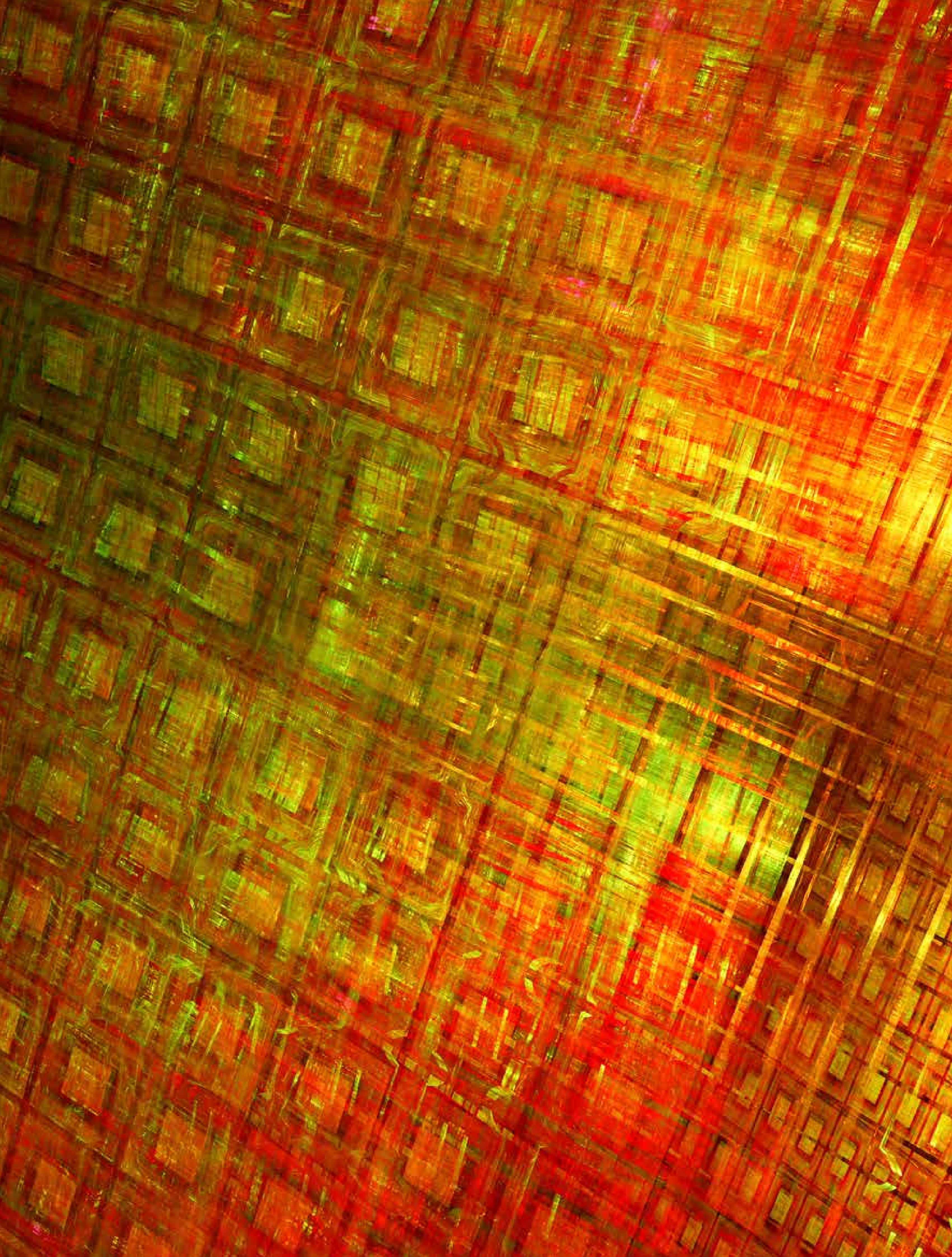
The Summit Group Limited 2021



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CPU technology, abstract illustration

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The Summit Group

What we do

The Summit Group is a venture capital business. We provide capital to start up and early stage companies, and actively support these businesses as they grow.

We only invest in businesses to which we believe we can add value. We achieve this by providing business infrastructure and support functions as well as our skill and experience and the contacts within our Group and our other investments. Our aim is to give the entrepreneurs we back the support and resources to enable us to succeed together.

Summit always invests less than £500,000. We always seek to have a shareholding in excess of 20% in the companies in which we invest.

Who we are

The Summit Group is a group of companies which operate principally in the financial, life sciences and business services markets. Its activities include insurance, woundcare, sales outsourcing and fund management, as well as making and managing early stage venture capital investments. Most of the Group's businesses were established as start-ups where Summit backed and supported management teams in which we had confidence. We have continued to support these businesses over many years. Although a number of the businesses we have backed in the past have gone on to become successful independent businesses our policy is generally only to seek to realise our investment in a business if that is what its management also want.

The Summit Group itself is majority owned by its directors, two of whom work in the business. Since it is our own money we are investing we treat all our businesses with the attitude of someone who has made a significant personal investment. This makes us hands-on investors: once we have made an investment we work as partners with management to help their business succeed and create value for all of us. Our financial standing, our years of hands-on experience in starting businesses and dealing with the issues and problems that are encountered along the way – and we have encountered many of them – and our extensive contacts all enable us to make a real contribution to the development of businesses in which we invest, over and above the capital we provide.

History of The Summit Group

The Summit Group has been in business for thirty six years. During this time it has been both a smaller and larger enterprise and raised over £150 million of capital, at its peak growing its total assets to in excess of £500 million with annual revenues of over £200 million. Over the years it has backed fund managers with an aggregate of over $1 billion under management. For over thirty years it has had the same core senior management team who have been involved in most aspects of growing and managing both smaller and larger businesses and the issues they encounter across a number of market sectors. As well as being a venture capital investor, it has also had shareholders who themselves were private equity businesses so has experience of the issues that can arise from both parties' perspectives.

What we look for

The key to any business is people. We look for energetic, experienced and talented leaders who can build and run their own businesses. These businesses will typically be in or around our preferred sectors, which include:

- Business Services
- Finance & Insurance
- Software & Internet
- Medical & Life Science
- Outsourcing
- Marketing Services
- Environmental
- Energy
- Technology

We tend to favour service-type businesses which have business models we can understand, which are cash generative and scalable, preferably with revenues earned under long term arrangements. We generally only invest in businesses whose customers are also businesses and therefore, tend NOT to invest in businesses whose customers are consumers in sectors such as retail, entertainment or leisure.

Our investment approach revolves around the people we back, because even the best business ideas will not succeed without energetic and visionary entrepreneurs to implement them.

Our task, therefore, is to identify the people who have the capability to build quality and sustainable businesses - and to provide them with the appropriate infrastructure, contacts and financial resources to allow them to succeed.

We have found that entrepreneurs who choose to work with us value having the support, infrastructure, contacts and experience of a substantial and established business such as The Summit Group. Our involvement gives them credibility and frees them to focus on the value-creating elements of their business.

How we operate

We only maintain control over what we consider to be a few key financial and commercial factors. Beyond these, our philosophy is that the people we back should have the freedom to succeed in developing their business in their own way, with our support as a significant shareholder and contributor to the board.

We believe that once we have agreed the terms of our investment we are all shareholders together and should work together to create value.

How we are structured

The Summit Group makes investments out of its own resources; through Summit Alpha and, for Space-related investments seeking between £500,000 and £5 million, through Seraphim Space, the enterprise capital fund of which Summit is a Managing Partner[1].

What we are invested in

Sector	The Summit Group	Summit Alpha	Seraphim Space
Business Services	Voicenotes Freightsafe	iX Group Authenticate Information Systems	Spire Global Iceye Nightingale Intelligent Systems LeoLabs Altitude Angel D-Orbit Xona Space Systems SatelliteVu
Communications	Aria Networks		ArQit QuadSAT AST SpaceMobile Isotropic Systems
Environmental & Energy	Powerstax	Powerstax	
Financial	SQN Capital Management Summit Insurance Services		
Marketing Services	Tennyson		
Medical & Pharmaceutical	MedTrade Products		
Technology	Pyreos		Bamboo Systems TransRobotics Edgybees Opteran NuQuantum
Software & Internet	BookingLive t-Plan	t-Plan	PlanetWatchers Ch.ai

[1] Summit retired as a Managing Partner of Seraphim Space (Manager) LLP on 14 July 2021 upon the flotation of Seraphim Space Investment Trust plc

Portfolio review

Directly held investments

Investment	Year	Percentage ownership	Business
BookingLive Software	2016	13.9%	Booking software

Based in Cardiff and Bristol, BookingLive develops and sells software enabling online booking of events, courses and locations. It has developed a "freemium" version (called "Connect") of its paid for product, which was launched during early 2019.

Clients include a number of NHS trusts, local authorities and universities and such corporate names as Microsoft, Universal Music Group and BMW.

Summit initially invested just over £300k (alongside an investment of £100k from a fund managed on behalf of Creative England) for a shareholding of 20%. During the course of the year to 31 May 2020, the company raised a further circa £1.25 million, at a pre-new money valuation of £3 million, reducing Summit's shareholding to 13.9%

Investment	Year	Percentage ownership	Business
Freightsafe	2018 - 2020	30.6%	Logistics

Freightsafe (formerly CityPort) has developed an innovative method of protecting goods being transported by lorry from theft by providing secure, monitored and alarmed bays in which to park lorries and, separately, just their trailers. These are located at ports, service stations and dedicated trailer parks. Working in conjunction with a Robert Bosch subsidiary (which provides the management software and monitoring services), it launched its first two sites in Germany and Sweden during the year which functioned well with high levels of utilisation. The company now has a high level of demand to provide its bays at further sites across Europe and is planning to raise additional funds to achieve this and to reach cash flow breakeven.

Summit has invested a total of £450,000 for a 30.6% shareholding.

Investment	Year	Percentage ownership	Business
MedTrade Products	2000	22.4%	Medical product fulfilment

MedTrade Products designs and produces specialised medical products, which utilise new materials and processes. It sources and procures the manufacture of product to meet orders placed by major medical and pharmaceutical retailers and distributors throughout the world. Summit invested £630,000 in four tranches for a 28% shareholding in the company. In May 2019, Summit sold just under one fifth of its overall shareholding for just over £5 million valuing the company at over £100m.

