage, however relative pricing ensures that absolute margins are protected.

Year ended 31 March 2022

	EMEA	US	Global
Delivery	60%	66%	64%
Design	13%	10%	11%
Digital	12%	11%	11%
Licensing and certification	6%	6%	6%
Other (e.g. project management)	7%	6%	7%
Advisory	2%	1%	100%
Total	**100%**	**100%**	**100%**

Profitability and investment

During FY22, we invested in the infrastructure of our business to create an organisation that is capable of supporting substantial growth in the coming years. Adjusted operating expenses excluding depreciation and amortisation in FY22 of £41.2m is a £10.5m increase on pre-Covid levels in FY20 (+£8.3m on FY21) reflecting three 'trends':

- £3.1m primarily reflects inflation and a small amount of volume growth.
- £0.8m reflects an investment in commission levels during COVID which will unwind in FY23.
- £6.6m is 'fuel for growth' investment in our infrastructure:
    - o in Digital and Marketing (£2.9m)
    - o in Innovation (£1.3m)
    - o in the US region (£1m), and
    - o £1.4m behind Talent Acquisition supporting both CAPEX and OPEX investments.

In Q4, we implemented a cost control programme which offset the increase in the annualised cost of this infrastructure investment, that would otherwise have impacted costs in FY23. We continue to target opex efficiencies in FY23.

Adjusted PBT in FY22 was a loss of £0.5m (FY21 adjusted PBT of £0.3m), and this included c.£0.5m of expenditure relating to the cost control programme.

Adjustments to PBT - there were no adjustments to PBT in FY22. In FY21, the reported LBT of £0.4m included £0.7m of restructuring costs which were regarded as adjusting items, due to the unprecedented nature of COVID.

Taxation

In FY22, MindGym has submitted claims to ensure it obtains the benefit of R&D tax credits relating to FY20, FY21 (and an accrual for FY22). At the end of Q4 22 we recorded a deferred tax asset of c.£4m in relation to these R&D credits. This is offset by a £1.3m deferred tax liability being the timing difference linked to capitalised development costs.

	FY22			FY21		
	Adjusted £'000	Adjustments £'000	Reported £'000	Adjusted £'000	Adjustments £'000	Reported £'000
Profit/(loss) before tax	(482)	0	(482)	306	(662)	(356)
Tax credit/(charge)	2,084	0	2,084	(9)	133	124
PAT (earnings)	1,602	0	1,602	297	(529)	(232)
ETR %	432.4%	0	432.4%	2.8%	20.0%	34.8%

In FY22, the Effective Tax Rate (ETR) is distorted by the application the R&D credits noted above. MindGym has not claimed these credits in prior years, however they have been factored in as part of the current year tax credit and related deferred tax balances. The rate is further distorted by the change in tax rates which are substantially enacted and effective from 1 April 2023.

Earnings per share

Adjusted diluted earnings per share increased by 1.29 pence to 1.59 pence (2021: 0.3 pence). On a reported basis, earnings per share were 1.60 pence (2021: basic loss per share of 0.23 pence).

Dividends

The Board has taken the decision not to pay a final dividend maintaining the priority to focus on investment for growth in digital over the coming years. Once the Board has greater clarity on the performance of its digital investments, and of the broader economic outlook, we will revisit our dividend policy.

No dividend has therefore been paid or proposed for the year ended 31 March 2022.

Cash flow and balance sheet

Cash and cash equivalents have decreased from £16.8m in FY21 to £10.0m at the end of FY22, including the £5.6m investment in digital capital expenditure. Cash burn more than halved over the course of the year from £4.8m (in H1 FY22) to £2.0m (in H2 FY22).

Reported EBITDA was £1.2 million, 34% up on FY21 EBITDA of £0.9 million, with cash generated from operations of £1.2 million, which was 80% down on the £5.9 million cash generated from operations in the prior year. The working capital reduction resulted in cash conversion, defined as cash generated from operations as a percentage of EBITDA, of 95% (FY21: 647%).

Adjusted cash generated from operations was £1.2 million (2021: £6.6 million), resulting in Adjusted cash conversion of 95%. Prior Year adjusted cash conversion was 418% reflecting a doubling in deferred revenues, improvements in receivables, and the impact of salary deferrals during COVID. Adjusted cash conversion excludes the effect of restructuring costs in FY21 and is defined as cash generated from operations before the cash effect of Adjustments as a percentage of Adjusted EBITDA. Adjusted EBITDA is defined as Adjusted PBT excluding net finance costs, depreciation of property, plant and equipment and the amortisation of intangible assets.

Cash conversion

	31 March 2022 £'000	31 March 2021 £'000
Adjusted cash generated from operations	1,162	6,594
Restructuring costs	-	662
Employee options surrender costs	-	-
Cash generated from operations	**1,162**	**5,932**
Adjusted EBITDA	**1,228**	**1,579**
Reported EBITDA	**1,228**	**917**
Adjusted cash conversion (Adjusted cash from operations /Adjusted EBITDA)	95%	418%
Cash conversion (cash from operations /EBITDA)	95%	647%

Over the year, we again reduced the time taken to invoice clients and improved the collection of overdue receivables which contributed to the favourable Net Trade Receivables movement of £1.1m - this improvement was also impacted by high revenues in March 21. Overdue debt as a percentage of total trade receivables fell to 9% at the year end (FY21: 11%), with the amount of overdue debt reducing £0.3 million to £0.7 million (FY21: £1.0 million). Deferred income increased by 2% to £4.7m (FY21: £4.6m) as clients continue to secure budgets for their following financial year. Trade and other payables reduced by £1.1m, reflecting an accrual for salary repayments during COVID.

Tax paid in the year was £0.8 million (FY21: £0.5 million) mainly related to US profits.

Capital expenditure was £6.1 million (FY21: £3.2 million) which included £5.6 million of costs capitalised on developing our new digital products and £0.5m on other tangible fixed assets.

Lease payments on our offices in the UK and the USA were £1.2 million (FY21: £1.1m). No dividends were paid in the year (FY21: £nil).

At the year end, the Group had cash of £10.0 million (2021: £16.8 million) and net cash of £7.8m (FY21: £13.7 million) after deducting the lease liability included on the balance sheet

Going concern

The Board has reviewed scenario analyses to help assess their forward-looking assessment of the viability of the Group. The Directors are confident that the Group has adequate resources to continue in operational existence for the foreseeable future. The Board have reviewed scenarios including a range of revenues and cost reduction actions that could be taken to mitigate a downturn. This is supported by a strong balance sheet, cash management and financial controls.

