

Registered number: 03882621

INSIG AI PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2024

INSIG AI PLC

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INSIG AI PLC

COMPANY INFORMATION

Directors	Richard Bernstein – Chief Executive Officer Steven Cracknell – Executive Director Richard Cooper – Non-Executive Director John Wilson – Non-Executive Chairman
Company Secretary	Westend Corporate LLP
Registered Office	6 Heddon Street London W1B 4BT
Company Number	03882621
Bankers	Natwest Bank plc 135 Bishopsgate London EC2M 3UR
Nominated Adviser and Broker	Zeus Capital Limited 82 King Street Manchester M2 4WQ
Independent Auditor	Crowe U.K. LLP 40-46 High Street Maidstone, Kent ME14 1JH

INSIG AI PLC

CHIEF EXECUTIVE'S REPORT

Dear Shareholders,

It is now three months since I became Chief Executive. I am also delighted that John Wilson has become Chairman. Set out below is my assessment of the performance of the business during the year ended 31 March 2024, together with an update on recent progress and of prospects. First, let me turn to the year ended 31 March 2024.

Financial headlines

In summary, we are reporting an operating loss before non-cash impairments of intangible assets of £2.2 million. This compares with an operating loss prior to impairment for the previous year of £4.8 million. Within the loss for the year, the non-cash expense of depreciation and amortisation was £1.6 million, resulting in an operating loss of £0.6 million prior to these non-cash charges. The equivalent loss for the previous year was £2.0 million.

Revenues for the year were £0.4 million as against £0.7 million in the year to March 2023.

The financial results reflect not only trading but some accounting standard led treatments of intangible assets, and loan notes which have a distorting impact on the optics of the results in my view. As I set out below, the financial year ended 31 March 2024 as well as the current financial year to date, represents a period of progress, right-sizing of the business and pleasingly, significantly improved relationships with several hopefully long term and significant prospective partners of Insig. Frustratingly however, these developing relationships did not yield significant revenues in the financial year ended 31 March 2024.

Following the conversion of £0.75 million of loan notes into equity, outstanding convertible loan notes reduced from £2.3 million to £1.5 million as at 31 March 2024.

Disposal of Sports in Schools Limited and The Elms Group Limited

Sports in Schools and Elms Group combined generated a profit before tax of approximately £210,085 (2023: £19,000). In November 2023, the Company's 85.87% owned subsidiary, Pantheon Leisure plc ("Pantheon"), entered into a sale agreement for Sports in Schools and Elms Group with Haygreen Limited for a total cash consideration payable of £0.3 million (the "Cash Consideration"). The joint profit before tax for Sport in Schools and Elms Group up to November 2023 was.

The directors of Pantheon Leisure plc, which previously held the Group's interest in Sports in Schools, have decided to proceed with striking off the company. The company no longer conducts any form of trade, has no recoverable assets or funds. Therefore, the Directors believe it appropriate to apply for strike off under s1003 of the Companies Act 2006. The Directors consider that the strike off proposal is in the best interests of the Company and its Shareholders as a whole. This will result in a reduction in legal and administrative costs.

In November 2023, I agreed to release security over my loan of £0.75 million to the Company and I converted the loan plus accumulated interest into 3,925,380 ordinary shares at 20p per share.

Successful equity funding

In April 2023, the Company announced that it had completed an equity subscription raising £0.9 million at 17p per share, and as part of which, I subscribed for £0.15 million.

Post period end, in April and May 2024, I subscribed to the Company for 1,250,000 shares at 20p. In June 2024, the Company successfully raised £0.81 million at 12.5p per share, with NR Holdings Limited becoming a new shareholder.

The report card for the year to 31 March 2024

In the first few months of the year under review, much of our resources were focussed on our data and technology collaboration agreement, working with the Financial Conduct Authority ("FCA"). In April 2023, we announced that we would be providing the data and software platforms to the FCA's 2023 TechSprint, known as the Global Financial Innovation Network's (GFIN) Greenwashing TechSprint. The GFIN Greenwashing TechSprint brought together 13 international regulators.

The goal of the project was to develop a tool or solution to help regulators tackle or mitigate the risks of greenwashing in financial services across the globe. The project focused on how technology, including AI and Machine Learning, can enable regulators and supervisors to verify that ESG-related product claims are accurate and complete and how technology can help monitor, collate, and identify examples of greenwashing.

Insig AI provided our data and technology platform for onboarding of partners and participants of the GFIN Greenwashing TechSprint. The core data set comprised our database of pdf and machine-readable corporate financial and ESG documents with entity mapping and sentence-level classification against 15 ESG issues.

Our endeavour was recognised last September, when the FCA publicly referred to Insig AI as a key contributor.

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In October 2023, we announced the launch of The Transparency and Disclosure Index ("TDI"). Using evidence-based analysis of more than 200 million machine readable sentences from our corporate disclosure document repository, the TDI demonstrates what stakeholders and market participants require: how well a company is disclosing non-financial information and how transparent it is. Scoring highlights gaps that are actionable for each company to remedy.

The TDI framework is based on best practice principles behind the convergence of reporting standards. Reports are compared to best practice, benchmarking against peer groups, measuring website clarity and accessibility of documents. It highlights where the range of sustainability documents is considered excessive and flags where companies may be over-using certain keywords identified as being commonly used in greenwashing without evidence and are possibly misleading. Using our search tools and our machine learning database, users can perform a deep dive into every aspect of a multitude of disclosures. Whilst the TDI is not seeking to accuse any company, in 2022, both Signature Bank and Home REIT were flagging material issues in terms of very poor transparency and disclosure.

Despite the Company's engagement with the FCA and launching of the Transparency and Disclosure Index, these efforts failed to translate into new business wins. As Chief Executive, my immediate priority on appointment was to identify why this was the case and to then implement the changes required to be able to translate efforts into commercial success.

In mitigation, there can be no doubt that over the last two years, the UK asset management industry has experienced a "bear market," with fund outflows and consequential budgetary pressures. Against this backdrop, investment decisions, particularly in new solutions, has become a casualty. Secondly, until there is regulation in place that requires certain compliance, there is no compelling event that necessitates a spend.

There have however, been some encouraging indicators recently that the UK asset management industry is beginning to recover and that this will result in an easing of budgetary constraints. Of more importance though is that from January 2025, for EU companies with more than 250 employees, the Corporate Sustainability Reporting Directive (CSRD) comes into force. Penalties for non-compliance include fines (in Germany up to 5% of turnover) and prison sentences for directors of up to five years. In the UK, the FCA's anti-greenwashing rules are already in force. In the US, climate related risk disclosures come into effect in January 2025.

It might be easy to attribute the lack of new business wins to the "bear market" and the delay in regulation. It is my assessment, this would not be accurate. "The fault, dear Brutus, is not in our stars but in ourselves," springs to mind. For too long, the business was engaging with people who were not authorised to make the spending decision. Furthermore, we could have been articulated the offering in a way that showed the benefits to prospective customers in my opinion and we could also have contacted a greater quantity of prospects. All these issues have now been identified: we are establishing clear measurable deliverables and setting specific timelines and performance reviews to monitor progress. Conversations with prospects are now focused solely on the benefit to that prospect, rather than how clever the technology is. Delivering on the core goals of the business is now fundamental. There will be further enhancements in the coming weeks and months, including improved marketing and new partnerships that can bring revenues by making available our products and services to new markets.

Where we are today

Let me set out what Insig AI has to offer. There are two distinct parts of the business. Firstly, a vast repository of corporate reports that enables regulators, corporates, asset managers and all market participants to access, interrogate and compare disclosures within and between companies. Our database uses the best of machine learning and AI tools in this area. Secondly, our ability to provide fast, accessible AI-ready data. Asset managers can gain insights into their holdings, manage risk and increase alpha. Insig AI can structure and centralise data making it secure whilst increasing the efficiency and productivity.

When I was appointed Chief Executive, I commented that sales cycles to large corporates for emerging technologies can take up to 18 months. This remains the case. The business is in detailed discussions with several prospects and given that our offering involves AI, in some cases, we are being told that the decision-making process involves multiple parties within an organisation.

Some of these discussions include a number of the Big 4 Accounting Practices. In the case of one of those firms, we have invested significant resources, including participating in a workshop with FTSE100 companies and been introduced as this firm's 'AI partner'. Our offering is able to benefit this firm's top line as well as reducing regulatory risk to many of its clients. Our solutions ought to be a 'no brainer'. Feedback has been very positive. However, procurement processes in these huge enterprises are extraordinarily lengthy and complex and lack the sense of urgency that we would expect. Whilst these timelines are incredibly frustrating, on success, they should convert into material, long-term substantial revenues.

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Prospects

For the current year, we continue to expect to grow revenues. As importantly, we are working to convert ongoing discussions with potential strategic partners into commercial agreements that will enable their customers to access our machine learning capabilities.

Amongst these, we are now engaging with three of the "Big 4" Accounting Practices. We are also now in discussions with one of the "Big 3" Management Consultancy firms. Separately, we have been approached by one of the UK's largest financial PR advisors to assist in advising clients to comply with the new Corporate Sustainability Reporting Directive.

We are in dialogue with a UK asset manager with assets under management of more than £2 billion, with a view to partnering on a new fund launch. On the data science side, we are expecting to win a long-term contract with an asset manager who has indicated that it wants to work with us to improve its structured data as it rapidly expands and wins new mandates.