MedTrade's expertise lies in obtaining the necessary CE marking and FDA approvals for its products in timescales that fit its customers' needs for products to be on sale at particular times. The Celox product is now being used across the world by an ever-increasing number of military forces and first responder units, with great praise for its efficacy; and the move into hospital and surgical use is the next stage in the development of its sales strategy.

Portfolio review
Directly held investments continued

Investment	Year	Percentage ownership	Business
Summit Insurance Services	1991	90%	Insurance services

Summit Insurance Services has created and distributes a number of insurance products of which the most significant is CompuCover; the UK's leading all risks insurance for IT equipment. CompuCover insures educational establishments, small and large organisations in both the public and private sector and thousands of individuals.

The company also provides warranty schemes both as insurance and service agreements and "Protech Gadget", aimed at the ever-growing electronic gadget market. It has also developed a Gap product and has arranged the underwriting of an insurance product that relies on nano-technology to protect the screens of phones and IT equipment.

The company is regulated by the Financial Conduct Authority and the implementation of the Insurance Distribution Directive ("IDD") on 1st October 2018 has had an effect on its business and that of many others. SIS has built its own online training portal to meet the Continuing Professional Development requirement of IDD and this has proven to be very popular with its resellers.

Tennyson	1998	100%	Sales channel development

Tennyson is a sales-outsourcing company, working with major organisations to improve their sales and profits by providing services on a long-term contract basis. Tennyson specialises in the disciplines of new business and account management and has achieved some headline-making and ground-breaking wins on behalf of its clients.

Its team blends consultancy with hands on sales and marketing - which enables it to give results like no other sales agency. These services include the provision of field sales teams, phone sales teams, third party channel programmes and both web and phone-based order-processing centres. In addition to providing high quality personnel, Tennyson also adds value through its expert knowledge of business to business sales.

Voicenotes	2007	26.5%	Sales support services

VoiceNotes provides three core services to its customers:

Meeting notes: an ability to use any phone to dictate meeting notes after virtual and face-to-face meetings and to receive a word-perfect transcript back by email, fast;

Transcriptions: a transcription of audio files (single-voice or multi-voice) of calls, interviews, meetings and all other business interactions requiring a documented record; and

Proof-reading: its specialist UK-based team can proof-read, copy-edit or completely re-draft your pre-written documentation, including brochures, websites, marketing material and press releases, to ensure grammatically perfect, coherent and engaging written copy.

Portfolio review
Directly held investments

Investment	Year	Percentage ownership	Business
Aria Networks	2017	4.1%	Artificial-intelligence software

Aria Networks is the developer of next-generation artificial intelligence software that is used to plan, build and optimise telecoms networks. Aria's proprietary technology is based on software that more closely models the adaptive nature of the human brain than any other technique currently available.

Aria's technology brings a step change in capabilities in planning and optimising networks, enabling operators to move towards the vision of real time management of the network and significant reduction in capex and opex. With modern networks struggling to deliver services, Aria's technology allows operators to manage their networks more efficiently with fewer people while deploying an increased number of services.

Its software has particular application in the rapidly developing fields of Software Defined Networks ("SDN") and Network Functions Visualisation ("NFV").

Pyreos	2016	7.9%	Infra-red sensors

Pyreos has developed and patented novel thin film technology with the potential to disrupt the $5 billion Infra-red (IR) detection market by making sensors that are smaller, cheaper and more sensitive. This enables a range of new applications to become viable which were previously unfeasible due to either size or cost constraints. Some of the major markets for these applications are motion sensors, gas sensors, spectroscopy and flame detection. Pyreos was spun out from Siemens following 15 years and €10m of R&D.

Pyreos's technology is protected by 12 patent families relating to a decade and €10m of R&D by Siemens. The technology is developed and validated via numerous customer evaluations and, through its fabless model, the business has the potential to scale production rapidly to meet customer demand.

Portfolio review

Investments through Summit Asset Management (76% owned)

Investment	Year	Percentage ownership[1]	Business
SQN Capital Management LLC	2015	25%	Fund Management

[1] Through Summit Asset Management (76% owned)

As part of the transaction which transferred Summit Asset Management's trade and employees to SQN Capital Management LLC (SQN) in January 2015, it exercised its right to acquire 25% of SQN at par value.

SQN is a US headquartered income (usually from leased or rented assets) fund manager, with c $200 million of funds under management or under advisory arrangements.

Portfolio review

Investments through Summit Alpha

(Where The Summit Group and Summit Alpha both have a shareholding in the same investment, the percentage ownership figure is the one for the combined ownership.)

Investment	Year	Percentage ownership	Business
iX Group	2001	16.8%	GMP and GCP audits

Through Rephine (acquired in March 2009), iX provides audits of pharmaceutical companies for both good manufacturing practice ("GMP") and good clinical practice ("GCP") at its suppliers, based both in Europe and the Far East. It has a library of over 200 audits, a number which it is continually increasing and which are available to purchase for companies looking to save the cost of an in-house audit. It also provides consultancy advice to the same customers.

Powerstax	2000	2.4% (2.3% by Summit)	Power conversion technology

Powerstax specialises in the design, manufacture and marketing of high efficiency and high-power density DC-DC converters, AC and DC Bulk Power units, and complete power solutions for the Communications, Industrial, Medical, Defence and Aerospace and Transportation markets.

It is in the business of designing in a technological solution to deliver the optimum mix of performance, features and price. A blue-chip customer list is supported by sales made direct to the customers and through power focused international sales channels. With full design and low quantity production and test facilities in Wickford UK, higher quantities of product are produced in mainland China.

Portfolio review
Investments through Summit Alpha

Investment	Year	Percentage ownership	Business
Authenticate Information Systems	2001/2013/2019	28%	Food supply chain mapping platform

Authenticate Information Systems ("AIS") was spun out to its shareholders from Product Authentication Inspectorate ("PAI") as part of the sale of PAI in 2013.

This business provides a collaborative software and analytics Platform which allows businesses in the food industry to track, analyse and understand their food supply network from end to end. Through the Platform, AIS provides a network for suppliers in the food industry to share valuable transparency, audit, Key Performance Indicators and ESG data on a selective and secure basis, thus eliminating the costly and time-consuming task of proving supply chain information in an ad-hoc, repetitive and unmanaged way.

It works with five of the top UK supermarkets and many leading global food manufacturers and hospitality groups, and has more than 30,000 food entities worldwide registered on its database, including more than 75% of the UK's food manufacturers.

Investment	Year	Percentage ownership	Business
t-Plan	2001	29% (3% by Summit)	Test management software

t-Plan supplies software for test process management, which provides a consistent and structured approach to testing for IT & business unit managers. The t-Plan suite of software enables auditable management control over software implementation projects to avoid costly errors and delay.

It derives its revenues from overseas distributors and training and the company is expanding the range of its services activities connected with testing. In 2009 t-Plan purchased a testing software business, VNC Robot. Robot is a highly adaptable, easy to use image-based black box testing tool that creates automated tests and exercises applications in the same way as an end user. Robot runs on and automates all major systems such as Windows, Linux and UNIX including mobile platforms and can therefore be used to test any software from mobile phones to secure military software since it does not require access to the original software but only tests the output. As Artificial Intelligence (or "AI") applications become more prevalent, t-Plan is increasingly seeing a demand for the Robot product to assist in the development of such products as testing of the efficacy becomes ever more necessary.

Portfolio review

Investments through Seraphim Space

Summit is an investor in Seraphim Space LP, a £67 million Enterprise Capital Fund (ECF) which is the world's first venture capital investor focused on businesses which operate in the Space ecosystem. The fund is focused on the fusion of terrestrial technology and space applications. It is backed by smart capital from some of Europe's leading Space corporates and also supported by the UK Space Agency and the European Space Agency.

As at 31 March 2021, Seraphim Space had invested £32.9m in 19 portfolio companies

On 12th July 2021, Seraphim Space Investment Trust plc (SSIT) announced that it successfully raised gross proceeds of £178.4 million in an oversubscribed IPO. As part of the IPO SSIT acquired 15 companies from the Seraphim Space LP portfolio and will also acquire stakes in the remaining 4 portfolio companies on completion or termination of corporate activity which was underway in those companies, with a long stop of 31 December 2021.

Until 14 July 2021 Summit was a Managing Partner and Summit's managing director, Kit Hunter Gordon, chaired the board but retired on the IPO becoming effective.

Investment	Year	Percentage ownership	Business
Spire Global	2017	0.8%	Aircraft & marine tracking and weather data

spire

Spire is a global provider of space-based data and analytics that offers unique datasets and powerful insights about Earth from the ultimate vantage point - space - so organisations can make decisions with confidence, accuracy, and speed. Spire uses a proprietary constellation of multi-purpose nanosatellites called LEMUR (Low Earth Multi-Use Receiver). The Company's software analytics generate proprietary Earth data, insights and predictive analytics for its global customers through a subscription model. Spire monetises this information across a broad and growing number of industries including weather, aviation, maritime, and government, with global coverage and near real-time data that can be easily integrated into customer business operations.

Spire is also pioneering an innovative "space-as-a-service" business model. Leveraging the Company's fully deployed infrastructure and large-scale operation, customers can operate their own payloads on orbit through Spire's API.

In August 2021 Spire went public through a merger with the Special Purpose Acquisition Company (SPAC) NavSight Holdings, Inc at an enterprise value of $1.2bn.

Portfolio review

Investments through Seraphim Space continued

Investment	Year	Percentage ownership	Business
Iceye	2017/2018	Not disclosed	Radar Satelite

ICEYE empowers others to make better decisions in governmental and commercial industries by providing access to timely and reliable satellite imagery.

The company is tackling the crucial lack of timely and reliable data with world-first aerospace capabilities and a New Space approach. ICEYE's radar satellite imaging service, with coverage of selected areas every few hours, both day and night, helps clients resolve challenges in sectors such as maritime, disaster management, insurance, finance, security and intelligence. ICEYE is the first organization in the world to successfully launch synthetic-aperture radar (SAR) satellites with a launch mass under 100 kg.

As a part of ICEYE's New Space approach, ICEYE is a partner of several New Space technology, Earth observation and GIS organisations around the world. Together and with these partnerships, ICEYE is able to deliver world-first capabilities in Earth observation.