Financial risk management

The Group has a diverse portfolio in excess of 600 clients across many industrial sectors and countries. The largest client accounted for less than 6% of Group revenue in the year.

The Group has translational foreign currency exposure arising on the consolidation of overseas company results into Sterling. Where possible the exposure is naturally hedged, for example by matching US Dollar revenues with US Dollar costs in the US subsidiary. The Group does not currently use forward exchange contracts or currency options to hedge currency risk.

Adjusted performance measures

This announcement contains certain financial measures that are not defined or recognised under IFRS, including Adjusted PBT and Adjusted earnings per share. These adjusted measures exclude the effect of Adjustments. The Group use these measures for planning and budgeting and for its internal assessment of the operational performance of each business. Given the term Adjusted is not defined under IFRS, the Adjusted measures may not be comparable with similarly titled measures used by other companies. Reconciliations of the Adjusted measures to their IFRS equivalents are shown on the face of the Consolidated Statement of Comprehensive Income, in Note 4 Segmental Analysis and in Note 11 Earnings per share.

Certain statements in this announcement constitute forward-looking statements. Any statement in this announcement that is not a statement of historical fact including, without limitation, those regarding the Company's future expectations, operations, financial performance, financial condition and business is a forward-looking statement. Such forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially. These risks and uncertainties include, among other factors, changing economic, financial, business or other market conditions. These and other factors could adversely affect the outcome and financial effects of the plans, and events described in this announcement and the Company undertakes no obligation to update its view of such risks and uncertainties or to update the forward-looking statements contained herein. Nothing in this announcement should be constructed as a profit forecast.

Dominic Neary
Chief Financial Officer

MIND GYM PLC CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year to 31 March 2022	Year to 31 March 2021

	Note	£'000	£'000
Continuing operations			
Revenue	4	48,668	39,383
Cost of sales		(6,284)	(4,967)
Gross profit		42,384	34,416
Administrative expenses		(42,733)	(34,635)
Operating loss	4, 5	(349)	(219)
Finance income	9	19	30
Finance costs	9	(152)	(167)
Loss before tax		(482)	(356)
Adjusted (loss)/profit before tax		(482)	306
Restructuring costs	6	-	(662)
Total adjustments	6	-	(662)
Loss before tax		(482)	(356)
Tax on loss/profit	10	2,084	124
Profit/(loss) for the financial period from continuing operations attributable to owners of the parent		1,602	(232)
Items that may be reclassified subsequently to profit or loss			
Exchange translation differences on consolidation		192	(281)
Other comprehensive income for the period attributable to the owners of the parent		192	(281)
Total comprehensive income/(loss) for the period attributable to the owners of the parent		1,794	(513)
Earnings/(loss) per share (pence)			
Basic	11	1.60	(0.23)
Diluted		1.59	(0.23)
Adjusted earnings per share (pence)			
Basic	11	1.60	0.30
Diluted		1.59	0.30

MIND GYM PLC CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	31 March 2022 £'000	31 March 2021 £'000
Non-current assets			
Intangible assets	13	8,175	2,877
Property, plant and equipment	14	2,815	3,406
Deferred tax assets	10	2,846	230
Other receivables	16	217	339
		14,053	6,852
Current assets			
Inventories	15	7	-
Trade and other receivables	16	10,063	10,620
Current tax receivable		494	280
Cash and cash equivalents		10,021	16,833
		20,585	27,733
Total assets		34,638	34,585
Current liabilities			
Trade and other payables	17	12,729	13,813
Lease liability	18	856	1,085
Redeemable preference shares	19	50	50
Current tax payable		28	104
		13,663	15,052
Non-current liabilities			
Lease liability	18	1,349	2,081
Total liabilities		15,012	17,133

Net assets		19,626	17,452
Equity			
Share capital	22	1	1
Share premium		213	157
Share option reserve		608	674
Retained earnings		18,804	16,620
Equity attributable to owners of the parent Company		19,626	17,452

The financial statements were approved and authorised for issue by the Board of Directors on [9 June 2022 and were signed on its behalf by:

Dominic Neary
Chief Financial Officer

MIND GYM PLC CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Share capital £'000	Share premium £'000	Share option reserve £'000	Retained earnings £'000	Total equity £'000
At 1 April 2020		**1**	**112**	**684**	**16,760**	**17,557**
Loss for the period		-	-	-	(232)	(232)
Other comprehensive income:						
Exchange translation differences on consolidation		-	-	-	(281)	(281)
Total comprehensive loss for the period		**-**	**-**	**-**	**(513)**	**(513)**
Exercise of options	22	-	45	(308)	308	45
Credit to equity for share-based payments	23	-	-	298	-	298
Tax relating to share-based payments	10	-	-	-	65	65
At 31 March 2021		**1**	**157**	**674**	**16,620**	**17,452**
Profit for the period		-	-	-	1,602	1,602
Other comprehensive income:						
Exchange translation differences on consolidation		-	-	-	192	192
Total comprehensive income for the period		**-**	**-**	**-**	**1,794**	**1,794**
Exercise of options	22	-	56	(407)	407	56
Credit to equity for share-based payments	23	-	-	341	-	341
Tax relating to share-based payments	10	-	-	-	(17)	(17)
At 31 March 2022		**1**	**213**	**608**	**18,804**	**19,626**

MIND GYM PLC CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Year to 31 March 2022 £'000	Year to 31 March 2021 £'000
Cash flows from operating activities			
Profit/(loss) for the financial period		1,602	(232)
Adjustments for:			
Amortisation of intangible assets	13	325	52
Depreciation of property, plant and equipment	14	1,252	1,084
Profit on disposal of property, plant and equipment		-	(2)
Net finance costs	9	133	137
Taxation (credit)/charge	10	(2,084)	(124)
(Increase)/decrease in inventories		(7)	73
Decrease/(increase) in trade and other receivables		686	(246)
Decrease/(increase) in payables and provisions		(1,084)	4,892
Share-based payment charge	23	341	298
Cash generated from operations		1,164	5,932
Net tax (paid)/received		(812)	(521)
Net cash generated from operating activities		352	5,411
Cash flows from investing activities			
Purchase of intangible assets		(5,623)	(2,834)
Purchase of property, plant and equipment		(514)	(388)
Proceeds from sale of property, plant and equipment		-	10
Interest received		12	15
Net cash used in investing activities		(6,125)	(3,197)
Cash flows from financing activities			
Cash repayment of lease liabilities		(1,226)	(1,075)