As Insig AI's largest shareholder and someone who has a track record of "skin in the game" in effecting positive change and delivering for stakeholders, I am as keen as any shareholder to report on tangible positive results as soon as possible. Operating in a hitherto nascent market has required patience.

Whether you own one share or one million shares, you are a part owner of this business. The legendary investor Warren Buffett has said that investors often focus on a daily share price movement rather than on making an objective assessment of the long-term prospects of a company and deciding what the business might be worth in the coming years.

I will do whatever it takes to ensure that the business delivers on both its ideal market positioning within corporate reporting and structured AI data and its significant commercial potential. Victory will not be achieved overnight: it requires thought, planning, strong execution and some patience. I regard our success as a matter of not if but when.

Richard Bernstein
Chief Executive Officer
5 September 2024

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STRATEGIC REPORT

The Directors of the Company present their Strategic Report on the Group for the year ended 31 March 2024.

Principal activities

The principal activity of Insig AI Plc (the “Company” or the “Group”) during the period was the provision of data science and machine learning development. In November 2023, the legacy sports coaching business in the group provided by Sport in Schools was discontinued as a result of the subsidiary being sold.

Organisation overview

The Group’s business is directed by the Board and is managed on a day-to-day basis by the Chief Executive Officer. The Board monitors compliance with objectives and policies of the Group through monthly performance reporting, budget updates and periodic operational reviews.

During the year the Board comprised of one Executive Chairman, three Executive Directors and two Non-Executive Directors.

The Corporate Head Office of the Group is located in London, UK.

Review of business

The Chief Executive’s statement starting on page 3 provide a review of the business and future prospects.

Financial performance review

The total comprehensive loss of the Group for the year ended 31 March 2024 was £15,910,103 (31 March 2023: loss of £18,562,346). The loss of the Company for the year was £17,185,547 (31 March 2023: loss of £21,180,437).

Following their assessment of intangible assets which include development costs, goodwill, technology, databases and customer relationships, the Directors concluded that an impairment charge of £15.3 million was necessary for the year ended March 2024 (2023: £16.6 million). This impairment was decided as a result of a higher weighted average cost of capital being used due to changes in the risk free interest rate, reduced revenue projections expected over the next several years, and the deterioration of the wider market conditions within the asset management and technology sector.

Details of impairments which have been applied by the Group are disclosed within note 14 to these Financial Statements.

The Board monitors the activities and performance of the Group on a regular basis. The Board uses financial indicators based on budget versus actual to assess the performance of the Group.

Administrative expenses are the expenses related to the Group’s ability to run the corporate functions to ensure they can perform their operational commitments.

The five main KPIs for the Group are as follows:

KPI	31 March 2024 £	31 March 2023 £
Cash and cash equivalents	37,847	280,584
Administrative expenses as a percentage of total assets	56%	29%
Research and Development costs incurred during the year	1,020,516	1,456,436
Revenue	1,298,667	2,092,161
LBITDA (excluding impairments)	(698,982)	(2,036,271)

The revenue shown in the KPI table above is representative of the whole Insig Group up to 14 November 2023, being the date that subsidiary companies Sport in Schools and Elms Group were disposed. Further details of this disposal are provided in the Corporate Governance report on page 14, and note 30.

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Principal risks and uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks. The key business risks affecting the Group are set out below.

Risks are formally reviewed by the Board, and appropriate processes are put in place to monitor and mitigate them. If more than one event occurs, it is possible that the overall effect of such events would compound the possible adverse effects on the Group.

Requirement for future R&D investment and availability of working capital given current cash burn of business

To remain competitive, the Board recognises that investment in research and development ("R&D") may result in increased pressure on working capital. Working capital levels are constantly monitored by means of budgetary and financial controls. Without R&D expenditure, the business may suffer if it is unable to successfully introduce new products to the market in a timely fashion or if any new or enhanced products or services are introduced by its competitors that its customers find more advanced and better suited to their needs. As such, the Board closely monitors investment in R&D and working capital levels. Further, the Board monitors the sales and product market penetration and the impact this has on sufficient working capital.

Credit risk

Credit risks arise from trade receivables where the party fails to discharge their obligation in relation to the financial instrument. To minimise this risk, management has appropriate credit assessment methods to establish credit worthiness of new customers and monitor receivables by regularly reviewing aged receivable reports.

Liquidity risk

Liquidity risk arises in relation to the Group's management of working capital and the risk that the Company or any of its subsidiary undertakings will encounter difficulties in meeting financial obligations as and when they fall due. To minimise this risk, the liquidity position and working capital requirements are regularly reviewed by management. Further explanation of these risks is set out in Note 3 to the financial statements.

The Group also recognises several additional risks that arise in the business, these include:

Customer concentration

The Group is dependent on certain key customers who may seek lower prices or may reduce their demand for the Insig AI software or services provided. The Group plans to extend its offerings to larger key customers which will assist in building a stronger and more diverse sales pipeline to mitigate customer concentration risk. Key customers are detailed in note 6 of the Financial Statements.

IP rights and know-how of employees

The Group's ability to protect its intellectual property rights, its brand, and to preserve the confidentiality of its own know-how and business information.

Rights over intellectual property are protected by registering patents and trademarks whenever considered applicable. All personnel are made aware of the importance of business confidentiality in relation to both know-how and business information generally.

Dependence on key personnel

The business relies on its senior management team. If the business was unable to retain its current personnel and hire additional personnel with the requisite skills and experience, its ability to implement its growth strategy and compete in its industry could be harmed.

Whilst all businesses are dependent on key personnel, the Group also has access to external services that could, if needed, provide the required skills to assist senior management.

Information technology ("IT") / cyber security breaches

The Group relies on IT systems to conduct its operations. Accordingly, Insig and its software may be at risk from cyber-attacks. Cyber-attacks can result from deliberate attacks or unintentional events and may include (but are not limited to) third parties gaining unauthorised access to software for the purpose of misappropriating financial assets, IP or sensitive information, corrupting data, or causing operational disruption. If a cyber-attack occurred, it could expose both the business and the Company to potential financial and reputational harm.

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The Board continually monitor their computer software protection systems to minimise this risk. Insig AI has a nominated Information Security Officer who is required to report any data security breach to the CEO. No data breaches or performance incidents that had a material impact on the business were experienced during the reporting period. Insig AI's Sustainability Report 2024 contains more detail on the Company's information security management system regarding data security, technology disruptions, risk assessment and mitigation, cyber security and data privacy. The Sustainability Report is available at www.insig.ai

New competition

The business is primarily focused on the financial services sector which is highly competitive. Whilst the current and future suite of products will be highly valued by certain financial services companies, other software development companies may look to enter the market with competing technologies.

Management look for signs of increased competition and actions by competitors or customers that could have an adverse effect on the Group's financial performance, hinder growth and affect future sales volumes and margins. Whilst the Board is aware of several companies across the world claiming to have certain similar software and other technology solutions not dissimilar to those of the Group, management believe such companies are small and have to date, not found themselves in direct competition with any of them when negotiating with investment managers on prospective services or licence arrangements

Details of the Group's financial risk management policies are set out in Note 3 to the Financial Statements.

Corporate responsibility

Approach to Environmental, Social and Governance

The Board believes that businesses have a duty to behave sustainably and responsibly and understand that the Company must 'walk the talk' on Environmental, Social and Governance ("ESG") matters while at the same time seeking to contribute a positive impact through its activities.

Impact

The Group has developed a software tool to support ESG research and analysis to drive best practice, transparency and evidence-based decision making in the sustainable investment space. It is expected that the information provided by this tool will ultimately facilitate investment into companies with better ESG credentials and contribute to a macro environment that will benefit all parties.

Risks

Insig AI's Sustainability Report 2024 provides detail on the Company's identification of material risks in line with the Sustainability Accounting Standards Board (SASB), and measures taken to mitigate them. The below is a summary.

Data security and privacy

The Company has an approach to Information Security Management System (ISMS) which supports the governance and oversight of critical incident risk management and systemic risk management which covers both data privacy and security. The Company does not use any of its users' data for secondary purposes and has not had any incidents or legal proceedings associated with data privacy, and experienced no data breaches or material performance incidents during the reporting period.

Workforce

As innovators in software development, the Company depends on the skilled technical knowledge of its staff and their wellbeing and retention are a priority. Insig AI has over 20 workforce policies available internally for staff which are set out in the Sustainability Report and some of which are also published on the Company's website.

The Company is committed to the principles of diversity, inclusion and equality and Insig AI's Equal Opportunity Policy is available on the company website. Bullying and harassment are not tolerated and we seek to ensure that everyone is treated with the same dignity and respect. Insig AI's Bullying and Harassment Policy can be found on the Company's website.

Environment

While the Company has a relatively low environmental impact due to the nature of its operations and hybrid working policy, the Board is committed to reducing any negative impacts.

Insig AI's Sustainability Report 2024 contains estimates of its two main sources of carbon emissions (both Scope 2); cloud computing data storage centres and unavoidable international travel for key staff, and consideration of how to minimise these further before potentially offsetting residual emissions.