Nightingale Intelligent Systems	2017/2018	5.9%	Site Security using drones

Nightingale has developed an autonomous aerial security drone to enhance physical security at large, sensitive facilities. The installed drone integrates with the customer's security system and, when a sensor is triggered, the drone autonomously deploys from its hangar and flies to the alert location, all the while streaming video to the security team's existing CCTV management system.

Nightingale is initially aiming to enhance existing security teams through more persistent surveillance and greater deterrent. Nightingale introduces cost savings, while boosting security capability, and eventually plans to replace guard roles with its quasi-autonomous drones.

Altitude Angel	2017	18.6 %	Air traffic control for drones

Altitude Angel is an award-winning provider of UTM (Unified Traffic Management) software, enabling those planning to operate, or develop UTM/U-Space solutions, to quickly integrate robust data and services with minimum effort.

By unlocking the potential of drones and helping national aviation authorities, ANSPs, developers and enterprise organisations, Altitude Angel is establishing new services to support the growth in the drone industry

It offers a range of solutions tailored to industries and businesses which have an interest in managing airspace, or building next-gen drones to travel through it. Altitude Angel assists customers requiring fleet or airspace management capabilities and access to the world's most accurate drone navigation data, and its platform is now used in 152 countries across the globe.

Portfolio review
Investments through Seraphim Space

Investment	Year	Percentage ownership	Business
TransRobotics	2017	21.6%	Software-defined radar

TransRobotics has developed a software-defined digital radar that is several orders of magnitude smaller, lighter, and more powerful than competitors. Its solution has wide applicability in the areas of drones, automotive, consumer electronics, and Augmented Reality/ Virtual Reality.

To operate effectively, autonomous robots, cars and drones all need to construct a three-dimensional view of their surroundings. TransRobotics uses commodity wifi hardware, often already a part of the device in question, to offer radar functionality with almost no incremental hardware requirements. The company's vision is for these digital radars to become a ubiquitous component of virtually all machines / electronic devices.

ArQit	2018	5.5%	Data security/encryption

Arqit supplies a unique quantum encryption Platform-as-a-Service which makes the communications links of any networked device secure against current and future forms of attack – even from a quantum computer. Arqit's product, QuantumCloud™, enables any device to download a lightweight software agent of less than 200 lines of code, which can create keys in partnership with any other device. The keys are computationally secure, don't exist until the moment they are needed and can never be known by a third party. QuantumCloud™ can create limitless volumes of keys in limitless group sizes and can regulate the secure entrance and exit of a device in a group. The addressable market for QuantumCloud™ is every connected device.

On September 7 2021, Arqit completed its business combination with Centricus Acquisition Corp. ("Centricus") a special purpose acquisition company. The combined company has retained the name Arqit Quantum Inc and had an initial market capitalisation exceeding $1 billion.

Bamboo Systems	2018/2019	33.4%	Data storage/processing

Bamboo Systems uses energy-efficient ARM processors and patented technology to deliver high throughput computing using a fraction of the energy and space of traditional servers.

Bamboo systems are designed to achieve an unmatched performance to energy ratio by making sure that all components run optimally so that its servers are optimally efficient. This delivers a ten times reduction in power consumption, generating less heat resulting in systems which can save up to 80% of rack space and a single Bamboo blade which can outperform entire competitive systems.

Portfolio review

Investments through Seraphim Space continued

Investment	Year	Percentage ownership	Business
Leolabs	2018/2019	4.5%	Low Earth orbit object mapping

LeoLabs is the leading commercial provider of low Earth orbit (LEO) mapping and Space Situational Awareness (SSA) services. LeoLabs is rolling-out a network of higher frequency, 10x lower cost (versus incumbents) and patented phased-array radars to offer commercial data services for commercial satellite operators and other key players such as regulators, Space Agencies and insurers. When fully built out, LeoLabs' radar network of phased array radars will deliver rapid revisit, accurate and precision forecasts of small orbital debris (estimated to be c.250,000 objects).

Investment	Year	Percentage ownership	Business
QuadSAT	2018	14.1%	Antennae calibration

QuadSAT is a Danish company founded in 2017 that supplies drone-based antenna testing and tracking solutions to the satellite, defence, wireless and broadcast markets. QuadSAT's system combines advanced drone technology with a custom RF pointing payload. As a compact system, it is transported directly to site and when launched as a mission it will provide customers with in situ testing capabilities, resulting in a cost-effective, operationally flexible, and time saving solution.

Its initial focus is on the high-value Maritime and Aeronautical mobile sat comms markets. The drone mimics an orbiting satellite, while simulating vehicle (ships/planes) motion. The technology reduces vessel and aircraft downtime for testing procedures, significantly reducing operational expenses as well as allowing more uptime on networks.

Investment	Year	Percentage ownership	Business
D-Orbit	2019	Not disclosed	Satellite launch services

D-Orbit is aiming to be the world's first space logistics infrastructure company, utilising its multi-purpose spacecraft to deliver customers' satellites before fulfilling high value secondary missions. D-Orbit is aiming to become the 'Fedex of Space', having already launched the world's first ever in-space last mile delivery service. D-Orbit aggregates its customers' small satellites into its own Ion 'cargo satellite' which then uses the likes of a SpaceX rocket to reach orbit. Once in Space, D-Orbit's spacecraft then transports its cargo to its precise target orbit. This has the advantage of getting the satellite to its ultimate destination quickly and cost effectively. Each of D-Orbit's Ion spacecraft can then take on a number of different secondary missions that include satellite servicing, debris removal, communication relays and even datacentres, paving the way for the future in-space economy.

D-Orbit's Ion is a multi-purpose, multi mission platform capable of undertaking a range of secondary applications after delivering customers' satellites. Several of these applications formed part of the two successful missions already completed.

Portfolio review
Investments through Seraphim Space

Investment	Year	Percentage ownership	Business
Planet Watchers	2018	30.5%	Satellite data analysis

PlanetWatchers is a geospatial data analytics company specialising in Synthetic Aperture Radar (SAR) data, combined with optical satellite imagery, for large scale and all-weather natural resources monitoring. It combines multi source satellite imagery with advanced machine learning and highly efficient algorithms to turn comprehensive geospatial data sources into valuable and actionable insights. PlanetWatchers' cloud platform provides operational teams with timely updates on the condition of their assets. These analytics allow businesses to improve operational efficiency and maximise productivity.

Focussing predominantly within the crop insurance industry, it turns months of manual assessment into minutes of automated analysis. Its accurate and efficient analysis, available on a global scale is used by the crop insurance industry to support insurance policies and validate claims data.

Xona Space	2020	5%	Satellite data/earth observation

Xona Space Systems (Xona) is aiming to provide GPS navigation for the age of autonomy by launching what is believed to be the world's first smallsat GPS constellation delivering centimetre level accuracy and enhanced security.

Global Navigation Satellite System (GNNS) – or GPS as it is more commonly referred to – is the invisible utility driving the world. The position, navigation and timing (PNT) capabilities it delivers powers $trillions within the global economy. While GPS has been an adequate solution for the world of today, legacy systems are not able to keep up with the commercial demands for accuracy, security or availability. In particular GPS's current 5-10 metre accuracy and vulnerability to hacking / spoofing fails to meet the requirements for autonomous systems. These systems – such as autonomous cars, drones and robots – need much greater precision and security in order to operate safely. By launching its own constellation of GPS signal boosting smallsats, Xona is aiming to deliver centimetre level precision with greatly enhanced security required by such autonomous systems.

Portfolio review

Investments through Seraphim Space continued

Investment	Year	Percentage ownership	Business
AST SpaceMobile	2020	0.4%	Communications

AST SpaceMobile (AST) is aiming to deliver worldwide 4G broadband connectivity from space. It is launching a satellite constellation that will act as ‘cell towers in Space’ by delivering connectivity to any smartphone. By launching a constellation of ‘cell towers in Space’, AST is building the world’s first and only Space-based cellular broadband network to deliver high speed internet connectivity direct to any smartphone anywhere on the planet. Compatible with all five billion existing mobile phones without requiring any modifications to the handset, AST will also provide connectivity to the 70% of the world which currently has no cellular coverage. Once deployed, its services will integrate seamlessly with mobile network operators’ networks providing ‘roaming’ to eliminate connectivity gaps.

AST raised $460 million and began trading on Nasdaq in April 2021 at a $1.8 billion market capitalisation.

Edgybees	2020	5.0%	AI Software

EDGYBEES

Edgybees has developed an AI powered augmented reality platform that uses satellite data for real-time information overlays for any video stream.

To make use of all the video feeds being generated from satellites and drones, operators need to first understand where they are looking and what they are looking at. Existing solutions for overlaying such geospatial information on top of video and imagery lack both the accuracy and the latency required for making real-time decisions. Edgybees is addressing these shortcomings by developing a new capability in visual intelligence and situational awareness. Edgybees’ AI-powered solution utilises satellite-generated geographical positioning imagery, coupled with computer vision and machine learning algorithms, to deliver low latency, high accuracy geospatial visual overlays on real-time video feeds. Edgybees empowers defence, public safety and critical infrastructure operators to understand any operational scene instantly.

Portfolio review
Investments through Seraphim Space

Investment	Year	Percentage ownership	Business
Isotropic Systems	2020	2.8%	communications

Isotropic Systems (Isotropic) is aiming to create a mesh network of satellite connectivity by developing an antenna capable of connecting to any satellite in any constellation in any orbit.

Thanks to the thousands of communications satellites being launched by the likes of SpaceX, Amazon and OneWeb, space-based connectivity is expected to grow 20-fold over the next five years. Whilst this holds the promise of eventually delivering ubiquitous connectivity across the planet, having the satellite dishes / antennas needed to actually connect to all these satellites remains a major potential bottleneck. Current terminals are expensive, bulky, lack the ability to track fast moving satellites across the sky and are not well-suited for non-stationary applications. Isotropic is resolving these issues by developing a high bandwidth, low power, flat panel digital antenna that can connect to any satellite. This enables Isotropic to mesh satellites together, seamlessly linking to multiple satellite services for uninterrupted connectivity.

Satelite Vu	2020	12.5%	Earth Observation

Satellite Vu is aiming to become the Earth's smart energy meter by launching the first infrared imaging smallsat constellation cap able of monitoring the thermal footprint of any building on Earth every few hours.