Issuance of ordinary shares	22	56	45
Interest paid		(27)	-
Dividends paid	12	-	-
Net cash used in financing activities		(1,197)	(1,030)
Net decrease in cash and cash equivalents		(6,970)	1,184
Cash and cash equivalents at beginning of period		16,833	15,952
Effect of foreign exchange rate changes		158	(303)
Cash and cash equivalents at the end of period		**10,021**	**16,833**
Cash and cash equivalents at the end of period comprise:			
Cash at bank and in hand		10,021	15,952

MIND GYM PLC NOTES TO THE GROUP FINANCIAL STATEMENTS

1. General information

Mind Gym plc ('the Company') is a public limited company incorporated in England and Wales, and its ordinary shares are traded on the Alternative Investment Market of the London Stock Exchange ('AIM'). The address of the registered office is 160 Kensington High Street, London W8 7RG. The group consists of Mind Gym plc and its subsidiaries, Mind Gym (USA) Inc., Mind Gym Performance (Asia) Pte. Ltd, and Mind Gym (Canada) Inc. (together 'the Group').

The principal activity of the Group is to apply behavioural science to transform the performance of companies and the lives of the people who work in them. The Group does this primarily through research, strategic advice, management and employee development, employee communication and related services.

2. Summary of significant accounting policies

Basis of preparation

These consolidated financial statements have been prepared in accordance with UK adopted international accounted standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards, including interpretations issued by the International Financial Reporting Interpretations Committee ('IFRIC'), and with the Companies Act 2006 applicable to companies reporting under IFRS.

The consolidated financial statements have been prepared on a going concern basis under the historical cost convention.

The consolidated financial statements are presented in Pound Sterling. All values are rounded to £1,000 except where otherwise indicated.

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

Going concern

The Group meets its day-to-day working capital requirements from the cash flows generated by its trading activities and its available cash resources. As at 31 March 2022, the Group had £10.0 million of cash and £2.2m of lease liabilities. Adjusted cash conversion in the year ended 31 March 2022 was 95% (2021: 418%).

The Group prepares cash flow forecasts and re-forecasts regularly as part of the business planning process. The Directors have reviewed forecast cash flows for the forthcoming 12 months for the Group from the date of the approval of the financial statements and consider that the Group will have sufficient cash resources available to meet its liabilities as they fall due. These cash flow forecasts have been analysed in light of COVID-19 and other expected medium-term macro-economic impacts and subjected to stress testing and scenario modelling which the Directors consider sufficiently robust. The Group continued to be impacted by COVID-19 but has been protected from more severe consequences by our digitally enabled revenue. The impact of the war in Ukraine and inflationary pressures are further discussed in the Board Chair's report. The scenario modelling has assessed the impact of various degrees of downturn in medium-term revenues generated. The Directors note that in a downturn scenario the Group also has the option to rationalise its cost base, including cuts to discretionary capital and overhead expenditure. The Directors consider that the required level of change to the Group's forecast cash flows to give rise to a material risk over going concern is sufficiently remote.

As a result of these assessments, the Group's strong cash position and clients predominantly comprising blue-chip corporates, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

New standards and interpretations applied for the first time

The Group adopted the following new or amended IFRSs and IFRIC interpretations from 1 April 2021:

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Amendments to IFRS 3 Business Combinations

Amendments to IAS 16 Property, Plant and Equipment

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform (Phase 2)

Annual Improvements to IFRS Standards 2018-2020 Cycle

The adoption of these amended IFRSs did not have a material impact on the financial statements.

New standards and interpretations not yet applied

At the date of authorisation of these financial statements the following standards and interpretations were in issue but not yet effective for the financial period and have not been applied. The Directors plan to adopt these standards in line with their effective dates.

	Applicable from
Amendments to IAS 1: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to IAS 8: Definition of Accounting Estimates	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting policies	1 January 2023
Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IFRS 17 - Initial Application of IFRS 17 and IFRS 9 - Comparative information	1 January 2023

*Not yet endorsed by the UK.

The Directors anticipate that the adoption of these standards and amendments will have no material impact on the financial statements.

Basis of consolidation

The consolidated financial statements incorporate those of Mind Gym plc and its subsidiary undertakings (i.e. entities that the Group controls when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity). Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Where necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Foreign currency translation

The Group's presentation currency is Pound Sterling. The results and financial position of subsidiaries that have a functional currency different from Sterling are translated into Sterling as follows:

- Assets and liabilities are translated at the closing rate at the balance sheet date
- Income and expenses are translated at average rates of exchange prevailing during the year

All resulting exchange differences are recognised in equity.

Foreign currency transactions are initially recorded at the exchange rate ruling at the date of the transaction. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation at exchange rates ruling at the balance sheet date of monetary assets or liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition

Revenue is recognised when control over a product or service is transferred to a customer. Due to the short-term nature of the trade receivables, the Group measures them at the original transaction price invoiced without discounting.

The Group generates revenue from business-to-business customers by satisfying the following performance obligations:

- Delivering coach-led face-to-face and virtual training sessions. Revenue is recognised at a point in time on the date of delivery of the session.
- Developing training programmes customised to specific needs. Revenue is recognised at a point in time on the completion of all development work or, at the end of a stage of work when the contract provides an enforceable right to payment on completion of a stage.
- Licensing digital training modules to clients. When non-cancellable digital modules are provided to the client and hosted on the client's servers, revenue is recognised at a point in time on the date the modules are provided to the client. Where the client has a right to cancel, revenue is recognised at the start of each committed period. When digital modules are hosted on the Group's servers, revenue is recognised over time across the life of the agreement.
- Training and certifying client staff to act as coaches. Revenue is recognised at a point in time on the date of delivery of the certification course.
- Digital coaching platform and coaching sessions. Revenue is recognised over time, across the life of the agreement and in line with expected customer usage levels.

Any advance consideration received from clients represents a contract liability and is disclosed in Note 17 under the heading deferred income. When the performance obligation has been satisfied but the income has not yet been invoiced, the amount represents a contract asset and is disclosed in Note 16 as accrued income.

The incremental costs of obtaining a contract principally consist of commissions paid to the Group's sales team. The sales team earn commission over time as the revenue they have generated is recognised. Commission costs are not therefore capitalised.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

Share-based payments

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

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

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

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due.

Government grants

Government grants are not recognised until there is reasonable assurance the grants will be received and that the Group will comply with any conditions attached to them. Government grants are recognised in the income statement over the same period as the costs for which the grants are intended to compensate.

Government grant income under the Coronavirus Job Retention Scheme and other schemes reimbursing employee wages is netted against staff costs and is disclosed in Note 8.