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Corporate Governance

The Group is committed to operating ethically across all the various jurisdictions in which it operates and adheres to the QCA Corporate Governance Code. The Statement of Compliance and Policies including regarding Whistleblowing, Ethics and Integrity, Anti-Bribery and Corruption and Criminal Finances Act can be found on the Company's website.

Health and safety

The Company as a whole recognises the importance of safeguarding the health, safety and welfare of all clients and employees. Sport in Schools Limited, which was sold during the year had all the necessary health and safety policies in place whilst it was part of the Group, and the current Insig companies continue to do so.

Insig AI's H&S Policy can be found on the Company's website.

Internal controls

The Board recognises the importance of both financial and non-financial controls and has reviewed the Group's control environment and any related shortfalls during the period. Since the Group was established, the Directors are satisfied that, given the current size and activities of the Group, adequate internal controls have been implemented. Whilst they are aware that no system can provide absolute assurance against material misstatement or loss, in light of the current activity and proposed future development of the Group, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

Further details of corporate governance can be found in the Corporate Governance Report on page 15.

Going concern

The preparation of financial statements requires an assessment on the validity of the going concern assumption. The Directors have reviewed projections for a period of at least 12 months from the date of approval of these financial statements as well as potential opportunities. Any potential short falls in funding have been identified and the steps to which Directors are able to mitigate such scenarios and/or defer or curtail discretionary expenditures should these be required have been considered.

In approving the financial statements, the Board has recognised that there is a material uncertainty surrounding the forecasted sales pipeline of the Group. Therefore, operational results continue at a loss as the Group is not cash generative. The financial statements do not include any adjustments that may arise in the event of the Group not being a going concern. However, having made enquiries and considered the uncertainties outlined above, the Directors have a reasonable expectation that the Group will continue to be able to raise finance as required over this period to enable it to continue in operation and existence for the foreseeable future. Accordingly, the Board believes it is appropriate to adopt the going concern basis in the preparation of the financial statements.

The Group's business activities together with the additional factors likely to affect its future development, performance and position are set out in the Chief Executive's Report on page 3. In addition, Note 3 to the Consolidated Financial Statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and its exposure to market, credit and liquidity risk.

Directors' and Officers' indemnity insurance

The Group has made qualifying third-party indemnity provisions for the benefit of its Directors and Officers. These were made during the period and remain in force at the date of this report.

Financial Risk Management Objectives

The Group has disclosed the financial risk management objectives within Note 3 to these Financial Statements.

Events after the reporting period

Events after the reporting period are set out in Note 33 of the Financial Statements.

Future developments

Details of future developments for the Group are disclosed in the Chief Executive's Report on page 3.

Impairments

Following their assessment of intangible assets which include development costs, goodwill, technology, databases and customer relationships, the Directors concluded that an impairment charge of £15.3m (2023: £16.6m) was necessary for the year ended March 2024. This impairment was decided as a result of an increased weighted average cost of capital (WACC) being used changing the risk free rate, reduced revenue projections expected over the next several years, and changes in

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the market conditions within the technology sector. Details of impairments which have been applied by the Group are disclosed within note 14 to these Financial Statements.

Section 172(1) Statement - Promotion of the Company for the benefit of the members as a whole

The Companies (Miscellaneous Reporting) Regulations 2018 require Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) of the Companies Act 2006 (“S172”) when performing their duty to promote the success of the Company under S172. This includes considering the interest of other stakeholders which will have an impact on the long-term success of the Company.

The requirements of s172 are for the Directors to:

- Consider the likely consequences of any decision in the long term,
- Act fairly between the members of the Company,
- Maintain a reputation for high standards of business conduct,
- Consider the interests of the Company’s employees,
- Foster the Company’s relationships with suppliers, customers and others, and
- Consider the impact of the Company’s operations on the community and the environment.

Directors are fully aware of their duty to promote the success of the Company in accordance with section 172 of the Companies Act 2006. Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of shareholders and employees, considered the key stakeholders of the Company, in their decision making.

This section should be read in conjunction with the rest of the Group Strategic Report and the Corporate Governance Statements.

S172 (1) “The likely consequences of any decision in the long term”

The application of the Section 172 (1) requirements can be demonstrated in relation to some of the key decisions made during the reporting period, including:

- ongoing research and development within Insig Partners Limited
- focusing on strategic partnerships with funds and other technology providers
- continued assessment of corporate overheads and expenditure

S172(1) “The need to act fairly as between members of the Company”

After weighing up all relevant factors, the Directors consider which course of action best enables delivery of the Company’s strategy over the long-term, taking into consideration the impact on stakeholders. The Directors believe they have acted in the way they consider most likely to promote the success of the Company for the benefit of its members as a whole.

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with key private shareholders and brokers, providing the opportunity to discuss issues and provide feedback at meetings with the Company. All shareholders are encouraged to attend the Company’s Annual General Meeting and any general meetings held by the Company.

S172(1) “The desirability of the Company maintaining a reputation for high standards of business conduct”

The Board periodically reviews and approves clear frameworks, such as the Company’s Code of Business Ethics, to ensure that its high standards are maintained both within the Group and the business relationships we maintain. This, complemented by the various ways the Board is informed and monitors compliance with relevant governance standards, help ensure its decisions are taken and that the Group acts in ways that promote high standards of business conduct.

S172(1) “The interests of the Company’s employees”

The Board recognises that the Company’s employees, are fundamental and core to the Organisation’s business and delivery of our strategic ambitions. The success of the Company’s business depends on attracting, retaining and motivating employees. From ensuring that the Company remains a responsible employer, from pay and benefits to the health, safety and workplace environment, the Directors factor the implications of decisions on employees and the wider workforce, where relevant and feasible.

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S172(1) "The need to foster the Company's business relationships with suppliers, customers and others"

Delivering on the Group strategy requires strong mutually beneficial relationships with suppliers and customers. The Group values all of its suppliers and aims to build strong positive relationships through open communication and adherence to trade terms. The Group is committed to being a responsible entity and doing the right thing for its customers, suppliers and business partners.

S172(1) "The impact of the Company's operations on the community and the environment"

The Group is committed to the highest environmental, social and governance standards both internally within the Group and externally with customers. The Group is committed to being a responsible entity in terms of the community and the wider environment.

The Strategic Report comprises the Chief Executive Officers Statement and the Strategic Report and was approved by the Board of Directors for issuance on 5 September 2024.

Richard Bernstein
Chief Executive Officer
5 September 2024

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DIRECTORS' REPORT

The Directors present their Annual Report on the affairs of Insig AI plc together with the Financial Statements for the year ended 31 March 2024.

Dividends

The Directors do not recommend the payment of a dividend for the year (31 March 2023: £Nil).

Directors & Directors' interests

The Directors who served during the year ended 31 March 2024 are shown below and had, at that time the following beneficial interests in the shares of the Company:

	31 March 2024		31 March 2023	
	Ordinary shares	Share options & warrants	Ordinary shares	Share options & warrants
Richard Bernstein	20,355,380	1,666,667	14,250,000	1,666,667
Steven Cracknell	6,318,293	-	6,318,293	-
Warren Pearson***	2,328,082	-	2,328,082	-
Colm McVeigh**	29,550	2,000,000	29,550	2,000,000
John Murray*	-	-	40,000	-
Richard Cooper	-	-	-	-

* John Murray deceased 24 April 2023

** Colm McVeigh resigned 29 May 2024

*** Warren Pearson resigned 29 May 2024

Further details on options can be found in Note 23 to the Financial Statements.

Substantial shareholders

The substantial shareholders with more than a 3% shareholding at 31 March 2024 are shown below:

	Holding	Percentage
Richard Bernstein	20,355,380	18.6%
Nikhil Srinivasan	7,599,936	6.9%
Steven Cracknell	6,318,293	5.8%
Anna Mann	5,438,600	5.0%
Mark Woodhouse	5,048,537	4.6%
Jaco Venter	3,365,961	3.1%

Serving Directors

The Directors that served during the year and their roles are as follows:

Richard Bernstein – Executive Chairman (appointed as Chief Executive Officer 29 May 2024)

Colm McVeigh – Chief Executive Officer (resigned 29 May 2024)

Steven Cracknell – Executive Director

Warren Pearson – Chief Technical Officer (resigned 29 May 2024)

Richard Cooper – Non-Executive Director

John Murray – Non-Executive Director (deceased 24 April 2023)

Post period end on 29 May, Colm McVeigh and Warren Pearson resigned as directors of the Company. Richard Bernstein was appointed as Chief Executive Officer, and John Wilson was appointed as Non-Executive Chairman.

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DIRECTORS' REPORT

Future Developments

Please refer to Chief Executive's statement on page 3.

Provision of information to Auditor

So far as each of the Directors is aware at the time this report is approved:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Crowe U.K. LLP has signified its willingness to continue in office as auditor.

This report was approved by the Board on 5 September 2024 and signed on its behalf.

Richard Bernstein
Chief Executive Officer
5 September 2024

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STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual 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 the Directors have elected to prepare the Group and Parent Company Financial Statements in accordance with International Accounting Standards in conformity with the Companies Act 2006. The Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company, and of the profit or loss of the Group for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable international accounting standards in conformity with the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume the Company will continue in business.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements may differ from legislation in other jurisdictions.