Infrared (IR) has a unique capability to 'see' inside buildings / objects. This holds vast potential for gathering intelligence, be that for defence, economic activity or energy efficiency applications. Existing IR satellites are government-operated, cost hundreds of millions and lack the resolution or revisit frequency required for these applications. Satellite Vu is developing the world's first constellation of mid-wave infrared small satellites that represent a 10-100x reduction in cost and weight versus existing government satellites. Satellite Vu's constellation will have the potential to measure the thermal footprint of any building on the planet every few hours to determine valuable insights into economic activity, energy efficiency and carbon footprint. Such capability could have a crucial role to play in the drive towards Net Zero.

Opteran	2020	3.6%	Technology

Opteran is developing a chipset for computer vision enabling simultaneous localisation and mapping (SLAM) based on the biomimicry of bee brains. Its vision is for autonomous machines to diligently move around us, cleaning, servicing, supplying our lives and keeping us safer.

Its system uses an insect vision camera that sees 360 degrees simultaneously with optical flow based collision avoidance and object detection with a highly efficient approach to SLAM which enables machines to make decisions by weighing up options.

Opteran's brain works dynamically on the edge with only a visual sensor and no Deep Learning making it small and light weight with ultra-low power requirements.

Portfolio review
Investments through Seraphim Space continued

Investment	Year	Percentage ownership	Business
Ch.ai	2021	8.4%	

ChAI uses AI to analyse a large number of alternative (e.g. satellite and maritime) and established data sources to make price predictions on a full cross-section of commodities over varying time horizons ranging from one day to one year.

ChAI uses explainable AI to highlight the inputs used to derive the price and provide confidence limits around its predictions. Its customers include Commodities Price Risk Managers for some of the biggest global FMCG businesses who it helps achieve step-change improvements in hedging and risk management as well as procurement teams who it enables to secure more margin and significant saving by identifying the optimum time to buy key commodities.

Investment	Year	Percentage ownership	Business
Nu Quantum	2020	1.0%	Technology

Nu Quantum makes proprietary advanced single photon quantum photonics systems, integral to building quantum secure communications infrastructure.

Nu Quantum makes quantum devices which can emit and detect single-photons. Its devices underpin those quantum systems which make single photons carry quantum information or interact in sophisticated ways, to arrive at a new era of communications, simulation, computing, sensing and metrology.

By combining novel materials and semiconductor technology, the Nu Quantum components achieve new capabilities and enhanced performance.

Financial statements

Strategic report

Principal activities

The Company is a venture capital business, and an intermediate holding company for a group of trading businesses. It has a number of investments, with shareholdings ranging from wholly-owned downwards. In all instances the strategic issues relating to those companies are set out in their own report and accounts; but, in addition, the Company actively monitors their performance, most usually by appointing a non-executive director to the board of the company in which it has invested.

In some instances, it also participates in funds in which it has a management role, and to which it has a (limited) contractual obligation to make capital commitments. Aside from this, investments are made according to whether the directors believe they have cash resources to do so, bearing in mind the Group-wide obligation to meet salaries of those employees working for businesses where the Group maintains a shareholding of more than 75%; and obligations the Company has to support Group companies in order for them to continue as going concerns.

Results and business review

When, in June 2020, I wrote the business review for 2020/21 I said that "the economy is now showing signs of having some life breathed into it". A year has passed, and it is only now (after a number of further lockdowns) that I have the confidence that this statement might ring true and that for all our businesses a degree of normality might be approaching, irrespective of whether they were adversely affected or benefitted from the changes in the business environment. But what is true is that the Group's cash resources have enabled it and the many businesses in which it has shareholdings to be in a position now to benefit from the hoped for upturn in the economy and economic activity.

We have supported all the businesses in which we are invested over the difficulties of the last year. Some have required cash – whether by way of further investment, or by access to the Group's funds for working capital purposes – but all have survived the year. Some are in better shape than others (our businesses have a wide spread of activities; and, as in years gone by, it is almost inevitable that there will be companies which have weathered the lock-down and its consequences reasonably well and those who have not been as fortunate) but all are still there. Whilst availability of cash from the Company has helped, it is not the sole reason for their survival which is due just as much to the dedication and fortitude of the staff who work for the Group and in its investee companies.

Our cash resources decreased from circa £10.6 million to £9.2 million. Of this £549k was as a result of investments made in our existing portfolio of companies (both required for continuing trading and to support growth); and we also incurred losses in the group companies (totalling some £466k in our insurance and outsourced sales businesses); and the Group's cash resources were also reduced as a result of dividends totalling £300k paid to the parent company's shareholders. Further details on these results and the outlook for the companies in question is set out below. Although some staff were furloughed, it was not felt appropriate for the Group to avail itself of the support from the Government given our overall financial position. The Group's overall losses before tax for the year were £660k and consolidated net assets at the year-end were £29.77 million.

Across the Group there were some upward revaluations of our investments (of circa £750k) and some downward ones (£327k), very much reflecting the pandemic winners and losers described above. In some instances we have taken the view that the year to 31 March 2021 was a one-off and – with upturns (both financial and operational) starting to be seen – that there has been no permanent diminution in value.

Some six months on from the conclusion of a trade deal between the European Union and the United Kingdom, we are a little clearer as to what consequences this has had and may have for our businesses. Most are smaller businesses and exports are not a major part of their business lives; for those that do export there is a sense that there are difficulties – which are decreasing as teething problems are overcome – in exporting physical goods but for those whose products can be downloaded (such as software businesses) this is much less of an issue.

Strategic report (continued)

Turning to individual businesses which the Company owns and the investments that the Group has made:

• As reported in last year's accounts, in June 2020 SQN Capital Management (UK) Ltd ("SQN UK") lost the contract to manage the assets of SQN Asset Finance Income Fund Ltd ("SQN AFIF"), for reasons entirely unrelated to the pandemic. This year's accounts therefore include the final payment due from SQN UK to Summit Asset Management Ltd ("SAM") in relation to the sale of part of SAM's trade to SQN UK in January 2015.

• SQN UK and its parent, SQN Capital Management LLC ("SQN US"), continue to manage smaller funds, with assets under management of around $200 million.

• SAM itself has continued to receive the monthly loan repayments from the loan to Medical Equipment Solutions Ltd ("MESL"), which was assigned to it at the time of the completion of the sale of MESL, as well as other rental payments from its historic portfolio of assets subject to operating leases.

• The results for Summit Insurance Services Ltd ("SIS") were significantly affected by the pandemic, with premiums collected decreasing from £3.89 million to £1.47 million, with the associated commissions to SIS decreasing from £908k to £268k. Losses in SIS and its sister company, Summit Financial Services Limited, which provides claims handling services, were £342k. Levels of new business were affected by events very much outwith its control: the Government's drive to provide laptops and tablets to children being educated out of school meant that there was a marked shortage of the types of equipment that SIS seeks to insure. Progress has been made with SIS's underwriters, and it now has two permanent underwriters and is in discussions with two others for a new programme of sales by a major software business.

• Tennyson Ltd ("Tennyson") suffered as a result of decisions made within its largest customer. That customer initially reduced the number of people working on the contract; and then gave notice to terminate the contract with effect from 31 March 2021. As a result, turnover within Tennyson decreased from the £1.62 million in 2019/20 to £1.09 million in the current year, which resulted in a loss before tax of £125k. All credit is due to the staff there, who – notwithstanding the contract's termination – managed to achieve all of the milestones set by the customer. The managing director is now actively seeking replacement business and there have been some small contracts won.

• Medtrade Products Ltd ("Medtrade") had its sales affected by the pandemic: demand for woundcare products was much reduced as a result of the hospitals treating primarily Covid patients; and there was reduced demand from the military for its haemostat products. Sales in the year to 28 February 2021 were £21.8 million and profits before tax were £0.4million. Again, there are early signs that turnover for the coming year will be ahead of budget and profits of a comparable level to those seen in 2019/20.

• As in 2019/20, it was again within the portfolio of investments owned by Summit Alpha Ltd (in which the Company has an effective 47% shareholding) that there were real signs of resilience to the pandemic: iX Group's made pre-tax profits of just under £1 million; and looks on course to make closer to £1.5 million in the year to 31 July 2021. It is currently being marketed for sale and has an offer above the valuation used in these accounts.

• t-Plan Ltd was again profitable although at a reduced level following expenditure during the year on product development and marketing. Authenticate Information Systems Ltd ended the year with significant cash reserves and increased revenue from new customers and additional sales to its existing ones.

Strategic report (continued)

Results and business review (continued)

• Seraphim Capital LP ("Seraphim") commenced a winding up during the year, and its shareholdings in Aria Networks Ltd ("Aria") and Pyreos Ltd ("Pyreos") distributed to the erstwhile limited partners. The Company has continued to support both Aria and Pyreos and led Future Fund rounds for both companies as well as providing other funds to Pyreos, which is being marketed for sale. In total it invested £75k in Aria and £200k in Pyreos.

• The Company continued to provide funds to Seraphim Space LP, which at the year-end had invested a total of £32.9 million in 19 companies all with space or space-related technologies. There was one realisation during the year; and a flotation (at a much enhanced valuation) of one company. At the year-end the portfolio was valued at £72.2 million. After the year-end terms were agreed for Seraphim Space LP to sell its underlying portfolio of investments to a newly-listed investment trust (which would also raise up to £150 million of new funds for further investments).

• Of the Company's other investments: Freightsafe Ltd (formerly Cityport Ltd) raised a total of £270k, of which the Company contributed £125k, and is pressing ahead with plans to expand in Sweden and a further fund raise; Voicenotes Ltd suffered as a result of the pandemic with people working from home and reduced meeting notes, but has sufficient cash resources to ride out this downturn; and Booking Live Ltd increased turnover and again had sufficient funds from its previous fund-raises to end the year to 31 May with significant cash resources.

By order of the board

SJK Barratt
Secretary

2nd July 2021

Director' report for The Summit Group Limited

The directors present the directors' report and the audited consolidated financial statements for the year ended 31 March 2021.

Results and dividends
The results of the Group can be summarised as follows:

	2021	2020
	£000	£000
(Loss)/profit before tax (all continuing operations)	**(660)**	526
(Loss)/profit attributable to ordinary shareholders	**(657)**	666

The Company paid its ordinary shareholder dividends totalling £nil in the year (2020: £3,000,000).