Taxation

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

The current tax payable is based on taxable profit for the year. Taxable profit differs from accounting profit as reported in the Consolidated Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the period-end date.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognised on temporary differences arising from the initial recognition of goodwill or other assets and liabilities in a transaction, other than a business combination, that affects neither the accounting nor the taxable profit.

Deferred tax is measured on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised, or deferred tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities, and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

The Group has taken advantage of HMRC's Small-Medium Enterprise (SME) Research and Development tax relief scheme. This has resulted in an enhanced deduction on eligible activities and is a significant component of both the tax credit in the Consolidated Statement of Comprehensive Income and deferred tax asset recognised in the balance sheet.

Tax is charged or credited in the Consolidated Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also recognised in equity.

Intangible assets

Externally acquired intangible assets are initially recognised at cost. Expenditure on internally developed assets is capitalised if it can be demonstrated that it is technically feasible to develop the product for it to provide expected future economic benefits, adequate resources are available to complete the development, there is an intention to complete the project and expenditure on the project can be measured reliably.

Other research and development costs that do not meet the above criteria are recognised as expenses as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

After recognition intangible assets are measured at cost less any accumulated amortisation and impairment losses. Amortisation is charged to administrative expenses on a straight-line basis from the date on which the asset is available for use. Intangible assets are amortised over their estimated useful lives as follows:

- Internally developed software — Three to five years
- Other intangible assets — One to five years

The assets' residual values, useful lives and amortisation methods are reviewed and adjusted prospectively if appropriate at each reporting date.

Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group. All other repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

Assets are depreciated to their estimated residual value using the straight-line method over their estimated useful lives as follows:

- Leasehold improvements — Over the period of the lease
- Fixtures, fittings and equipment — Two to five years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate at each balance sheet date.

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

Impairment of property, plant and equipment and intangible assets

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment 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).

The 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 is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Leases

Lease identification

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identifiable asset for a period of time in exchange for consideration.

Right-of-use asset

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset and the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Lease liability

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

The lease liability is measured at amortised cost using the effective interest method.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the low-value assets recognition exemption to leases of assets below $5,000. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

Amounts due from lessees under finance leases are recognised as finance lease receivables at the amount of the Group's present value of the lease receipts. The finance lease receivable is subsequently measured by increasing the carrying amount to reflect interest on the finance lease receivable (using the discount rate used at commencement) and by reducing the carrying amount to reflect the lease payments received.

Inventories

Inventories comprise pack materials used in the delivery of courses and are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads. Net realisable value is the estimated selling price less costs to complete and sell.

At each reporting date, inventories are assessed for impairment. If stock is impaired, the carrying amount is reduced to its realisable value. The impairment loss is recognised immediately in profit or loss.

Financial instruments

Financial instruments are recognised when the Group becomes party to the contractual provisions of the instrument. The Group only enters into basic financial instruments and does not have any hedging instruments.

Financial assets and liabilities are offset, with the net amounts presented in the Financial Statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets - Loans and receivables

All of the Group's financial assets fall into the loans and receivables category. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financial assets included in loans and receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost, using the effective interest rate method, less any impairment losses.

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

A provision for impairment of trade receivables is made for expected lifetime credit losses based on past experience and general economic factors. Further provisions are made against specific trade and other receivables when there is objective evidence that one or more loss events that occurred after the initial recognition of the financial asset, have had an impact on the estimated future cash flows of the financial asset. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Impaired debts are derecognised when they are assessed as uncollectible.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Financial liabilities - Other financial liabilities

All of the Group's financial liabilities fall into the other financial liabilities category. Such financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

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

Cash and cash equivalents

In the Statement of Cash Flows, cash and cash equivalents comprise 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. In the Statement of Financial Position, bank overdrafts are shown within borrowings in current liabilities.

Dividends

Dividend income is recognised when the right to receive payment is established.

Dividends payable are recognised when paid, or as a liability in the period in which the dividends are approved by the shareholders of the Company.

3. Use of judgements and estimates

In preparing these consolidated Financial Statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements are:

Going concern

As noted in Note 2, the financial statements have been prepared on a going concern basis, following detailed scenario testing and review.

Capitalisation of internally developed intangibles

Costs of £5.6 million incurred on developing software and new digital products have been capitalised in the year (see Note 13). Initial capitalisation is based on management's judgement on which costs meet the definition of development costs. Costs capitalised include directly attributable labour costs and purchases of directly attributable products and services. No overheads have been capitalised. Initial capitalisation and any subsequent impairment is also based on management's judgement that technological and economic feasibility is demonstrated and assumptions regarding the expected future cash generation of the projects and the expected period of benefits.

Assumptions and estimation uncertainties

Assumptions and estimation uncertainties at 31 March 2022 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year are:

Provisions against trade receivables and accrued income

A provision is initially made against trade receivables and accrued income for expected lifetime credit losses. Historic credit losses have been low and the provision rate is based on experience over the last three years and current and expected economic conditions. Balances are reviewed on a regular basis and provisions are increased to reflect any increase in credit risk where appropriate. The review takes into account factors such as the age of the debt, current economic indicators for the industry of the customer, recovery since the reporting date and discussions with the customer. Provisions are raised where debtors are not considered recoverable in full or in part. Provisions are released when subsequent information supports the recovery.

Share-based payments

The Group has share-based payment remuneration for employees under a Long-Term

The Group has share-based payment remuneration for employees under a Long-Term Incentive Plan. The fair value of share options at the date of grant is estimated using the Black-Scholes model based on certain assumptions. The fair value of the share options for the more complex share scheme granted on 14 July 2021 is estimated using the Monte Carlo model based on certain assumptions. These assumptions are set out in Note 23 and include expected share price volatility, dividend yield, expected life and the numbers of options expected to vest.

Useful economic life of intangible assets

The useful economic lives of capitalised development costs, which are key estimates, are assessed by management. In assessing the useful economic lives of the coaching platform, Performa, management took factors into account such as the speed of change in technology used across these types of Digital products. The useful economic lives have been benchmarked against the market and are deemed reasonable. A sensitivity analysis was performed to assess the impact of changing the useful economic life of the coaching platform from three to five years. This would have reduced amortisation charge for the year ending 31 March 2022 by £103,000.

4. Segmental analysis

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the business. The chief operating decision-maker has been identified as the Board. The Group has two operating segments: EMEA (comprising the United Kingdom and Singapore) and America (comprising the United States and Canada).