The Company is compliant with AIM Rule 26 regarding the Company's website.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

INSIG AI PLC

CORPORATE GOVERNANCE REPORT

The Company has adopted the QCA Governance Code (the “QCA Code”) as the basis of the Company’s governance framework. It is the responsibility of the Board led by the Chairman to ensure that the Company is managed for the long-term benefit of all shareholders and stakeholders, with effective and efficient decision-making. Corporate governance is an important aspect of this, reducing risk and adding value to our business.

Corporate Governance Report

The QCA Code sets out 10 principles that should be applied. These are listed below together with a short explanation of how the Company applies each of the principles:

Principle One

Business Model and Strategy

Insig AI’s business model is designed to promote long-term value for customers, shareholders and other stakeholders. Its business strategy is the development of Artificial Learning (AL) and Machine Learning (ML) SaaS products and services to enable asset managers to optimise their investment decisions and business performance through the use of enhanced technologies and data science techniques.

The Company has developed a suite of products to support client needs to as they transition to a data-centric and machine learning enabled business model and advance and scale their analytical capabilities driving value, speed and strategic leverage.

As well as executing its new strategic focus in artificial intelligence and machine learning, the Company through its non-core subsidiary Sport In Schools Ltd has a long-established reputation in the field of school sports coaching for children and related activities. On 14 November 2023, the Group sold Sport in Schools Ltd to Haygreen Ltd for £300,000.

Principle Two

Understanding Shareholder Needs and Expectations

The Company recognises the importance of engaging with its shareholders and reports formally to them through the publication of its full-year and half-year results and via additional updates throughout the year. The Chairman presents the results to existing shareholders, potential investors, brokers and the media, where appropriate. The Non-Executive Directors are also available to discuss any matter with shareholders.

Meetings with these stakeholders are reported on at monthly board meetings by the Chairman to ensure that shareholders’ views are communicated. This process enables the Board to be kept aware of shareholders’ opinions on strategy and governance, and for them to understand any issues or concerns.

Shareholders are encouraged to attend the annual general meeting at which the Company’s activities and results are considered, and shareholders questions are encouraged and answered by the Directors. General information about the Company is also available on the Company’s website: <https://insg.ai>.

Since January 2020, the Board of Insig AI has announced detailed results of shareholder voting to the market shortly after each shareholder vote.

Principle Three

Considering Wider Stakeholder and Social Responsibilities

The Board considers the interests of shareholders and all relevant stakeholders in line with section 172 of the Companies Act 2006. The Company is aware of its corporate social responsibilities and the need to maintain effective working relationships across a range of stakeholder groups, which include the Company’s employees, customers, suppliers, and regulatory authorities.

The Company’s operations take account of the need to balance the needs of all stakeholder groups while maintaining focus on the Board’s primary responsibility to promote the success of the Company for the benefit of its shareholders. The Company endeavours to take account of feedback received from stakeholder groups, making amendments to working arrangements and operational plans where appropriate and where such amendments are consistent with the Company’s long-term strategy.

Customer engagement and satisfaction is core to Insig AI’s success; thus, we maintain consistent and constructive dialogue with our clients. We regularly review the customer communication channels and will continue to adapt the customer engagement structure as the Company and its customer base grows to ensure that customer feedback is easily received and addressed.

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CORPORATE GOVERNANCE REPORT

The Company prioritises the satisfaction and engagement of its employees. “All Hands” meetings are held regularly as well as individual employee “check-ins” to ensure employees are kept informed and supported. The Board regularly considers employee issues raised via feedback sessions. The Company has established a share option scheme which allows for employees to share in the creation of long-term shareholder value through the grant of options to employees.

The Company considers its actions and likely impact that they may have on the environment and seeks to mitigate any negative impact wherever practicable. Through the various procedures and operating systems, the Company complies with health and safety, safeguarding, and environmental legislation relevant to its activities.

Principle Four

Risk Management

The Board has overall responsibility for the Group’s internal control systems and for monitoring their effectiveness. The Board, with the assistance of the Audit Committee, maintains a system of internal controls to safeguard shareholders’ investment and the Group’s assets, and has established a continuous process for identifying, evaluating and managing the significant risks the Group faces.

The Directors are responsible for the Group’s system of internal control. Although no system of internal control can provide absolute assurance against material misstatement or loss, the Group’s system is designed to provide the Directors with reasonable assurance that problems are identified on a timely basis and dealt with appropriately. The key procedures that have been established and which are designed to provide effective internal control are as follows:

- Management structure – the Board meets at least 9 times per annum and minutes of its meetings are maintained;
- Financial reporting – budgets are prepared annually and then presented to and, if appropriate, approved by, the Board. Forecasts are prepared monthly and presented to the Board. The financial reporting pack is presented to the Board monthly and any material variances from budgeted or forecast to actual results are investigated; and
- Investment appraisal – the Company has a clearly defined framework for capital expenditure requiring approval of the Board where appropriate.

Further details of the business risks and how they are mitigated as far as possible are contained in the Strategic Report section of the Annual Report. Both the Board and senior management are responsible for reviewing and evaluating risk on an ongoing basis and the Executive Directors regularly review trading performance, discuss budgets and forecasts and any new risks associated with trading, the outcome of which is reported to the Board.

Principle Five

A Well Functioning Board of Directors

The members of the Board have a collective responsibility and legal obligation to promote the interests of the Company and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the Chairman of the Board.

The QCA Code requires that the Boards of AIM companies have an appropriate balance between executive and non-executive Directors of which at least two should be independent. The Board has considered its current establishment – being two non-executive directors, and two executive Directors – and is satisfied it met this requirement during the year ended 31 March 2024. The time commitment of the non-executive directors is at least two days per month. All executive directors are full time.

The Board is supported by two committees, the Audit and Risk Committee and the Remuneration Committee. The members of the committees during the year ended 31 March 2024 were as follows:

Audit and Risk Committee:

- Richard Cooper (Chairman)
- Richard Bernstein
- John Murray (deceased 24 April 2023)

Remuneration Committee:

- John Murray (Chairman – deceased 24 April 2023)
- Richard Bernstein (assumed chair position after John Murray’s passing on)

INSIG AI PLC

CORPORATE GOVERNANCE REPORT

The Audit and Risk Committee aims to meet three times per year and the Remuneration Committee meets on an as required basis.

The Chairman is responsible for leadership of the Board, ensuring its effectiveness on all aspects of its role, setting its agenda and ensuring that the Directors receive accurate, timely and clear information. He also ensures effective communication with shareholders and facilitates the effective contribution of the other Non-Executive Directors. The Company is satisfied that the current Board is sufficiently resourced to discharge its governance obligations on behalf of all stakeholders.

Non-Executive Directors are required to attend all Board and Board Committee meetings convened each year and to be available at other times as required for face-to-face and virtual meetings with the executive team and investors.

To enable the Board to discharge its duties, all Directors receive appropriate and timely information. Briefing papers are distributed to all Directors in advance of Board and Committee meetings. In addition, procedures are in place to enable the Directors to obtain independent professional advice in the furtherance of their duties, if necessary, at the Company's expense.

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

Details of the Directors' attendance at the Board meetings are set out below:

	Board Meetings attended	Meetings Director is eligible for	Nature of meeting
Richard Bernstein	10	10	Board meeting
Steven Cracknell	10	10	Board meeting
Warren Pearson	10	10	Board meeting
Colm McVeigh	10	10	Board meeting
Richard Cooper	10	10	Board meeting
John Murray	0	0	Board meeting

Principle Six

Appropriate Skills and Experience of the Directors

During the year the board comprised three Executive and two Non-Executive Directors with an appropriate balance of sector, financial and public market skills and experience.

The experience and knowledge of each of the Directors gives them the ability to constructively challenge the strategy and to scrutinise performance. The Board also has access to external advisors where necessary.

The Directors are consistently updated on the Group's and Company's business and operations, and legal, regulatory and governance requirements through briefings and meetings with senior executives and advisers.

The Company's Nominated Adviser assists with AIM and related regulatory matters and ensures that all Directors are aware of their responsibilities. The Directors also have access to the Company's lawyers and auditors as and when required and can obtain advice from other external bodies when necessary.

Board composition is always a factor for contemplation in relation to succession planning. The Board will seek to take into account any Board imbalances for future nominations as well as board independence.

The Company has engaged Westend Corporate LLP who handle the outsourced accounting and finance functions of the Group and fulfil the role of CFO. Given the Groups current size and revenues, the Board considers an outsourced accounting function appropriate.

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CORPORATE GOVERNANCE REPORT

The Board shall review annually the appropriateness and opportunity for continuing professional development whether formal or informal.

The Company considers that at this stage of its development and given the current size of its Board, it is not necessary to establish a formal Nominations Committee. Instead, appointments to the Board are made by the Board as a whole. This position, however, is reviewed on a regular basis by the Board. The biographies of each directors who served during the year ended 31 March 2024 are below:

Richard Bernstein – *Executive Chairman*

Richard Bernstein qualified as a Chartered Accountant in 1989 and between 1994 and 1996 ran his own specialist research house, Amber Analysis. Amber Analysis provided a risk management service for UK institutions managing over £100 billion in assets. Mr Bernstein subsequently joined Schroder Securities as an equities analyst and became the Chief Executive Officer of AIM-listed Eurovestech plc, a high technology development capital fund. In 2008, Mr Bernstein was appointed as an investment manager of Crystal Amber Fund Limited, an AIM-listed activist fund investing predominately in small to mid-cap UK equities.