Directors and directors' interests

The directors who held office during the year were as follows:

Mr CN Hunter Gordon
Mr SJK Barratt
Mr BL Sack

The interests of Mr Barratt, Mr Hunter Gordon and Mr Sack in the share capital of Brighthand Ltd are shown in the financial statements of that company.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that ought to have been 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.

Auditor

Saffery Champness LLP have expressed their willingness to remain in office.

By order of the board

SJK Barratt
Secretary

10 Cloisters House
Cloisters Business Centre
8 Battersea Park Road, London SW8 4BG

2nd July 2021

Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of their profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

• select suitable accounting policies and then apply them consistently;

• make judgments and estimates that are reasonable and prudent;

• state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

• assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

• use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

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

Report of the independent auditor, Saffery Champness LLP, to the members of The Summit Group Limited

Opinion

We have audited the financial statements of The Summit Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated profit and loss account, the consolidated balance sheet, the parent company balance sheet, the consolidated statement of changes in equity, the parent company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

• give a true and fair view of the state of the group and the parent company's affairs as at 31 March 2021 and its loss for the year then ended;

• have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

• have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISA (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 Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Report of the independent auditor, Saffery Champness LLP, to the members of The Summit Group Limited (continued)

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 parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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, or returns adequate for our audit have not been received from branches not visited by us; or

• the financial statements are not in agreement with the accounting records and returns; or

• certain disclosures of 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 Statement of directors' responsibilities on page 24, 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 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 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 ISA (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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and updating our understanding of the sector in which the company operates.

Report of the independent auditor, Saffery Champness LLP, to the members of The Summit Group Limited (continued)

Laws and regulations of direct significance in the context of the company include The Companies Act 2006, and UK Tax legislation.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Di Leto (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors
71 Queen Victoria Street
London
EC4V 4BE

2nd July 2021

Consolidated profit and loss account
for the year ended 31 March 2021

	Note	2021 £000	2020 £000
Group turnover – continuing operations	*1-2*	**1,604**	2,801
Cost of sales		**(905)**	(1,083)
		699	1,718
Gross earnings under finance agreements		**1**	1
Gross profit		**700**	1,719
Operating costs	*4-7*	**(1,873)**	(2,021)
Group operating loss		**1,173**	(302)
Income from associated companies		**-**	22
Loss on the sale of part of a trade	*4*	**-**	(1,539)
Profit on disposal of subsidiaries	*4*	**-**	240
Profit on disposal of associated companies	*4*	**-**	2,226
(Loss)/profit on disposal of other investments	*4*	**(4)**	1,119
Profit/(loss) on financial assets at fair value through profit or loss	*12*	**424**	(1,523)
Operating (loss)/profit – continuing operations	*3*	**(753)**	243
Income from other fixed asset investments		**34**	300
Interest receivable	*8*	**65**	78
Interest payable	*8*	**(6)**	(95)
(Loss)/profit before taxation		**(660)**	526
Taxation:			
Group	*9*	**-**	-
(Loss)/profit after taxation		**(660)**	526
Non-controlling interests		**3**	140
Loss)/profit for the financial year		**(657)**	666

All the above items relate to continuing operations.
The notes on pages 34 – 51 form part of these financial statements

Consolidated balance sheet
at 31 March 2021

	Note	2021 £000	2021 £000	2020 £000	2020 £000
Fixed assets					
Goodwill	*10*		**-**		-
Tangible fixed assets	*11*		**107**		105
Investments	*12*		**20,659**		19,706
			20,766		19,811
Current assets					
Debtors	*13*	**936**		1,447	
Investments	*14*	**-**		-	
Liquid resources		**5,655**		5,650	
Cash at bank and in hand		**3,550**		4,952	
		10,141		12,049	
Creditors: amounts falling due within one year	*15*	**(1,155)**		(1,589)	
Total net current assets			**8,986**		10,460
Total assets less current liabilities			**29,752**		30,271
Debtors: amounts falling due after more than one year	*16*		**86**		412
Creditors: amounts falling due after more than one year	*17*		**(41)**		(12)
Provisions for liabilities and charges	*23*		**(31)**		(31)
Net assets			**29,766**		30,640
Capital and reserves					
Share capital	*18*		**7,343**		7,343
Capital redemption reserve	*19*		**1,049**		1,049
Revaluation reserve	*19*		**16,777**		16,026
Other reserve	*19*		**167**		167
Profit and loss account	*19*		**3,894**		5,302
			29,230		29,887
Non-controlling interests			**536**		753
Shareholders' funds			**29,766**		30,640

These consolidated financial statements were approved by the board of directors on 2nd July 2021 and were signed on its behalf by:

SJK Barratt
Director
Company registration number: 02231277

The notes on pages 34 – 51 form part of these financial statements

Company balance sheet
at 31 March 2021

	Note	2021 £000	2021 £000	2020 £000	2020 £000
Fixed assets					
Tangible fixed assets	*11*		**2**		2
Investments	*12*		**18,823**		18,107
			18,825		18,109
Current assets					
Debtors	*13*	**3,410**		3,506	
Liquid resources		**5,655**		5,650	
Cash at bank and in hand		**3,473**		4,798	
		12,538		13,954	
Creditors: amounts falling due within one year	*15*	**(2,942)**		(4,251)	
Net current assets			**9,596**		9,703
Provisions for liabilities and charges	*23*		**(31)**		(31)
Net assets			**28,390**		27,781
Capital and reserves					
Share capital	*18*		**7,343**		7,343
Capital redemption reserve	*19*		**1,049**		1,049
Revaluation reserve	*19*		**15,352**		14,831
Other reserve	*19*		**167**		167
Profit and loss account	*19*		**4,479**		4,391
Shareholders' funds			**28,390**		27,781

The profit of the Company for the financial year, after taxation, was £609,356 (2020: £860,354).

These consolidated financial statements were approved by the board of directors on 2nd July 2021 and were signed on its behalf by:

SJK Barratt
Director
Company registration number: 02231277

The notes on pages 34 – 51 form part of these financial statements

Consolidated statement of changes in equity
for the years ended 31 March 2020 and 2021

Group	Share capital	Capital redemption reserve	Revaluation reserve	Profit and loss account	Other reserve	Non-controlling interests	Total equity
	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2019	7,343	1,049	20,331	3,331	167	1,035	33,256
Profit for the financial year	-	-	-	666	-	(140)	526
Reserve transfer	-	-	(4,589)	4,589	-	-	-
Equity dividends	-	-	-	(3,000)	-	(142)	(3,142)
Reserve transfer: minority interests	-	-	284	(284)	-	-	-
Balance at 31 March 2020	**7,343**	**1,049**	**16,026**	**5,302**	**167**	**753**	**30,640**

Group	Share capital	Capital redemption reserve	Revaluation reserve	Profit and loss account	Other reserve	Non-controlling interests	Total equity
	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2020	7,343	1,049	16,026	5,302	167	753	30,640
Loss for the financial year	-	-	-	(657)	-	(3)	(660)
Reserve transfer	-	-	751	(751)	-	-	-
Equity dividends	-	-	-	-	-	(214)	(214)
Balance at 31 March 2021	**7,343**	**1,049**	**16,777**	**3,894**	**167**	**536**	**29,766**

The notes on pages 34 – 51 form part of these financial statements

Company statement of changes in equity
for the years ended 31 March 2020 and 2021

Company	Share capital £000	Capital redemption reserve £000	Revaluation reserve £000	Profit and loss account £000	Other reserve £000	Total equity £000
Balance at 1 April 2019	7,343	1,049	18,386	2,976	167	29,921
Profit for the financial year	-	-	-	860	-	860
Reserve transfer	-	-	(3,555)	3,555	-	-
Equity dividends	-	-	-	(3,000)	-	(3,000)
Balance at 31 March 2019	**7,343**	**1,049**	**14,831**	**4,391**	**167**	**27,781**

Company	Share capital £000	Capital redemption reserve £000	Revaluation reserve £000	Profit and loss account £000	Other reserve £000	Total equity £000
Balance at 1 April 2020	7,343	1,049	14,831	4,391	167	27,781
Profit for the financial year	-	-	-	609	-	609
Reserve transfer	-	-	521	(521)	-	-
Balance at 31 March 2021	**7,343**	**1,049**	**15,352**	**4,479**	**167**	**28,390**

The notes on pages 34 – 51 form part of these financial statements

Consolidated statement of cash flows
for the year ended 31 March 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
(Loss)/profit for the financial year		**(660)**	526
Adjustments for:			
Depreciation of tangible assets	*11*	**50**	46
Amortisation of goodwill	*10*	**-**	30
Interest receivable	*8*	**(65)**	(78)
Interest payable	*8*	**6**	95
Loss on the sale of part of a trade	*4*	**-**	1,539
Profit on disposal of subsidiaries	*4*	**-**	(240)
Profit on disposal of associated companies	*4*	**-**	(2,226)
Loss/(profit) on sale of other investments	*4*	**4**	(1,119)
(Profit)/loss on financial assets at fair value through profit or loss	*12*	**(424)**	1,523
Income from investments in associated companies		**-**	(22)
Income from fixed asset investments		**(34)**	(300)
Changes in:			
Other investments		**-**	15
Trade and other debtors		**837**	391
Trade and other creditors		**(439)**	714
Cash generated from operations		**(725)**	894
Interest paid		**(6)**	(3)
Interest received		**65**	78
Net cash from operating activities		**(666)**	969
Cash flows from investing activities			
Purchase of tangible fixed assets	*11*	**(52)**	(36)
Proceeds from the sale of fixed asset investments		**16**	4,813
Dividends received from fixed asset investments		**34**	300
Purchase of other fixed asset investments	*12*	**(549)**	(591)
Proceeds from sale of associated companies		**-**	1,420
Deferred consideration on purchase of shares in subsidiary		**-**	(30)
Deferred consideration on sale of shares in subsidiary	*10*	**-**	240
Net cash from investing activities		**(551)**	6,116
Cash flows from financing activities			
Dividends paid		**(214)**	(3,142)
Net inflow from new finance leases		**46**	-
Capital element of finance leases		**(12)**	(5)
Net cash from financing activities		**(180)**	(3,147)
Net (decrease)/increase in cash and cash equivalents		**(1,397)**	3,938
Cash and cash equivalents at the beginning of the year		**10,602**	6,664
Cash and cash equivalents at the end of the year		**9,205**	10,602

The notes on pages 34 – 51 form part of these financial statements

Notes to the financial statements
for the year ended 31 March 2021

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's financial statements.