Both segments derive their revenue from a single business activity, the provision of human capital and business improvement solutions.

The Group's business is not highly seasonal, and the Group's customer base is diversified with no individually significant customer.

Segment results for the year ended 31 March 2022

Segment result

	EMEA	America	Total
	£'000	£'000	£'000
Revenue	19,715	28,953	48,668
Cost of sales	(2,572)	(3,712)	(6,284)
Administrative expenses	(23,705)	(19,028)	(42,733)
(Loss)/profit before inter-segment charges	(6,562)	6,213	(349)
Inter-segment charges	5,084	(5,084)	-
Operating (loss)/profit - segment result	(1,478)	1,129	(349)
Finance income			19
Finance costs			(152)
Loss before taxation			(482)

Management does not report segmental assets and liabilities internally and as such an analysis is not reported.

The mix of revenue for the year ended 31 March 2022 is set out below.

	EMEA	America	Group
Delivery	60.2%	66.0%	63.7%
Design	13.4%	9.8%	11.2%
Digital	11.9%	10.7%	11.2%
Licensing and certification	5.8%	6.3%	6.0%
Other	6.8%	6.2%	6.5%
Advisory	1.9%	1.0%	1.4%

The vast majority of the Group's contracts are for the delivery of services within the next 12 months. The Group has therefore taken advantage of the practical expedient in paragraph 121(a) of IFRS 15 not to disclose information about remaining performance obligations.

Segment results for the year ended 31 March 2021

Segment result

	EMEA	America	Total
	£'000	£'000	£'000
Revenue	17,241	22,142	39,383
Cost of sales	(2,237)	(2,730)	(4,967)
Administrative expenses	(18,349)	(16,286)	(34,635)
(Loss)/Profit before inter-segment charges	(3,345)	3,126	(219)
Inter-segment charges	2,258	(2,258)	-
Operating (loss)/profit - segment result	(1,087)	868	(219)
Finance income			30
Finance costs			(167)
Loss before taxation			(356)

Adjusted profit before tax

	EMEA	America	Total
	£'000	£'000	£'000
Operating profit - segment result	(1,087)	868	(219)
Employee options surrender costs	587	75	662
Adjusted EBIT	(500)	943	443

Adjusted EBIT	(500)	943	443
Finance income			30
Finance costs			(167)
Adjusted profit before taxation			306

The mix of revenue for the year ended 31 March 2021 is set out below.

	EMEA	America	Group
Delivery	59.7%	52.5%	55.6%
Design	12.7%	13.3%	13.0%
Digital	15.3%	16.8%	16.2%
Licensing and certification	6.3%	9.0%	7.8%
Other	4.2%	6.9%	5.7%
Advisory	1.8%	1.5%	1.7%

The vast majority of the Group's contracts are for the delivery of services within the next 12 months. The Group has therefore taken advantage of the practical expedient in paragraph 121(a) of IFRS 15 not to disclose information about remaining performance obligations.

5. Operating profit

Operating (loss)/profit is stated after charging:

	31 March 2022	31 March 2021
	£'000	£'000
Coach costs	5,025	3,369
Staff costs (Note 8)	32,977	26,491
Amortisation of intangible assets	325	52
Depreciation of property, plant and equipment	1,252	1,084
Short-term and low-value lease expense	23	35
(Write-back)/impairment of trade receivables	(11)	(41)

6. Adjustments

	31 March 2022	31 March 2021
	£'000	£'000
Restructuring costs	-	662
	-	662

Restructuring costs in the year ended 31 March 2021 include redundancy costs related to the headcount reduction exercise undertaken in response to the COVID-19 impact on the business.

The cash cost of Adjustments in 2021 was £662,000.

7. Auditor remuneration

	31 March 2022	31 March 2021
	£'000	£'000
Fees for audit of the Company and consolidated financial statements	97	88
Fees for audit of the Company's subsidiaries pursuant to legislation	16	15
Total audit fees	113	103
Tax compliance services	69	82
Tax advisory services	6	15
Other services	11	10
Total fees payable to the auditor	199	210

8. Employees

Staff costs were as follows:

	31 March 2022	31 March 2021
	£'000	£'000
Wages and salaries	28,828	22,464
Social security costs	2,825	2,249
Pension costs - defined contribution plans	983	897
Share-based payments	341	298
Restructuring payroll costs included in adjusted items	-	583
	32,977	26,491

Wages and salaries in 2021 are stated net of £216,000 of government grants under the UK Coronavirus Job Retention Scheme and similar schemes.

The average number of the Group's employees by function was:

	31 March 2022	31 March 2021
Delivery	196	170
Support	86	61
Digital	50	20
	332	251

The year-end number of the Group's employees by function was:

The year-end number of the Group's employees by function was:

	31 March 2022	31 March 2021
Delivery	206	174
Support	88	67
Digital	41	35
	335	276

Key management personnel include all Directors and a number of senior managers across the Group who together have responsibility and authority for planning, directing and controlling the activities of the Group. The compensation paid to key management personnel for services provided to the Group was:

	31 March 2022	31 March 2021
	£'000	£'000
Salaries, bonuses and other short-term employee benefits	2,955	2,583
Post-employment benefits	130	53
Termination benefits	311	-
Share-based payments	111	207
Total compensation	3,507	2,843

9. Net finance costs

	31 March 2022	31 March 2021
	£'000	£'000
Finance income		
Bank interest receivable	12	15
Finance lease income	7	15
	19	30
Finance costs		
Bank interest payable	(27)	-
Lease interest	(125)	(167)
	(152)	(167)
Net Finance Costs	(133)	(137)

10. Tax

The tax (credit)/charge for the year comprises:

	31 March 2022	31 March 2021
	£'000	£'000
UK current tax	-	(191)
UK adjustment in respect of prior periods	(42)	(97)
Foreign current tax	326	299
Foreign adjustment in respect of prior periods	19	(2)
Total current tax charge	303	9
Deferred tax - current year	(1,317)	(6)
Deferred tax - adjustment in respect of prior periods (R&D claims)	(429)	(127)
Effect of changes in tax rates	(641)	-
Total deferred tax credit	(2,387)	(133)
Total tax (credit)/charge	(2,084)	(124)

Tax on items credited to equity:

	31 March 2022	31 March 2021
	£'000	£'000
Current tax credit on share-based payments	-	(48)
Deferred tax (credit)/charge on share-based payments	17	(17)
Total tax credit in equity	17	(65)

The tax charge for the year can be reconciled to accounting profit as follows:

	31 March 2022	31 March 2021
	£'000	£'000
(Loss)/profit before tax	(482)	(356)
Expected tax (credit)/charge based on the standard rate of tax in the UK of 19% (2021: 19%)	(91)	(68)
Differences in overseas tax rates	91	71
Expenses not deductible for tax purposes	717	21
Adjustments to tax in respect of prior periods (R&D claims)	(452)	(226)
Enhanced R&D deduction	(1,722)	-
Tax rate changes	(641)	-
Other tax adjustments	14	78
Total tax (credit)/charge	(2,084)	(124)

The main categories of deferred tax assets recognised by the Group are:

	Tax losses £'000	Share-based payments £'000	Other £'000	Total £'000
At 1 April 2010	-	85	-	85
Credited/(charged) to income	-	31	102	133
Credited/(charged) to equity	-	17	-	17
Exchange differences	-	-	(5)	(5)
At 31 March 2021	-	133	97	230
Credited to income	4,049	15	(1,438)	2,626
Credited to equity	-	(17)	-	(17)
Exchange differences	-	-	7	7
At 31 March 2022	4,049	131	(1,334)	2,846

The standard rate of corporation tax in the UK is 19%. The March 2022 Budget Statement announced an increase in the main corporation tax rate to 25%, with effect from April 2023. This increase was substantively enacted at the balance sheet date.

The Group has recognised £4 million of deferred tax assets relating to carried forward tax losses. These losses have been recognised as it is probable that future taxable profits will allow these deferred tax assets to be recovered. The Group has performed a continuing evaluation of its deferred tax asset valuation allowance on an annual basis to estimate whether sufficient future taxable income will be generated to permit use of the existing deferred tax assets.

11. Earnings per share

Basic earnings per share (EPS) is calculated by dividing the earnings attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year. The Company has potentially dilutive shares in respect of the share-based payment plans (see Note 23). Adjusted earnings per share removes the effect of restructuring costs in 2021.

	31 March 2022	31 March 2021
Weighted average number of shares in issue	100,009,727	99,660,395
Potentially dilutive shares (weighted average)	442,548	587,629
Diluted number of shares (weighted average)	100,452,275	100,248,024

	31 March 2022			31 March 2021		
	£'000	Basic EPS pence	Diluted EPS Pence	£'000	Basic EPS pence	Diluted EPS pence
Net profit/(loss) attributable to shareholders	1,602	1.60	1.59	(232)	(0.23)	(0.23)
Exclude:						
Adjustments	-	-	-	662	0.66	0.66
Tax on adjustments	-	-	-	(133)	(0.13)	(0.13)
Adjusted net profit after tax	1,602	1.60	1.59	297	0.30	0.30

12. Dividends

No dividends have been paid or proposed for the year ended 31 March 2022 (2021: nil).

13. Intangible assets

	Patents £'000	Development costs £'000	Total £'000
Cost			
At 1 April 2020	63	1,927	1,990
Additions	-	2,834	2,834
At 31 March 2021	**63**	**4,761**	**4,824**
Additions	-	5,623	5,623
At 31 March 2022	**63**	**10,384**	**10,447**
Amortisation			
At 1 April 2020	63	1,832	1,895
Amortisation charge	-	52	52
At 31 March 2021	**63**	**1,884**	**1,947**
Amortisation charge	-	325	325
At 31 March 2022	**63**	**2,209**	**2,272**
Net book value			
At 31 March 2021	-	2,877	2,877
At 31 March 2022	-	8,175	8,175

Development cost additions in the year to 31 March 2022 include software development costs directly incurred in the creation of new digital assets.

14. Property, plant and equipment

	Right-of-use asset £'000	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At 1 April 2020	4,194	254	1,772	6,220
Additions	34	72	316	422
Disposals	-	-	(561)	(561)
Exchange differences	(307)	(5)	(83)	(395)
At 31 March 2021	**3,921**	**321**	**1,444**	**5,686**
Additions	39	186	328	553
Disposals	-	-	(301)	(301)
Exchange differences	128	12	38	178
At 31 March 2022	**4,088**	**519**	**1,509**	**6,116**
Depreciation				
At 1 April 2020	379	229	1,217	1,825
Depreciation charge	903	5	176	1,084
Disposals	-	-	(553)	(553)
Exchange differences	(32)	-	(44)	(76)
At 31 March 2021	**1,250**	**234**	**796**	**2,280**
Depreciation charge	885	53	314	1,252
Disposals	-	-	(301)	(301)
Exchange differences	49	-	21	70
At 31 March 2022	**2,184**	**287**	**830**	**3,301**
Net book value				
At 31 March 2021	2,671	87	648	3,406
At 31 March 2022	1,904	232	679	2,815

At 31 March 2021, capital expenditure of £135,000 in respect of property, plant and equipment was contracted for but not provided for in the accounts.

15. Inventories

	31 March 2022 £'000	31 March 2021 £'000
Finished goods	7	-

Write-down of inventory amounted to nil (2021: £70,000).

The cost of inventories recognised as an expense and included in cost of sales amounted to £112,000 (2021: £18,000).

16. Trade and other receivables

	31 March 2022 £'000	31 March 2021 £'000
Non-current		
Net investment in sub-lease	-	79
Prepayments in respect of property deposits	217	260
	217	339
Current		
Trade receivables	7,999	9,138
Less provision for impairment	(212)	(227)
Net trade receivables	7,787	8,911
Net investment in sub-lease	81	172
Other receivables	82	143
Prepayments	1,170	688
Accrued income	943	706
	10,063	10,620

The maturity analysis of the net investment in sub-lease is set out in Note 18.

Trade receivables have been aged with respect to the payment terms as follows:

	31 March 2022 £'000	31 March 2021 £'000
Not past due	7,274	8,128
Past due 0-30 days	401	530
Past due 31-60 days	109	185
Past due 61-90 days	25	22
Past due more than 90 days	190	273
	7,999	9,138

The movement in the allowance for impairment losses was:

	31 March 2022 £'000	31 March 2021 £'000
At the beginning of the period	227	303
(Write-back)/charges	(14)	(41)

Utilisation of provision	(7)	(22)
Foreign exchange adjustment	6	(13)
At the end of the period	212	227

The Group has applied the simplified approach to measuring expected credit losses, as permitted by IFRS 9, and recognises a loss allowance based on the lifetime expected credit loss.