Steven Cracknell – *Chief Product Officer*

Steve began his career with Thomson Reuters before being headhunted to work at Goldman Sachs. Steve worked at Goldman Sachs for nearly 10 years developing strategic analytical tools for use across the global investment bank, from Sales and Trading applications to front end website optimisation for clients. Steve latterly led a global sales team for Goldman Sachs in relation to Sales Technology before he left to become an entrepreneur. Steve subsequently moved to California to become CPO and then CEO of Zenti, Inc, a Silicon Valley based tech-start-up focussing on big data analytics solutions, utilising human pattern recognition and machine intelligence. The products he designed helped analyse millions of documents to surface patterns of behaviour and human intent. These products were successfully used by The United States Senate (Permanent Subcommittee for Investigation) as part of a major financial fraud investigation and the National Veterans Foundation for a Veteran Suicide Prevention campaign. Steve left Zenti in 2016 to focus on artificial intelligence and machine learning within the financial markets space, before co-founding Insight with Warren Pearson in 2017.

Warren Pearson - *Chief Technical Officer*

Warren began his career working as a programmer for the British Civil Service in 1992, before writing code in the telecoms industry and then for a series of investment banks. Moving to Goldman Sachs in 1999, he worked initially in Global Economic Research in London and subsequently for the Firmwide Internet Group in New York. His principal responsibilities were to develop and support the firm's institutional client-facing website, and to oversee the digital distribution of all client research globally. Warren left Goldman Sachs in 2011 after 12 years to pursue freelance projects for clients including Barclays and the London Stock Exchange. In 2012, Warren joined Steve Cracknell at Zenti Inc, a Silicon Valley based tech-start-up as DevOps Engineer, strengthening the company's artificial intelligence and machine learning capabilities. In 2017, Warren co-founded Insight with Steve Cracknell and assumed the role of Chief Technical Officer, overseeing the company's software engineering proposition.

On 29 May 2024, Warren stepped down from the Board, but remains part of the Company as a full-time employee.

Colm McVeigh - *Chief Executive Officer*

Colm has held senior commercial roles in software and telecoms sectors with a strong record of driving growth and business transformation. He has worked for Misys, Oracle and later for Vodafone and BT leading commercial teams responsible for commercial strategy, marketing, proposition development, product management and sales. From 2016 until September 2021, Colm was the Chief Commercial Officer of BT One Phone, the mobile Cloud SaaS joint venture in which he led the commercial turnaround resulting in a high multiple EBITDA minority interest sale valued at £320 million. Colm has an MBA from University of Reading, B.Sc (mgmt.) from Trinity College Dublin, and a Diploma in Mediation from Law Society of Ireland.

On 29 May 2024, Colm stepped down from the Board.

John Murray - *Independent Non-Executive Director*

John Murray was most recently a Managing Director at Credit Suisse acting as Senior Adviser to the CEO. He joined Credit Suisse in 2015 from Prudential plc where he served as Group Director of Communications and member of the Group Executive Committee. John was previously Director of Communications at the Financial Services Authority, a founding partner of London-based financial PR consultancy, Powerscourt Limited, and Director of Strategy and Communications at Telewest plc (now part of Virgin Media). Prior to this, John had a successful career in journalism, culminating in the position of Executive Editor of The Daily Express. John was a senior advisor to AIM listed activist fund, Crystal Amber Fund, alongside holding the position of Trustee for the Barbican Centre. John sadly passed away on 24 April 2023 after a short illness.

INSIG AI PLC

CORPORATE GOVERNANCE REPORT

Richard Cooper - *Independent Non-Executive Director*

Richard Cooper has over 25 years' experience as a Chief Financial Officer across both publicly-traded and privately-owned companies in a variety of service industries, including gaming and financial services. He is currently CFO of Equals Group plc, an AIM-quoted Fintech company. He also holds the role of Chairman and Senior Independent Director of Engage XR Holdings Plc, also quoted on AIM. From December 2008 until February 2017, Mr Cooper was the Chief Financial Officer of GVC Holdings plc (now Entain plc). He also served as a non-executive director, and Chair of the Audit Committee of Sportech plc from May 2017 until October 2018.

John Wilson – *Independent Non-Executive Chairman*

John is a globally experienced Chairman and Chief Executive, with a strong background in the technology sector. He is currently the CEO of Bulgin Limited, a world leading manufacturer of sealed connectors and components and Independent Non-Executive Director of AIM quoted Volex plc. Previously, John held the roles of Senior Independent Director, Chair of the Audit Committee and Chair of the Remuneration Committee of Checkit plc (previously Elektron Technology plc), prior to which he was CEO of Elektron Technology Plc for almost a decade.

Principle Seven

Evaluation of Board Performance

Given the small size and complexity of the Company, the Board has not appointed external consultants to evaluate the performance of the Directors and board overall. It however evaluates performance through peer evaluation and will continue to review this requirement as the size and the complexity of the Company evolves.

Principle Eight

Corporate Culture

The Board and executive management are committed to maintaining the highest standards of integrity in the conduct. Culture is key to successfully implementing the Company's strategy and achieving its objectives.

The executive management consistently reviews its employee training and communication practices to ensure these values continue to form an integral part of the day-to-day operations and that any misalignment is rapidly addressed. This is further enhanced by whistleblowing, equal opportunity and anti harassment policies.

The Group is committed to providing a safe environment for its staff and all other parties for which the Group has a legal or moral responsibility.

Principle Nine

Maintenance of Governance Structures and Processes

The Chairman ensures effective communication with shareholders. The Company's Chief Executive, Colm McVeigh, was responsible for the operational management of the Company and the implementation of Board strategy and policy. By dividing responsibilities in this way, no one individual has unfettered powers of decision-making. After Colm stepped down from the Board in May 2024, Richard Bernstein was appointed as Chief Executive Officer, and John Wilson was appointed as Chairman of the Company.

The appropriateness of the Board's composition and corporate governance structures are regularly reviewed by the Board as a whole, and these will evolve in parallel with the Company's objectives, strategy and business model.

The Board has established the following committees:

Audit and Risk Committee

The Audit and Risk Committee is comprised of the executive and non-executive Directors and is chaired by Richard Cooper. Its primary responsibility is to monitor the quality of internal controls, ensuring that the financial performance of the Company is properly measured and reported on, and for reviewing reports from the Company's auditors relating to the Company's accounting and internal controls, in all cases having due regard to the interests of shareholders.

In accordance with the QCA Code, the Audit and Risk Committee aims to meet at least three times a year to review the Company's interim and final results and liaises with the Company's Auditors.

INSIG AI PLC

CORPORATE GOVERNANCE REPORT

Remuneration Committee

The Remuneration Committee is comprised of the executive and non-executive Directors and was chaired by Richard Bernstein during the year ended 31 March 2024, after John Murray's passing. Its primary responsibility is to set the level of remuneration for both Directors and Key management personnel, determining terms and conditions of service, including the grant of share options, having due regard to the interests of shareholders.

Nominations Committee

The Board has agreed that appointments to the Board will be made by the Board as a whole and so has not created a Nominations Committee.

Non-Executive Directors

The Board has adopted guidelines for the appointment of Non-Executive Directors which have been in place and which have been observed throughout the year. These provide for the orderly and constructive succession and rotation of the Chairman and non-executive Directors insofar as both the Chairman and non-executive Directors will be appointed for an initial term of three years and may, at the Board's discretion believing it to be in the best interests of the Company, be appointed for subsequent terms. The Chairman may serve as a Non-Executive Director before commencing a first term as Chairman. In accordance with the Companies Act 2006, the Board complies with: a duty to act within their powers; a duty to promote the success of the Company; a duty to exercise independent judgement; a duty to exercise reasonable care, skill and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangement.

Principle Ten

Shareholder Communication

Aside from the distribution to shareholders of an Annual Report and an Interim Report at the half year, shareholders are invited to attend an annual general meeting each year and other meetings where their input and approval is required.

The Company encourages two-way communication with both its institutional and private investors and responds quickly to all queries received. The Chairman is available to the Group's major shareholders and ensures that their views are communicated fully to the Board.

The Board recognises the Annual General Meeting as an important opportunity to meet private shareholders. The Directors are available to listen to the views of shareholders informally immediately following the Annual General Meeting.

The Company will disclose outcomes of all votes at general meetings of shareholders in a clear and transparent manner either on the website or via an announcement.

Where a significant proportion of votes (20% of independent votes) have been cast against a resolution at any general meeting, the Company will provide an explanation of what actions it intends to take to understand the reasons behind that vote result, and, where appropriate, any different action it has taken, or will take, as a result of the vote.

Insig AI's website is regularly updated for regulatory announcements and other required information and is accessible online at: <https://insg.ai>.

The Board has ultimate responsibility for reviewing and approving the Annual Report and Financial Statements and it has considered and endorsed the arrangements for their preparation, under the guidance of its Audit and Risk Committee.