General information
The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 10 Cloisters House, Cloisters Business Centre, 8 Battersea Park Road, London, SW8 4BG.

Basis of preparation
The Group and Company financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and the requirements of the Companies Act 2006. The presentation currency of these financial statements is sterling.

The financial statements have been prepared under the historical cost accounting rules as modified for the revaluation of certain assets.

The results of the Company are included in the consolidated financial statements, and the Company is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. Its financial statements are consolidated into the financial statements of Brighthand Ltd which can be obtained from Companies House. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

• no separate parent company cash flow statement with related notes is included; and
• disclosures in respect of financial instruments have not been presented; and
• key management personnel compensation has not been included a second time.

Basis of consolidation
The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries for the year ended 31 March 2021. The financial statements include the results of all subsidiaries, joint venture and associated companies throughout the year, or from the date of acquisition or to the date of disposal or deemed disposal as appropriate.

The directors have taken advantage of section 408 of the Companies Act 2006 and no profit and loss account has been presented for the Company.

Judgments and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. These estimates and judgments are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Directors consider the valuation of certain of the Group's investments and the amount of deferred consideration due from SQN UK to be key judgments. Further details regarding these judgments can be found in notes 4, 12 and 13 of the accounts.

Goodwill
The cost of purchased goodwill is amortised to nil by equal annual instalments over the estimated useful life.

Goodwill on consolidation
Purchased goodwill arising on consolidation in respect of acquisitions since 1 January 1998 is capitalised. Positive goodwill is amortised to nil by equal annual instalments over its estimated useful life ranging between 3 and 10 years.

Goodwill on acquisitions
Purchased goodwill arising on acquisitions is capitalised, classified as an asset on the balance sheet and amortised over its estimated useful life. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of each financial year and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable. Purchased goodwill arising on acquisition is amortised to nil by equal annual instalments over its estimated useful life, being over 3-6 years.

Notes to the financial statements (continued)
for the year ended 31 March 2021

1 Accounting policies (continued)

Tangible fixed assets
Depreciation is provided on a straight line basis to write off the cost of tangible fixed assets over their estimated useful economic lives. Leased assets are depreciated over the shorter of the lease term and their estimated useful economic lives. The estimated useful economic lives are as follows:

Fixtures and fittings	3 - 5 years straight line
Plant and equipment	3 - 10 years straight line or over lease term

Leasehold premises and improvements on properties occupied by the Group are depreciated over the term of the lease.

Fixed asset investments
Investments held for their longer term potential are carried at directors' valuation. Provision is made for permanent diminution in value as appropriate.

Shares in group companies
The Company's investments in subsidiary and joint venture companies are stated at cost less any provisions made for permanent diminution in value.

Joint ventures and associated companies
Joint ventures are those companies in which the Group has both an investment and representation to enable it to exercise significant influence and an involvement in the day to day running of the investee company.

In the consolidated balance sheet, investments in joint ventures are accounted for using the "equity" method. Any discount or premium arising on acquisition is capitalised as an intangible fixed asset and amortised over its estimated useful life. The Group's share of the results, gross assets and liabilities of joint ventures has been based on their latest audited accounts, where these have been made up to 31 March.

Associated companies are those companies where the Group has a substantial interest in the equity capital and whose directors include representatives of the Group such that the Group is able to exert significant influence over the management and operations of those companies, but not control. Investments in associated companies are accounted for using the equity method.

Investment in finance agreements
The Company and one of its subsidiaries act as lessors of printing, agricultural and other equipment. Where substantially all the risks and rewards of ownership pass to the lessee, these leases are accounted for as finance leases in accordance with FRS 102.

i) Recognition of profit on finance agreements
Finance lease income is recognised on an appropriate basis so as to give a constant periodic rate of return on the net cash investment in the lease.

ii) Investment in finance agreements
The investment in finance agreements is stated in the balance sheet at the total of the gross minimum lease payments receivable under such agreements, less finance income allocated to future periods.

iii) Residual interests in leased equipment
In the majority of cases under the lease arrangements described above, the relevant Group company retains an interest in the residual value of the leased equipment. No recognition is made in the financial statements of any profit attributable to the estimated future disposal proceeds of equipment which will be returned to the Group at the termination of the lease or from rentals resulting from secondary leases until these are realised.

Operating leases
Income from operating leases is recognised on a straight line basis over the lease period. Assets held for use under operating leases are included in fixed assets at cost to the Group and are depreciated on a straight line basis over their estimated useful lives.

Notes to the financial statements (continued)

for the year ended 31 March 2021

1 Accounting policies (continued)

Operating leases

Income from operating leases is recognised on a straight line basis over the lease period. Assets held for use under operating leases are included in fixed assets at cost to the Group and are depreciated on a straight line basis over their estimated useful lives.

Finance leases

Assets held under finance leases are capitalised at the fair value of the asset at the inception of the lease, with an equivalent liability categorised as appropriate under creditors due within and after more than one year.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant interest rate on the then current capital balance outstanding.

Pension costs

Employees of the Group are eligible to participate in the stakeholder pension plan run by the Company. The charge represents the contributions payable to the stakeholder pension plan in respect of the accounting period.

Taxation

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax the Company and the Group is expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date.

Turnover

Turnover represents amounts, excluding value added tax, receivable from the provision of goods and services. It comprises lease rentals, commissions receivable and advisory and other fees.

Foreign currencies

The accounts of overseas undertakings are translated at the rate of exchange ruling at the balance sheet date. The exchange difference arising on the re-translation of opening net assets is taken directly to reserves. All other translation differences are taken to the profit and loss account.

Related party transactions

The Company has taken advantage of the exemption in FRS 102.33.1A and, other than as set out in note 24, has not disclosed related party transactions.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits repayable on demand. Bank overdrafts that are repayable on demand and form an integral part of the cash management are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

Liquid resources

Liquid resources are short term bank deposits of less than one year.

Notes to the financial statements (continued)
for the year ended 31 March 2021

1 Accounting policies (continued)

Financial instruments

Financial assets
Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses. A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss.

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

Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

Other financial assets
Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

2 Analysis of Group turnover, profit /(loss) before taxation and net assets/(liabilities)

	2021 Group turnover £000	**2021 Profit/(Loss) before taxation £000**	**2021 Net assets/ (liabilities) £000**	2020 Group turnover £000	2020 Loss/(profit) before taxation £000	2020 Net assets/ (liabilities) £000
By activity						
Equipment leasing and sales	**95**	**85**	**2,047**	87	(2,869)	2,816
Medical services	**-**	**-**	**-**	-	2,248	-
Advisory and other services	**1,356**	**(406)**	**(873)**	2,531	625	96
Property investment and trading	**-**	**(3)**	**(1,208)**	-	(2)	(1,205)
Head office	**153**	**(395)**	**29,800**	183	541	28,933
	1,604	**(719)**	**29,766**	2,801	543	30,640
Net interest payable		**59**			(17)	
(Loss)/profit before taxation		**(660)**			526	

Geographical analysis
A geographical analysis of turnover is given below:

	2021 £000	2020 £000
UK	**1,604**	2,801

Notes to the financial statements (continued)

for the year ended 31 March 2021

3 Analysis of continuing and discontinued operations

The entirety of the Group's activities arose from continuing operations.

4 (Loss)/profit before taxation

	2021 £000	2020 £000
(Loss)/profit before taxation is stated after charging/(crediting)		
Auditor's remuneration		
audit fee for the Company's financial statements	**13**	12
audit fee for the Group's (including the Company's) financial statements	**37**	39
Depreciation of tangible fixed assets:		
owned	**38**	39
held under finance leases	**12**	7
Amortisation of goodwill	**-**	30
Rentals payable under operating leases:		
Property leases	**83**	95
Loss on the sale of part of a trade	**-**	1,539
Profit on disposal of subsidiaries	**-**	(240)
Profit on disposal of associated companies	**-**	(2,226)
Loss/(profit) on disposal of other investments	**4**	(1,119)

Loss on the disposal of other investments in 2021 reflects the company's disposal of part of its investment in Seraphim Space LP. The net sale proceeds were £16,050 and the original cost of the investment was £20,040.

Loss on the sale of part of a trade in 2020 was the estimate made by the directors of SAM of amounts due to it at 31 March 2020 from SQN UK in respect of the consideration to be paid by SQN UK to SAM for the sale by SAM of the goodwill relating to certain elements of SAM's trade. Pursuant to the terms of a sale and purchase agreement dated 19th January 2015 and made between SAM, SQN UK and SQN US, SAM transferred certain employees, sold certain assets and the goodwill immediately pertaining to those employees and its shareholdings in a subsidiary and two joint ventures, the consideration for which included a deferred variable element based upon certain future performance criteria. As of 6 June 2020, SQN UK ceased to have the right to manage the assets (and to receive fees for so doing) which gave rise to amounts taken into consideration in calculating the deferred consideration due to SAM. Accordingly, the directors have assumed that no further deferred consideration will be received from SQN UK.

Profit on the disposal of subsidiaries in 2020 reflects the receipt of further, and final, deferred sale proceeds relating to the sale of Tennyson's 40.02% shareholding in Tennyson Insurance Ltd on 30 June 2015.

Profit on the disposal of associated companies in 2020 reflects the sale on 10 March 2020 of SAM's investment (a 29.21% shareholding at completion) in MESL. The sale proceeds were £1,420,519 and the net liabilities at the date of disposal were £805,246.

Profit on the disposal of other investments in 2020 includes the company's disposal of part of its investment in Medtrade Products Ltd. The net sale proceeds were £4,800,396 and the original cost of the investment was £67,043, with a fair value realised gain on disposal of £3,627,401.