17. Trade and other payables

	31 March 2022 £'000	31 March 2021 £'000
Trade payables	1,401	2,514
Other taxation and social security	663	549
Other payables	690	536
Accruals	5,257	5,578
Deferred income	4,718	4,636
	12,729	13,813

18. Lease liability

The lease liabilities included in the statement of financial position are:

	31 March 2022 £'000	31 March 2021 £'000
Current	856	1,085
Non-current	1,349	2,081
	2,205	3,166

There are no significant variable leases costs or lease term judgements. The related right-of-use asset is disclosed in Note 14.
The movements in the lease liability were as follows:

	31 March 2022 £'000	31 March 2021 £'000
At the beginning of the year	3,166	4,386
Lease payments	(1,226)	(1,075)
Finance cost	121	166
Additions	39	34
Exchange differences	105	(345)
At the end of the year	2,205	3,166

The maturity analysis of the contractual undiscounted cash flows is:

	31 March 2022 £'000	31 March 2021 £'000
Less than one year	934	1,204
Between one and five years	1,412	2,213
Total future lease payments	2,346	3,417
Total future interest payments	(141)	(251)
Total lease liability	2,205	3,166

The Group sub-leased its New York office in March 2021. The Group has classified the sub-lease as a finance lease, because the sub-lease is for the whole of the remaining term of the head lease.

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date. The related net investment in sub-lease is disclosed in Note 16.

	31 March 2022 £'000	31 March 2021 £'000
Less than one year	82	180
One to two years	-	80
Total undiscounted lease payments receivable	82	260
Unearned finance income	(1)	(9)
Net investment in the lease	81	251

19. Redeemable preference shares

The Company allotted and issued 50,000 redeemable preference shares of £1.00 each to Octavius Black in June 2018. The shares are fully paid up. Under the Articles of Association, the Company may redeem the preference shares at their nominal amount at any time specified by either the Directors or the preference share holder. The preference share capital, however, counts towards the £50,000 minimum share capital required under the Companies Act 2006 and cannot therefore be redeemed unless the Company increases its other share capital. The preference shares are non-voting, give no rights to dividends or interest and entitle the holder to the return of the nominal value on a winding up.

20. Borrowings

The Group entered into a £10 million debt facility (£6 million Revolving Credit Facility, £4 million accordion) on 30 September 2021 which matures after three years. The facility remains undrawn as at 9 June 2022.

21. Financial instruments and financial risk management

Financial instruments by category

Trade and other receivables (excluding prepayments), cash and cash equivalents and trade and other payables are initially measured at fair value and subsequently held at amortised cost.

	31 March 2022 £'000	31 March 2021 £'000
Net trade receivables	7,787	8,911
Other receivables	82	143
Prepayments in respect of property deposits	217	260
Cash and cash equivalents	10,021	16,833
Financial assets at amortised cost	18,107	26,147
Trade payables	1,401	2,514
Other payables	690	536
Lease liabilities	2,205	3,166
Financial liabilities at amortised cost	4,296	6,216

The Group holds no assets or liabilities that are held at fair value through income statement or OCI.

As the trade and other receivables and trade and other payables have a maturity of less than one year, the notional amount is deemed to reflect the fair value.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

The Group's sources of funding currently comprise cash flows generated from operations, and equity contributed by shareholders. The Group has no borrowings and is not subject to any externally imposed capital requirements.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders to the extent allowed by the Company's articles or issue new shares.

Financial risk management

The Group's risk management is overseen by the Audit and Risk Committee. The Group is exposed to a variety of financial risks that result from its operations, including credit risk, liquidity risk and foreign currency risk. Since the Group has no debt it is not significantly exposed to interest rate risk. The Group has not entered into any derivative transactions, such as interest rate swaps or forward foreign exchange contracts.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks, or the methods used to measure them from previous periods unless otherwise stated in this note.

Credit risk

Credit risk arises principally from the Group's trade receivables from customers and monies on deposit with financial institutions.

Credit risk on trade receivables is considered to be relatively low as the Group's customers mainly consist of large credit-worthy organisations. Credit exposure is spread over a large number of customers and so there is no significant concentration of credit risk. Outstanding and overdue balances are regularly reviewed and resulting actions are put in place on a timely basis. The Group establishes an allowance for impairment. This is based on a review of individual balances taking into account the results of credit control communications and our knowledge about the customer relationship. See Note 16 Trade and other receivables for further information on ageing and impairment of trade receivables.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties are accepted, and management maintain a close relationship with the Group's banks.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31 March 2022 £'000	31 March 2021 £'000
Trade receivables	7,787	8,911
Other receivables	82	143
Prepayments in respect of property deposits	217	260
Cash and cash equivalents	10,021	16,833
At the end of the period	18,107	26,147

Liquidity risk
The Group ensures, as far as possible, that it has sufficient funds to meet foreseeable operational expenses. Cash flow forecasting is performed by Group Finance who monitor rolling forecasts of the Group's liquidity requirements. Such forecasting takes into consideration expected cash receipts, regular spending and payment of taxes such as VAT, payroll and corporate income tax.

Currently, the Group's liquidity risk is low as it is has a surplus of cash in all entities and the £10 million debt facility available (set out in Note 20). All Group liabilities in the current and prior year are due within three months of the reporting date, apart from lease liabilities. The maturity of the lease liability is set out in Note 18.

Foreign currency risk
The Group operates internationally and is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than Sterling. The currencies giving rise to this risk are primarily the US Dollar and the Euro. Where possible the exposure is mitigated by a natural hedge. For example, US Dollar revenues are partially matched by US Dollar costs in the US subsidiary.

The Group holds cash in the UK in Sterling, Euro and US Dollar bank accounts and in the USA in US Dollar and Canadian Dollar bank accounts.

Trade receivables and cash and cash equivalents are analysed by currency as follows:

	GBP £'000	USD £'000	EUR £'000	Other £'000	Total £'000
At 31 March 2022					
Net trade receivables	2,592	4,581	468	146	7,787
Cash and cash equivalents	6,725	3,018	95	183	10,021
At 31 March 2021					
Net trade receivables	2,509	4,806	1,451	145	8,911
Cash and cash equivalents	14,465	1,974	80	314	16,833

The Group does not currently use forward foreign exchange contracts or currency options to hedge currency risk.

22. Share capital

	31 March 2022 Number	31 March 2022 Cost £'000	31 March 2021 Number	31 March 2021 Cost £'000
Ordinary shares of £0.00001 at 1 April	99,791,784	1	99,493,210	1
Issue of shares to satisfy options	313,876	-	298,574	-
Ordinary shares of £0.00001 at 31 March	100,105,660	1	99,791,784	1

An Employee Benefit Trust ('EBT') has been established in connection with the Group's Share Incentive Plan. The movements in own shares held by the Employee Benefit Trust and the market value of the shares held at the year-end are shown below.