Richard Bernstein
Chief Executive Officer
5 September 2024

INSIG AI PLC

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Insig AI Plc

Opinion

We have audited the financial statements of Insig AI Plc (the "Parent Company") and its subsidiaries (the "Group") for the year ended 31 March 2024, which comprise:

- the consolidated and company statement of financial position as at 31 March 2024;
- the consolidated statement of comprehensive income for the year ended 31 March 2024;
- the consolidated and company statements of changes in equity for the year then ended;
- the consolidated and company statements of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards, and as regards the parent company, as applied in accordance with the provision of the Companies Act 2006.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2024 and of the Group's loss for the period then ended;
- have been properly prepared in accordance with UK adopted International Accounting Standards;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2.5 in the financial statements and the going concern paragraphs in the Strategic Report on page 9 which explains that the Board has considered the potential shortfall in funding over the following 12 months from date of approval of these financial statements.

The Board acknowledge their expectation that further working capital is required to support the Group and parent company's over both the short and potentially medium term. In addition to this there are also inherent uncertainties over future projected revenue growth including the timing of the receipt for significant research and development claims. Together the above indicates a material uncertainty exists that may cast significant doubt on the Group and parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. Our evaluation of the directors' assessment of the Group and parent company's ability to continue to adopt the going concern basis of accounting included:

- Discussions with management with regards to future funding requirements;
- Examining the directors' going concern assessment including the worst-case scenario cash flow forecast that covers at least 12 months from the date of approval of the financial statements;
- Assessing the cash flow requirements of the Group and parent company based on budgets and projections;
- Understanding what forecast expenditure is committed and what could be considered discretionary;
- Considering the liquidity of existing assets in the statement of financial position;
- Considering the options available to management for further fundraising, or additional sources of finance;
- Making enquiries of management of their knowledge of events or conditions beyond 12 months which would give rise to further uncertainties, and
- Evaluating the reliability of the data underpinning the projections covering 12 months from expected date of approval of the financial statements along with the numerical accuracy of the calculations; and
- considering the accuracy of past budgeting and trading history, as well as a review of the July 2024 management accounts compared to forecast.

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

INDEPENDENT AUDITOR'S REPORT

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £75,000, based on adjusted loss before tax for the business. The materiality was set based on using a guideline of 5% of adjusted loss before tax.

Overall Parent Company materiality was set at £21,000 based on net assets. Materiality represents 1.5% of net assets. The parent company acts as a holding company for the investment in the trading subsidiaries and therefore net assets was considered a more relevant measure than turnover or profitability.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. Performance materiality was set at £52,500 for the Group and £14,700 for the Parent Company.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit and Risk Committee to report to it all identified errors in excess of £1,875. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

The audit scope was established during the planning stage and has been carried out solely by Crowe U.K. LLP. We performed an audit of the complete financial information of Insig AI Plc. UK subsidiaries claimed a subsidiary audit exemption and therefore were audited for the purposes of the consolidation only. No component auditors were utilised.

Key Audit Matters

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

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report. This is not a complete list of all risks identified by our audit.

Key audit matter	How the scope of our audit addressed the key audit matter
Carrying value of goodwill and intangibles assets (Notes 2.7, 2.10 and 14) The Group holds significant intangible assets and goodwill. Recovery of these assets is dependent upon future cash flows which are required to be discounted. There is a risk that forecasts for these future cash flows are not met or that the cash flows have not been discounted at an appropriate rate. If the cash flows do not meet expectations the assets may become impaired.	We obtained an understanding of the design and tested the implementation of controls over the valuation of these assets. The audit work was directed at obtaining evidence on the accuracy of the forecasts of future cash flows which were based on board approved forecasts. We challenged management on the assumptions made, including the forecast level of revenue, profitability and the discount rate applied. This work was conducted utilising the expertise of our valuations team. As part of our testing, we benchmarked assumptions such as the terminal growth rate and inputs into the calculation of the cost of capital (discount rate). Additionally, we have assessed the rates used for the amortisation of intangible assets to ensure that the rates are consistent with our knowledge of the business and the sector it operates in. We have reviewed the disclosures within the financial statements to ensure they are complete and accurately stated in line with appropriate IAS 36.

INDEPENDENT AUDITOR'S REPORT

Carrying value of investments and intercompany receivables in the parent company statement of financial position (Notes 2.8, 2.10 and 15)

The Parent company holds an investment in its subsidiary companies and intercompany receivables.

The risk these balances may be impaired is consistent to those noted above in relation to the intangible assets and goodwill.

The investment and intercompany receivable balances have been included in the intangibles asset and goodwill impairment review prepared by management.

We have utilised the procedures listed above to test for impairment of these assets.

We have also tested the consolidation model to ensure that these balances and the related impairment charge has been correctly eliminated on consolidation.

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

Other information

The directors are responsible for the other information contained within the annual report. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our 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 light of the knowledge and understanding of the Group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 14, 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 Group or the parent company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and the recognition of revenue. Our audit procedures to respond to these risks included:

- enquiry of management about the Group's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the board meeting minutes;
- enquiry of management and review and inspection of relevant correspondence with any legal firms;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- detailed testing of a sample of sales made during the year and around the year end and agreeing these through to invoices.
- testing the appropriateness of a sample of significant journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; and
- review of accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 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.

Mark Sisson (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

40-46 High Street

Maidstone

Kent

ME14 1JH, UK

5 September 2024

INSIG AI PLC

CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL POSITION For the year ended 31 March 2024

	Note	Group		Company	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
		£	£	£	£
Non-Current Assets					
Property, plant and equipment	12	5,652	37,648	-	-
Right of Use Assets	13	-	28,266	-	-
Intangible assets	14	4,404,000	20,309,278	-	-
Investment in subsidiaries	15	-	-	4,075,827	20,383,136
		4,409,652	20,375,192	4,075,827	20,383,136
Current Assets					
Trade and other receivables	16	104,740	719,840	266,729	151,699
Cash and cash equivalents	17	37,847	280,584	14,459	3,749
		142,587	1,000,424	281,188	155,448
Total Assets		4,552,239	21,375,616	4,357,015	20,538,584
Non-Current Liabilities					
Lease liabilities	19	-	16,868	-	-
Deferred tax liabilities	21	1,101,000	2,586,096	-	-
		1,101,000	2,602,964	-	-
Current Liabilities					
Trade and other payables	18	338,238	932,927	192,849	382,636
Lease liabilities	19	-	10,386	-	-
Convertible loan notes	20	1,544,324	2,261,769	1,544,324	2,261,769
		1,882,562	3,205,082	1,737,173	2,644,405
Total Liabilities		2,983,562	5,808,046	1,737,173	2,644,405
Net Assets		1,568,677	15,567,570	2,619,842	17,894,179
Equity attributable to owners of the Parent					
Share capital	23	3,149,058	3,109,804	3,149,058	3,109,804
Share premium	23	40,810,725	39,077,403	40,810,725	39,077,403
Other reserves	25	516,015	377,381	516,015	377,381
Share based payments reserve	24	2,485	18,845	2,485	18,845
Retained losses		(42,880,866)	(26,964,846)	(41,858,441)	(24,689,254)
Equity attributable to shareholders of the parent		1,597,417	15,618,587	2,619,842	17,894,179
Non-controlling interests		(28,740)	(51,017)	-	-
Total Equity		1,568,677	15,567,570	2,619,842	17,894,179

The Company has elected to take the exemption under Section 408 of the Companies Act 2006 from presenting the Parent Company Income Statement and Statement of Comprehensive Income. The loss for the Company for the year ended 31 March 2024 was £17,185,547 (31 March 2023: loss of £21,180,437).

The Financial Statements were approved and authorised for issue by the Board of Directors on 5 September 2024 and were signed on its behalf by:

Richard Bernstein
Chief Executive Officer

The Notes on pages 31 to 62 form part of these Financial Statements.

INSIG AI PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2024

		Year ended 31 March 2024	Year ended 31 March 2023
	Note	£	£
Continued operations			
Revenue	5	369,860	693,734
Cost of sales	5	-	(50)
Gross profit		369,860	693,684
Administrative expenses	7	(2,562,208)	(5,474,077)
Other gains/(losses)	9	(102,965)	(15,796)
Other income	10	3,160	-
Impairments	14	(15,317,338)	(16,558,296)
Operating loss		(17,609,491)	(21,354,485)
Finance income	11	263	101
Finance costs	11	(126,390)	(80,072)
Loss before income tax		(17,735,618)	(21,434,456)
Tax credit/(charge)	27	1,615,430	2,865,865
Loss for the year after income tax from continued operations		(16,120,188)	(18,568,591)
Discontinued operations			
Profit for the year from discontinued operations (attributable to equity holders of the Parent)		210,085	6,245
Group loss for the year		(15,910,103)	(18,562,346)
Loss for the year attributable to owners of the Parent		(15,932,380)	(18,563,996)
Profit/(Loss) for the year attributable to Non-controlling interests		22,277	1,650
Basic and Diluted Earnings/(Loss) Per Share (expressed in pence per share)			
Continued operations		(17.71)p	(17.89)p
Discontinued operations		0.21p	0.01p
Total	28	(17.50)p	(17.88)p

Details of the earnings/loss per share value for the continued and discontinued operations of the Group are shown in note 28.

The Notes on pages 31 to 62 form part of these Financial Statements.