Notes to the financial statements (continued)
for the year ended 31 March 2021

5 Remuneration of directors

Directors' emoluments during the year amounted to £622,987 (2019: £398,873) and arose as follows:

	2021 £000	2020 £000
Emoluments of executive directors:		
Remuneration	**353**	355
Bonuses (discretionary)	**270**	44
	623	399

No contributions were made on behalf of directors (2020: £nil) to the stakeholder pension plan of the Company.
The total emoluments of the highest paid director are analysed as follows:

	Highest paid director	
	2021 £000	2020 £000
Emoluments (including discretionary bonuses)	**327**	215

6 Staff numbers and costs

The average number of staff employed by the Group during the year was:

	2021 £000	2020 £000
Management staff	**4**	4
Office staff	**38**	49
	42	53

The aggregate payroll cost of these persons (including directors) was as follows:

	2021 £000	2020 £000
Salaries	**1,980**	1,964
Management discretionary bonuses	**270**	89
Social security costs	**212**	215
Other pension costs	**49**	64
	2,511	2,332

Notes to the financial statements (continued)
for the year ended 31 March 2021

7 Pensions

The employees of the Group are eligible to participate in the stakeholder pension plan run by the Company. The charge represents the contributions payable to the stakeholder pension plan in respect of the accounting period.

The total pension cost for the Group for the year was £49,500 (2019: £63,800).

8 Interest

	2021	2020
	£000	£000
Bank interest receivable	**6**	60
Other interest receivable	**59**	18
Interest receivable	**65**	78
Interest payable on finance leases	**(6)**	(3)
Interest payable by associates	**-**	(92)
Interest payable	**(6)**	(95)

9 Taxation

The tax assessed on the profit on ordinary activities for the year is lower than (2020: lower than) the standard rate of corporation tax. The UK corporation tax rate of 19% (2020: 19%) is the standard rate for the Group. The factors affecting the current tax charge of the Group are as follows:

	2021	2020
	£000	£000
(Loss)/profit on ordinary activities before taxation	**(660)**	529
Expected tax charge	**(125)**	100
Non-taxable income	**(377)**	(565)
Expenses not deductible for tax purposes	**292**	1,052
Timing differences on fixed assets	**7**	7
Utilisation of tax losses brought forward	**(25)**	(619)
Losses not relieved	**228**	25
Total tax recorded in the accounts	**-**	-

The Group has a deferred tax asset of £11,089,000 (2020: £10,891,000), which consists of unutilised tax losses of £10,931,000 (2020: £10,734,000) and timing differences on depreciation of £158,000 (2020: £157,000), which would be recoverable against future taxable profits of the Group. This asset has been provided for in full. The directors are unaware of any other factors which may affect the future tax charge of the Group.

The movement in the year represents the current year losses not relieved, utilisation of tax losses brought forward, and timing differences on fixed assets all shown above, permanent timing differences on depreciation of £(6,157) and adjustments for prior year losses of £(6,331).

Notes to the financial statements (continued)
for the year ended 31 March 2021

10 Goodwill

Group

	Positive goodwill £000
Cost	
At beginning and end of year	658
Amortisation	
At beginning and end of year	658
Net book value	
At 31 March 2021	-
At 31 March 2020	-

Notes to the financial statements (continued)
for the year ended 31 March 2021

11 Tangible fixed assets

Group

	Fixtures and fittings £000	Plant and equipment £000	Total £000
Cost			
At beginning of year	24	412	436
Additions	-	52	52
Disposals	-	(18)	(18)
At end of year	24	446	470
Depreciation			
At beginning of year	22	309	331
Charge for year	1	49	50
Disposals	-	(18)	(18)
At end of year	23	340	363
Net book value			
At 31 March 2021	**1**	**106**	**107**
At 31 March 2020	2	103	105

The net book value of assets held under finance leases included in plant and machinery above is £42,400 (2020:£10,000).

Notes to the financial statements (continued)
for the year ended 31 March 2021

11 Tangible fixed assets (continued)

Company

	Fixtures and fixings £000	Plant and equipment £000	Total £000
Cost			
At beginning of year	27	41	68
Additions	-	1	1
Disposals	-	(10)	(10)
Transfers between asset classifications	(3)	3	-
At end of year	24	35	59
Depreciation			
At beginning of year	25	41	66
Charge for year	-	1	1
Disposals	-	(10)	(10)
Transfers between asset classification	(1)	1	-
At end of year	24	33	57
Net book value			
At 31 March 2021	-	2	2
At 31 March 2020	2	-	2

12 Fixed asset investments

Group		**2021 £000**	2020 £000
Joint ventures	(a)	**-**	-
Associated companies	(b)	**-**	-
Other investments	(c)	**20,659**	19,706
		20,659	19,706

(a) Joint venture companies	**2020 £000**	2019 £000
Share of gross assets	**1**	1
Share of gross liabilities	**(1)**	(1)
	-	-

At the beginning and end of the year the investment in joint ventures represented Summit Property Ltd's holding of 50% of the ordinary shares in The Basingstoke Property Company Ltd.

Notes to the financial statements (continued)
for the year ended 31 March 2021

(b) Associated companies

From 1 October 2018 (following the conversion of each preference share held by SAM in MESL into one ordinary share) SAM's percentage ordinary shareholding in MESL reduced from 78% to 33.33%. As a result, the sub-group headed by MESL was accounted for as associated companies rather than subsidiary companies from that date. On 10 March 2020 the investment (a 29.21% shareholding at completion) was sold.

(c) Other investments	2021 £000
Valuation	
At beginning of year	20,591
Additions	549
Revaluation – reserve transfer from profit and loss	751
Disposals	(20)
At end of year	21,871
Provisions	
At beginning of year	885
Provisions in the year	327
At end of year	1,212
Net book value	
At 31 March 2021	**20,659**
At 31 March 2020	19,706

Investments

(a) The Company has an investment of £564,397 in Medtrade Products Ltd. The company produces specialised wound care dressings. The holding consists of 366 "A" ordinary shares of 10 pence each and 6,478 "B" ordinary shares of 10 pence each, an aggregate shareholding of 22.4% (2020: 22.4%). The investment is held at directors' valuation and was valued at the year-end at £15,305,555 (2020: £15,305,555).

(b) The Company has a holding of 42,921 ordinary shares in Avanti Communications Group PLC, a company whose shares are traded on a matched bargain basis by JP Jenkins. The investment is held at directors' valuation and is valued at the year-end at £nil (2020: £nil).

(c) The Company has an investment of £25,000 in a company (T-Plan Ltd) which produces test management and planning software. The holding consists of 18,085 "C" ordinary shares of 0.1 pence each, a shareholding of 2.96% (2019: 2.96%). The investment is held at directors' valuation and was valued at the year-end at £59,200 (2020: £59,200).

(d) The Company has made contributions totalling £448,661 to Seraphim Capital LP. Seraphim Capital LP is a fund set up to make venture capital investments and commenced a winding up during the year with its assets distributed in specie to its limited partners. There were provisions against the investments of £10,019 in the year, and the investment is held at directors' valuation of £nil (2020: £10,019).

(e) The Company has an investment of £103,757 in Voicenotes Ltd, a company which transcribes detailed meeting notes for companies' sales forces. The holding consists of 1,651 ordinary shares of £1 each and represents a shareholding of 26.5% (2020: 26.5%). The investment is held at directors' valuation and was valued at the year-end at £103,757 (2020: £103,757).

Notes to the financial statements (continued)

for the year ended 31 March 2021

(f) The Company has an investment of £97,085 in a portfolio of listed shares. The investment is held at directors' valuation, based on the relevant quoted mid-market prices, and is valued at the year-end at £120,934 (2020: £109,530), resulting in a revaluation in the year of £11,404.

(g) The Company has an investment of £40,000 in Powerstax Plc, a company which makes advanced DC to DC power conversion units. The holding consists of 400,000 ordinary shares of £0.10 each and represents a shareholding of 2.33% (2020: 2.33%). The investment is held at directors' valuation and was valued at the year-end at £40,000 (2020: £40,000).

(h) The Company has an investment of £931,954 in Pyreos Ltd, following further contributions in the year of £50,000 subscribed for C preference shares, £100,000 in unsecured convertible loan notes and £50,000 in secured convertible loan notes. The company manufactures high tech infra-red sensors. The holding consists of 5,386,424 ordinary shares of £0.10 each, 171,336,477 A ordinary shares of 0.01 pence and 85,810,483 C preference shares of 0.01 pence and represents a shareholding of 7.68% (2020: 7.4%) of the fully-diluted ordinary share capital. The total investment is held at directors' valuation and was valued at the year-end at £466,120 (2020: £644,892), resulting in a provision in the year of £378,772.

(i) The Company has an investment of £300,023 in Booking Live Software Ltd, a company which provides its customers with software to enable on-line booking and payment for those companies' services and facilities. The holding consists of 27,273 ordinary shares of £0.01 each and represents a shareholding of 13.55% (2020: 13.55%). The investment is held at directors' valuation and was valued at the year-end at £300,023 (2020: £300,023).

(j) The Company has made total contributions totalling £478,145 to Seraphim Space LP, following further contributions in the year of £118,882 and a disposal of £20,040. Seraphim Space LP is a fund set up to make venture capital investments. The investment is held at directors' valuation and was valued at the year-end at £1,057,126 (2020: £447,953), resulting in a revaluation in the year of £510,331.

(k) The Company has an investment of £450,000 in Freightsafe Ltd (formerly Cityport Ltd), following further contributions in the year of £125,000. The company is trialling products to provide secure parking for lorries at service stations and other locations. The holding consists of 410 (2020: 350) ordinary shares of £1 each and represents a shareholding of 30.62% (2020: 29.17%). The investment is held at directors' valuation and was valued at the year-end at £450,000 (2020: £325,000).

(l) The Company has an investment of £527,074 in Aria Networks Ltd, following further contributions in the year of £75,000 invested in convertible loan notes and £25,000 paid to acquire a right to receive £39,000 in secured loan notes. The company is a developer of artificial-intelligence software for planning and optimisation of next generation telecoms networks. The holding consists of 15,045,260 ordinary shares of £0.001 each, of which 3,285,970 were distributed by Seraphim Capital LLP and 2,532,520 by Seraphim Capital (General Partner) LLP (2020: 926,677 ordinary shares of £1 each held directly and a further 126,626 held on its behalf by Seraphim Capital (General Partner) LP)) and represents a total shareholding of 4.13% (2020: 2.98%). The investment is held at directors' valuation and was valued at the year-end at £247,500 (2020: £85,500), resulting in a reversal of provisions in the year of £62,000.