	31 March 2022 Number	31 March 2022 Cost £'000	31 March 2021 Number	31 March 2021 Cost £'000
As at 1 April	119,875	-	130,835	-
Issue of new shares to EBT	(8,220)	-	(10,960)	-
Ordinary shares of £0.00001 at 31 March	111,655	-	119,875	-
Market value at 31 March		151		156

23. Share-based payments

The Group awards options to selected employees under a Long-Term Incentive Share Option Plan ('LTIP'). The options granted to date vest subject only to remaining employed up to the vesting date. Unexercised options do not entitle the holder to dividends or to voting rights.

The Group operates the Mind Gym plc Share Incentive Plan (SIP). An initial award of £1,000 of free shares was granted in October 2018 to all employees at the IPO price of 146 pence. The shares are held in an employee benefit trust and vest after three years subject only to remaining employed up to the vesting date. The holder is entitled to dividends over the vesting period. Many employees have elected to leave their shares in the trust a further two years for tax purposes.

On 30 September 2019, the Group launched a Save As You Earn scheme ('SAYE') and an Employee Share Purchase Plan ('ESPP') for all eligible employees in the UK and USA respectively.
The total share-based payments expense was:

	31 March 2022 £'000	31 March 2021 £'000
Equity settled share-based payments	341	298

The movements in the number of share awards and share options and the weighted average exercise price of awards are:

	Number	31 March 2022 Weighted average exercise price £	Number	31 March 2021 Weighted average exercise price £
Outstanding at the beginning of the period	2,287,024	0.66	2,183,257	0.63
Granted during the period	2,448,318	0.14	741,070	0.67
Forfeited during the period	(2,166,334)	0.14	(327,768)	0.97
Exercised during the period	(322,096)	0.17	(309,535)	0.17
Outstanding at the end of the period	2,246,912	0.66	2,287,024	0.66
Exercisable at the end of the period	4,110		2,055	
Weighted average fair value of awards granted (£)	1.69		0.27	

The range of exercise prices and weighted average remaining contractual life of share awards and share options outstanding at 31 March were:

	31 March 2022 £'000	31 March 2021 £'000
£ nil	428,770	463,705
£0.00001	584,580	427,129
£0.77000	316,987	592,537
£1.04000	201,981	306,843

£1.44500	217,784	-
£1.46000	496,810	496,810
	2,246,912	2,287,024
Weighted average remaining contractual life (years)	5.8	5.4

Simple share options awarded under the LTIP, SAYE and ESPP are valued using the Black-Scholes model. Complex share options awarded under the LTIP are valued using the Monte Carlo model. Shares awarded under the SIP are valued directly by reference to the share price at date of grant. The principal assumptions used in these valuations were:

	Date of grant	Share price at grant	Exercise price	Expected life	Expected volatility	Dividend yield	Risk-free rate	Fair value
		£	£	years	%	%	%	£
LTIP (2 year vesting)	27 Apr 2018	1.24	Nil	2	n/a	1.4%	n/a	1.20
LTIP (3 year vesting)	27 Apr 2018	1.24	Nil	3	n/a	1.4%	n/a	1.19
LTIP (2 year vesting)	25 Jun 2018	1.46	1.46	10	19%	1.4%	1.0%	0.28
LTIP (3 year vesting)	25 Jun 2018	1.46	1.46	10	19%	1.4%	1.0%	0.28
SIP	8 Oct 2018	1.67	Nil	n/a	n/a	n/a	n/a	1.67
SAYE	30 Sep 19	1.22	1.04	3	19%	1.4%	1.0%	0.25
ESPP	30 Sep 19	1.22	1.04	1	19%	1.4%	1.0%	0.20
LTIP (3 year vesting)	31 Mar 20*	1.00	Nil	3	n/a	1.4%	n/a	0.96
LTIP (4 year vesting)	31 Mar 20*	1.00	Nil	4	n/a	1.4%	n/a	0.95
LTIP (5 year vesting)	31 Mar 20*	1.00	Nil	5	n/a	1.4%	n/a	0.93
SAYE	1 Sep 20	0.90	0.77	3	19%	1.4%	1.0%	0.25
ESPP	1 Sep 20	0.90	0.77	1	19%	1.4%	1.0%	0.20
LTIP (3 year vesting)	14 Jul 21**	1.90	Nil	3	36%	0%	0.15%	1.90
LTIP (3 year vesting)	14 Jul 21**	1.90	Nil	3	36%	0%	0.15%	1.69
LTIP (4 year vesting)	14 Jul 21**	1.90	Nil	4	36%	0%	0.23%	1.90
LTIP (4 year vesting)	14 Jul 21**	1.90	Nil	4	36%	0%	0.23%	1.70
LTIP (5 year vesting)	14 Jul 21**	1.90	Nil	5	36%	0%	0.31%	1.90
LTIP (5 year vesting)	14 Jul 21**	1.90	Nil	5	36%	0%	0.31%	1.73
SAYE	1 Aug 21	1.70	1.445	3	36%	0%	0.31%	0.53
ESPP	1 Aug 21	1.70	1.445	1	34%	0%	0.15%	0.36
LTIP (3 year vesting)	3 Dec 21	1.675	Nil	3	36%	0%	0.15%	1.675
LTIP (4 year vesting)	3 Dec 21	1.675	Nil	4	36%	0%	0.23%	1.675
LTIP (5 year vesting)	3 Dec 21	1.675	Nil	5	36%	0%	0.31%	1.675

* includes further options granted on 12 Jun 2020 on the same terms and with the same valuation assumptions.

* *includes further options granted on 3 Dec 2021 on the same terms and with the same valuation assumptions.

24. Controlling party

The Group was controlled by O. Black and J. Cash by virtue of their joint shareholding in the Company throughout the period.
There were the following related party transactions during the year and balances at the end of the year:

- Key management compensation as disclosed in Note 8.
- Trevor Phillips, a non-executive director of Mind Gym plc, is also chairman and director of Green Park Interim and Executive Search which provided services to the Group totalling £105,500 in the year ended 31 March 2022.
- David Nelson, a non-executive director of Mind Gym plc is also a partner of Dixon Wilson. Dixon Wilson provided services to the Group totalling £6,410 in the year ended 31 March 2022.
- Zarina Ward, a key management person is the spouse of Simon Ward. Simon Ward Search provided services to the Group totalling £75,000 in the year ended 31 March 2022.

25. Events after the reporting period

There were no post balance sheet events.

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