INSIG AI PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the year ended 31 March 2024

Note	Share capital £	Share premium £	Share based payments reserve £	Other reserves £	Retained losses £	Total £	Non Controlling Interest £	Total
Balance as at 1 April 2022	3,109,804	39,077,403	17,240	325,583	(8,400,850)	34,129,180	(52,667)	34,076,513
Profit/(Loss) for the year	-	-	-	-	(18,563,996)	(18,563,996)	1,650	(18,562,346)
Other comprehensive loss for the year								
Items that may be subsequently reclassified to profit or loss	-	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	-	(18,563,996)	(18,563,996)	(1,650)	(18,562,346)
Share based payments	-	-	1,605	-	-	1,605	-	1,605
Equity component of CLN issued in period	-	-	-	51,798	-	51,798	-	51,798
Total transactions with owners, recognised directly in equity	-	-	1,605	51,798	-	53,403	-	53,403
Balance as at 31 March 2023	3,109,804	39,077,403	18,845	377,381	(26,964,846)	15,618,587	(51,017)	15,567,570
Balance as at 1 April 2023	3,109,804	39,077,403	18,845	377,381	(26,964,846)	15,618,587	(51,017)	15,567,570
Profit/(Loss) for the year	-	-	-	-	(15,932,380)	(15,932,380)	22,277	(15,910,103)
Other comprehensive loss for the year								
Items that may be subsequently reclassified to profit or loss	-	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	-	(15,932,380)	(15,932,380)	22,277	(15,910,103)
Expired options	-	-	(16,360)	-	16,360	-	-	-
Equity component of CLN issued in period	-	-	-	138,634	-	138,634	-	138,634
Issue of shares	39,254	1,733,322	-	-	-	1,772,576	-	1,772,576
Total transactions with owners, recognised directly in equity	39,254	1,733,322	(16,360)	138,634	16,360	1,911,210	-	1,911,210
Balance as at 31 March 2024	3,149,058	40,810,725	2,485	516,015	(42,880,866)	1,597,417	(28,740)	1,568,677

The Notes on pages 31 to 62 form part of these Financial Statements.

INSIG AI PLC

COMPANY STATEMENT OF CHANGES IN EQUITY
For the year ended 31 March 2024

	Note	Share capital £	Share premium £	Share based payments reserve £	Other reserves £	Retained losses £	Total equity £
Balance as at 1 April 2022		3,109,804	39,077,403	17,240	325,583	(3,508,817)	39,021,213
Loss for the year		-	-	-	-	(21,180,437)	(21,180,437)
Total comprehensive loss for the period		-	-	-	-	(21,180,437)	(21,180,437)
Share based payments		-	-	1,605	-	-	1,605
Equity component of CLN issued in the period		-	-	-	51,798	-	51,798
Total transactions with owners, recognised directly in equity		-	-	1,605	51,798	-	53,403
Balance as at 31 March 2023		3,109,804	39,077,403	18,845	377,381	(24,689,254)	17,894,179
Balance as at 1 April 2023		3,109,804	39,077,403	18,845	377,381	(24,689,254)	17,894,179
Loss for the year		-	-	-	-	(17,185,547)	(17,185,547)
Total comprehensive loss for the year		-	-	-	-	(17,185,547)	(17,185,547)
Expired options		-	-	(16,360)	-	16,360	-
Equity component of CLN issued in the period		-	-	-	138,634	-	138,634
Issue of shares		39,254	1,733,322	-	-	-	1,772,576
Total transactions with owners, recognised directly in equity		39,254	1,733,322	(16,360)	138,634	16,360	1,911,210
Balance as at 31 March 2024		3,149,058	40,810,725	2,485	516,015	(41,858,441)	2,619,842

The Notes on pages 31 to 62 form part of these Financial Statements.

INSIG AI PLC

CONSOLIDATED STATEMENT OF CASH FLOWS For the year ended 31 March 2024

	Note	31 March 2024 £	31 March 2023 £
Cash flows from operating activities			
(Loss)/profit before income tax		(15,910,103)	(18,562,346)
Adjustments for:			
Depreciation and amortisation		1,578,916	2,839,889
Disposal of PPE		(650)	-
Share based payments	23	-	1,605
Impairments		15,317,338	16,558,296
Net finance (income)/costs		130,546	81,518
Gain on disposal of subsidiaries		(164,300)	
Provision for deferred tax liabilities		(1,485,096)	(1,573,992)
Changes in working capital:			
(Increase)/Decrease in trade and other receivables		394,606	(433,296)
Increase/(Decrease) in trade and other payables		(160,651)	121,131
Net cash used in operating activities		(299,394)	(967,195)
Cash flows from investing activities			
Sale/(Purchase) of property, plant and equipment	12	837	(8,788)
Purchase of intangible assets	14	(1,020,516)	(1,456,436)
Net cash from disposal of subsidiaries		187,204	-
Net cash used in investing activities		(832,475)	(1,465,224)
Cash flows from financing activities			
Proceeds from issue of share capital		900,000	-
Proceeds from Borrowings		-	2,250,000
Repayment of leasing liabilities		(10,868)	(10,387)
Net cash generated from financing activities		889,132	2,239,613
Net decrease/(increase) in cash and cash equivalents		(242,737)	(192,806)
Cash and cash equivalents at beginning of year		280,584	473,390
Cash and cash equivalents at end of year	17	37,847	280,584

The Notes on pages 31 to 63 form part of these Financial Statements.

INSIG AI PLC

COMPANY STATEMENT OF CASH FLOWS For the year ended 31 March 2024

	Note	Company	
		31 March 2024 £	31 March 2023 £
Cash flows from operating activities			
(Loss)/profit before income tax		(17,185,547)	(21,180,437)
Adjustments for:			
Share based payments	23	-	1,605
Impairments		16,524,845	20,408,199
Net finance (income)/costs		95,760	63,566
Changes in working capital:			
(Increase)/Decrease in trade and other receivables		(115,030)	(62,285)
Increase/(Decrease) in trade and other payables		(5,914)	74,092
Net cash used in operating activities		(685,886)	(695,260)
Cash flows from investing activities			
Loans granted to subsidiaries		(203,404)	(1,612,305)
Net cash used in investing activities		(203,404)	(1,612,305)
Cash flows from financing activities			
Proceeds from issue of share capital		900,000	-
Proceeds from Borrowings		-	2,250,000
Net cash generated from financing activities		900,000	2,250,000
Net decrease/(increase) in cash and cash equivalents		10,710	(57,565)
Cash and cash equivalents at beginning of year		3,749	61,314
Cash and cash equivalents at end of year	17	14,459	3,749

The Notes on pages 31 to 63 form part of these Financial Statements.

INSIG AI PLC
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

1. General information

Insig AI plc is a public company limited by shares, domiciled and incorporated in England and Wales and its activities are as described in the strategic report on pages 6-11.

These financial statements are prepared in pounds sterling being the currency of the primary economic environment in which the Group operates.

2. Summary of significant accounting policies

The principal Accounting Policies applied in the preparation of these Consolidated Financial Statements are set out below. These Policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1. Basis of preparation of Financial Statements

The Group and Company Financial Statements have been prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006. The Group and Company Financial Statements have also been prepared under the historical cost convention.

The Financial Statements are presented in Pound Sterling rounded to the nearest pound.

The preparation of Financial Statements in conformity with UK adopted International Accounting Standards (IAS) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Accounting Policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Group and Company Financial Statements are disclosed in Note 4.

2.2. New and amended standards

The following amendments to standards have become effective for the first time for annual reporting periods commencing on 1 January 2023 and have been adopted in preparing these financial statements:

Standard	Impact on initial application	Effective date
IAS 1 (Amendments) and IFRS Practice Statement 2	Disclosure of Accounting Policies	1 January 2023
IAS 8 (Amendments)	Definition of Accounting Estimate	1 January 2023
IAS 12 Income Taxes (Amendments)	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	1 January 2023

The adoption of these amendments had no material impact on the financial statements.

At the date of approval of these financial statements, the following amendments to IFRS which have not been applied in these financial statements were in issue, but not yet effective, until annual periods beginning on 1 January 2024:

Standard	Impact on initial application	Effective date
IAS 7 (Amendments) and IFRS 7	Supplier Finance Arrangements	1 January 2024
IAS 1 (Amendments)	Classification of Liabilities as Current or Non-Current	1 January 2024
IFRS 16 (Amendments)	Lease Liability in a Sale and Leaseback	1 January 2024
IAS 1 (Amendments)	Presentation of Financial Statements	1 January 2024
IAS 1 (Amendments)	Non-Current Liabilities with Covenants	1 January 2024
IAS 21 (Amendments)	Lack of Exchangeability	1 January 2024

*Subject to endorsement by the UK

2.3. Basis of Consolidation

The Consolidated Financial Statements consolidate the financial statements of the Company and its subsidiaries made up to 31 March 2024. Subsidiaries are entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

INSIG AI PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Investments in subsidiaries are accounted for at cost less impairment within the parent company financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by other members of the Group. All significant intercompany transactions and balances between Group enterprises are eliminated on consolidation.

2.4. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represent amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. Under IFRS 15 there is a five-step approach to revenue recognition which is adopted across all revenue streams. The process is:

- Step 1: Identify the contract(s) with a customer;
- Step 2: Identify the performance obligations in the contract;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price to the performance obligations in the contract; and
- Step 5: Fees are recognised once the work is completed and provided to the client.