(m) The Company holds, via:
(i) Dalebury (No. 31) Ltd, a holding of 415 ordinary shares of £1 each and 31,749,410 1p preference shares in Summit Alpha Ltd. This company makes investments in early stage businesses. The holding of preference shares in Summit Alpha currently represents 46.88% (2020: 46.88%) of the issued preference share capital. The number of preference shares owned reflects (a) redemptions following realisations of underlying investments made by Summit Alpha Ltd and (b) additional subscriptions and transfers of preference shares to the company by the other shareholders in Summit Alpha Ltd in lieu of management fees due to The Summit Group Ltd, from those other shareholders and (c) amounts subscribed (in common with the other shareholders) to enable Summit Alpha Ltd to meet its annual running costs. Additional investments were made in the year totalling £4,749. The underlying investments were re-valued at the year-end in accordance with the guidelines issued by the British Venture Capital Association at a value of £2,109,272 (2020: £1,874,855). A revaluation of £229,668 (2020: £228,519) has been made in the year for the difference between the cost of the investments and the re-valued amount.

(ii) Summit Asset Holding LLC ("SAH"), a wholly-owned subsidiary of SAM, 25 class B units in SQN US. Those units are held at directors' valuation of £400,000 (2020: £400,000).

Notes to the financial statements (continued)
for the year ended 31 March 2021

12 Fixed asset investments (continued)

Company

Investment in subsidiaries and associated companies	2021 £000	2020 £000
Investments (see Group note)	**18,150**	17,431
Shares in subsidiaries at cost less provisions	**673**	676
	18,823	18,107
The movements during the year were:		
Balance at beginning of financial year	**18,107**	21,744
Other investments made	**544**	520
Disposals	**(20)**	(67)
Provisions released in relation to investments in subsidiaries	**(2)**	(4)
Provisions against other investments	**(327)**	(561)
Revaluation of other investments	**521**	72
Realised gain on disposal – reserve transfer from profit and loss	**-**	(3,627)
Investments in subsidiaries	**-**	30
Balance at end of financial year	**18,823**	18,107

The following is a full list of related undertakings, which are wholly owned by the company, either directly or indirectly, unless otherwise indicated:

Activity	Name of subsidiary	Percentage holding of ordinary shares
Asset finance companies	Summit Asset Management Ltd#	(76.2%)
	Summit Asset Holding LLC *	
	Summit Property Group Ltd	
Financial advisory and insurance services	Summit Insurance Services Ltd *	(90%)
	Summit Financial Services Ltd *	(90%)
	Summit Corporate Finance Ltd	
Property investment, trading and development	Summit Property Ltd	
	Summit Property Investments Ltd *	
Venture capital investment	Dalebury (No.31) Ltd	
Outsourced sales and related services	Tennyson Ltd	
Dormant companies	The Basingstoke Property Company Ltd *	(50%)
	Optionfuture Ltd	
	Waste to Energy Ltd *#	
	Summit Financial Group Ltd	
	Summit Security Trustee Ltd *#	

All the above companies are registered in England and Wales, other than Summit Asset Holding LLC which is registered in Delaware, USA.
* - shares held via a subsidiary
The address of the registered office for all of the above companies is 10 Cloisters House, Cloisters Business Centre, 8 Battersea Park Road, London, SW8 4BG except for those marked #, whose registered office address is Melita House, 124 Bridge Road, Chertsey, KT16 8LA. Summit Asset Holding LLC which is registered in Delaware, USA and does not have a UK registered office address.

Notes to the financial statements (continued)
for the year ended 31 March 2021

13 Debtors : amounts falling due within one year

	Company		Group	
	2021	2020	**2021**	2020
	£000	£000	**£000**	£000
Trade debtors	**19**	14	**198**	434
Amounts owed by group companies	**3,346**	3,366	**-**	-
Prepayments and accrued income	**25**	97	**139**	156
Other debtors	**20**	29	**599**	857
	3,410	3,506	**936**	1,447

Included within other debtors (falling due within one year and after one year) are:

a) an amount of £nil (2020: £97,979) being the estimate made by the directors of SAM of amounts due to it from SQN UK in respect of the consideration to be paid by SQN UK to SAM for the sale by SAM of the goodwill relating to certain elements of SAM's trade. The terms of the sale are contained in a sale and purchase agreement dated 19th January 2015 and made between SAM, SQN UK and SQN US; and the consideration to be paid for that goodwill was linked to the amount by which fees received by SQN UK and SQN US from certain fund management activities in each quarter over a 14 year period from the date of sale exceed a hurdle amount.

b) an amount of £412,749 (2020: £708,109) being a loan plus accrued interest to Medical Equipment Solutions Limited ("MESL"). The loan was assigned from SQN Secured Income Fund PLC to SAM on 10 March 2020. The loan facility was originally dated 16 June 2017, under which MESL borrowed a total of £1,380k, which is repayable over 5 years from the date of drawdown in equal monthly instalments and bears interest at 10% per annum. The financial statements include an amount of £86,220 (2020: £411,606) that falls due after one year.

14 Investments

Group	**2021**	2020
	£000	£000
Interests in the residual value of equipment subject to operating leases (all fully provided against)	**-**	-

Notes to the financial statements (continued)

for the year ended 31 March 2021

15 Creditors: amounts falling due within one year

	Company		Group	
	2021	2020	**2021**	2020
	£000	£000	**£000**	£000
Trade creditors	**7**	4	**52**	44
Amounts owed to group companies	**2,866**	4,158	**831**	1,134
Taxation and social security	**44**	59	**44**	59
Accruals and deferred income	**21**	22	**150**	234
Other creditors	**4**	8	**66**	112
Obligations under finance leases	**-**	-	**12**	6
	2,942	4,251	**1,155**	1,589

16 Debtors: amounts falling due after more than one year

Group	**2021**	2020
	£000	£000
Other debtors	**86**	412

17 Creditors: amounts falling due after more than one year

Group	**2021**	2020
	£000	£000
Obligations under finance leases	**41**	12

18 Share capital

	2021	2020
	£000	£000
Authorised 339,850,000 ordinary shares of 10p each	**33,985**	33,985
Allotted, called up and fully paid 73,430,000 ordinary shares of 10p each	**7,343**	7,343

Minority interests

Minority interests in certain of the Company's subsidiaries are held by senior management of those subsidiaries. Restrictions and obligations are placed on the transfer of these shares and, in certain circumstances, the holders have the right to require the Company to buy and the Company has the right to acquire these shares at an independent valuation.

Notes to the financial statements (continued)
for the year ended 31 March 2021

19 Reserves

The movement on the Company's and the Group's reserves for the year were as follows:

Capital redemption reserve	**Company £000**	Group £000
At 31 March 2020 and 2021	**1,049**	1,049

Revaluation reserve	**Company £000**	Group £000
At 31 March 2020	**14,831**	16,026
Reserve transfer from profit and loss	**521**	751
At 31 March 2021	**15,352**	16,777

Other reserve	**Company £000**	Group £000
At 31 March 2020 and 2021	**167**	167

Profit and loss account	**Company £000**	Group £000
At 31 March 2020	**4,391**	5,302
Profit/(loss) for the financial year	**609**	(657)
Reserve transfer – to revaluation reserve	**(521)**	(751)
At 31 March 2021	**4,479**	3,894

Total reserves	**Company £000**	Group £000
At 31 March 2021	**21,047**	21,887
At 31 March 2020	**20,438**	22,544

The Group's share of post-acquisition accumulated gains of joint venture companies is £(50) (2020: £(50)).

Notes to the financial statements (continued)
for the year ended 31 March 2021

20 Commitments in respect of operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings 2021 £000	2020 £000
Leases expiring in:		
Not later than one year	**85**	57
Later than one year and not more than five years	**250**	114
Later than five years	**182**	27
	517	198

At 31 March 2021 the capital commitments authorised by the directors amounted to £nil (2020: £nil).

21 Commitments in respect of finance leases

Group
The future lease payments under finance leases are as follows:

	Plant and machinery 2021 £000	2020 £000
Within one year	**15**	8
After more than one year and less than five years	**46**	14
Less: finance charges allocated to future periods	**(8)**	(4)
	53	18

22 Contingent liabilities

The Company has given an undertaking to certain of its subsidiaries that it will provide financial and other support, for at least the next twelve months, to enable those companies to continue to trade.

23 Provisions for liabilities and charges

	Company		Group	
	2021 £000	2020 £000	2021 £000	2020 £000
Other provisions	**31**	31	**31**	31

Other provisions
The provisions in place at 31 March 2020 and 2020 for both the Company and the Group are provisions against cash balances held with Kaupthing, Singer & Friedlander Ltd (in administration).

Notes to the financial statements (continued)
for the year ended 31 March 2021

24 Related party transactions

Seraphim Capital LP
The Seraphim Space LP
The Company is a limited partner in, and has made capital contributions to, Seraphim Space LP. During the year, the Company received £39,791 (2020: £33,343) in respect of non-refundable advances made to it from Seraphim Space (Manager) LLP, the manager of the general partner of Seraphim Space LP.

Summit Asset Management Ltd ("SAM")
During the year the Company paid interest to SAM of £735 (2020: £4,610). The amounts owed to SAM at the year end were £942,676 (2020: £1,045,027). SAM is a 76.2% subsidiary of the Company.

Summit Insurance Services Ltd ("SIS")
£18,000 (2020: £18,000) received for management and accounting services and interest paid of £586 (2020: £5,040). The amounts owed to SIS at the year end were £525,662 (2020: £831,478). SIS is a 90% subsidiary of Summit Corporate Finance Ltd, which in turn is a 100% subsidiary of the Company.

25 Ultimate and immediate parent company
The ultimate and immediate parent company is Brighthand Ltd, which is registered in England and Wales. Accounts for this company are available at Companies House. The address of the registered office for the parent company is 10 Cloisters House, Cloisters Business Centre, 8 Battersea Park Road, London, SW8 4BG

Directory of offices

Head Office

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Managing Director
Kit Hunter Gordon

Finance & Operations Director
Zac Barratt

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Web http://www.summit-group.co.uk

Advisors

Auditor
Saffery Champness LLP

Bankers
Barclays Bank PLC

Other offices

Summit Insurance Services Limited

Managing Director
David Milner

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