The Group has two types of revenue streams being machine learning and data services and sports activities.

Machine learning and Data services revenue comprises of:

1. ESG Research Tool
Fees are recognised as the agreed work is conducted.
2. Machine Readable Data
Fees are recognised as the agreed work is conducted.
3. Bespoke Data Science Solutions
Charged on a project basis and includes work related to data migration, design fees, communication fees and technological services. The fees are recognised as the agreed work in conducted.

For the services detailed above, revenue is recognised and invoiced in accordance with milestones agreed within each contract with the customer, which can vary on a case-by-case basis. In all scenarios, the revenue is recognised in accordance with the provision of the agreed services provided or, where the quantum and timing of the services can be difficult to predict, rateable over the period of the agreement. Depending on the client, invoices can be monthly, quarterly or ad-hoc. Invoices can be adjusted in situations where the agreed scope of work is exceeded or additional work is applied.

Up until the sale of Sport in Schools, sports activities revenue was recognised once performance obligations have been satisfied and work is completed with payment due in advance of the performance obligations. Under the Group's standard contract terms, customers may be offered refunds for cancellation of sports and leisure activities. It is considered highly probable that a significant reversal in the revenue recognised will not occur given the consistent low level of refunds in prior years.

2.5. Going concern

The preparation of financial statements requires an assessment on the validity of the going concern assumption. The Directors have reviewed projections for a period of at least 12 months from the date of approval of the financial statements as well as potential opportunities. Any potential short falls in funding have been identified and the steps to which Directors are able to mitigate such scenarios and/or defer or curtail discretionary expenditures should these be required have been considered. The directors have noted in their going concern assessment that the convertible loan notes provided to the Company are due

INSIG AI PLC
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

for repayment on 30 September 2025 and the Company has forecast the receipt of a research and development refund in the coming months.

In approving the financial statements, the Board have recognised that there is a material uncertainty. This conclusion was reached after an in-depth review of the current sales position of the Group, as well as the uncertainty surrounding the forecasted sales pipeline of the Group. Therefore, operational results continue at a loss as the Group is not cash generative. The financial statements do not include any adjustments that may arise in the event of the Group not being a going concern. However, having made enquiries and considered the uncertainties outlined above, the Directors have a reasonable expectation that the Group will continue to be able to raise finance as required over this period to enable it to continue in operation and existence for the foreseeable future. Accordingly, the Board believes it is appropriate to adopt the going concern basis in the preparation of the financial statements.

2.6. Foreign currencies

(a) Functional and presentation currency

Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The functional currency of the UK parent entity and UK subsidiaries is Pounds Sterling, The Financial Statements are presented in Pounds Sterling which the Company's functional and Group's presentational currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where such items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

2.7. Intangible assets

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of subsidiary entities at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill which is recognised as an asset is reviewed for impairment at least annually. Any impairment is recognised immediately in the statement of comprehensive income and is not subsequently reversed.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units expected to benefit from synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, associate or jointly controlled entity, the amount of goodwill is included in the determination of the profit or loss on disposal.

Goodwill arising on acquisitions before the date of transition to IFRS's has been retained at the previous UK GAAP amounts subject to being tested for impairment at that date.

Development costs are expensed in arriving at the operating profit or loss for the year unless the Directors are satisfied as to the technical, commercial and financial viability of individual project. In this situation, the expenditure is recognised as an asset and is reviewed for impairment on an annual basis. Amortisation is provided on all development costs to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight line basis at the following annual rates:

Technology assets – 7 years straight line
Development costs – 7 years straight line
Customer relationships – 13 years straight line
Databases – 7 years straight line

2.8. Investments in subsidiaries

Investments in Group undertakings are stated at cost, which is the fair value of the consideration paid, less any impairment provision.

INSIG AI PLC
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

2.9. Property, plant and equipment

Property, Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on all property, plant and equipment to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight line basis at the following annual rates:

Plant and Equipment – 25% and 10% straight line

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. If an impairment review is conducted following an indicator of impairment, assets which are not able to be assessed for impairment individually are assessed in combination with other assets within a cash generating unit.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains' in the Income Statement.

2.10. Impairment of non-financial assets

Assets that have an indefinite useful life, for example, intangible assets not ready to use, and goodwill, are not subject to amortisation and are tested annually for impairment. Property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.11. Financial Instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are only offset and the net amount reported in the consolidated statement of financial position and income statement when there is a currently enforceable legal right to offset the recognized amounts and the Group intends to settle on a net basis or realise the asset and liability simultaneously.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets

All Group's recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial assets that meet the following conditions are measured subsequently at amortised cost using the effective interest rate method:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

INSIG AI PLC
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

The company classifies the following financial assets at fair value through profit or loss (FVPL):

- debt instruments that do not qualify for measurement at either amortised cost (see above) or FVOCI;
 - equity investments that are held for trading; and
 - equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.
- The Group does not hold any financial assets that meet conditions for subsequent recognition at fair value through other comprehensive income ("FVTOCI").

Impairment of financial assets

The Group recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The classification of financial liabilities at initial recognition depends on the purpose for which the financial liability was issued and its characteristics. All purchases of financial liabilities are recorded on trade date, being the date on which the Group becomes party to the contractual requirements of the financial liability. Unless otherwise indicated the carrying amounts of the Group's financial liabilities approximate to their fair values.

The Group's financial liabilities consist of financial liabilities measured at amortised cost and financial liabilities at fair value through profit or loss.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method. The Group's financial liabilities measured at amortised cost comprise convertible loan notes, trade and other payables, and accruals.

The effective interest method is a method of calculating the amortised cost of a financial asset/liability and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts/payments through the expected life of the financial asset/liability or, where appropriate, a shorter period.

Convertible loan notes

On issue of a convertible loan, the fair value of the liability component is determined by discounting the contractual future cash flows using a market rate for a non-convertible instrument with similar terms. This value is carried as a liability on the amortised cost basis unless is designated as a Fair Value Through Profit and Loss ("FVTPL") at inception.

Financial instruments designated as FVTPL are classified in this category irrevocably at inception and are derecognised when extinguished. They are initially measured at fair value and transaction costs directly attributable to their acquisition are recognised immediately in profit or loss. Subsequent changes in fair values are recognised in the income statement with profit or loss.

Equity instruments are instruments that evidence a residual interest in the assets of an entity after deducting all of its liabilities. Therefore, when the initial carrying amount of a compound financial instrument is allocated to its equity and liability components, the equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. The value of any derivative features (such as a call option) embedded in the compound financial instrument other than the equity component (such as an equity conversion option) is included in the liability component.

Derecognition of financial liabilities

A financial liability (in whole or in part) is recognised when the Group has extinguished its contractual obligations, it expires or is cancelled. Any gain or loss on derecognition is taken to the income statement.

2.12. Leases

The Group leases certain property, plant and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid. Lease payments generally include fixed payments less any lease incentives receivable. The lease liability is discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The Group estimates the incremental borrowing rate based on the lease term, collateral assumptions, and the economic environment in which the

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lease is denominated. The lease liability is subsequently measured at amortized cost using the effective interest method. The lease liability is remeasured when the expected lease payments change as a result of new assessments of contractual options and residual value guarantees.

The right-of-use asset is recognised at the present value of the liability at the commencement date of the lease less any incentives received from the lessor. Added to the right-of-use asset are initial direct costs, payments made before the commencement date, and estimated restoration costs. The right-of-use asset is subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in lease liabilities, split between current and non-current depending on when the liabilities are due. The interest element of the finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Assets obtained under finance leases are depreciated over their useful lives. The lease liabilities are shown in Note 19.

Exemptions are applied for short life leases and low value assets, with payment made under operating leases charged to the Consolidated Statement of Comprehensive Income on a straight-line basis of the period of the lease.

2.13. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

2.14. Equity

Equity comprises the following:

- "Share capital" represents the nominal value of the Ordinary shares;
- "Share Premium" represents consideration less nominal value of issued shares and costs directly attributable to the issue of new shares;
- "Treasury shares" are the portion of shares that a company keeps in its own treasury. These can be gifted or purchased.
- "Other reserves" represents the merger reserve, revaluation reserve and share option reserve where:
 - "Merger reserve" represents the difference between the fair value of an acquisition and the nominal value of the shares allotted in a share exchange;
 - "Share option reserve" represents share options awarded by the group;
- "Retained earnings" represents retained losses.

2.15. Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity, as a deduction, net of tax, from the proceeds provided there is sufficient premium available.

2.16. Share based payments

The Group operates a number of equity-settled, share-based schemes, under which the Group receives services from employees or third party suppliers as consideration for equity instruments (options and warrants) of the Group. The fair value of the third party suppliers' services received in exchange for the grant of the options is recognised as an expense in the Income Statement or charged to equity depending on the nature of the service provided. The value of the employee services received is expensed in the Income Statement and its value is determined by reference to the fair value of the options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability or sales growth targets, or remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

The fair value of the share options and warrants are determined using the Black Scholes valuation model.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense or charge is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the Income Statement or equity as appropriate, with a corresponding adjustment to a separate reserve in equity.

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When the options are exercised, the Group issues new shares. The proceeds received, net of any directly attributable transaction costs, are credited to share capital (nominal value) and share premium when the options are exercised.

2.17. Taxation

Corporation tax is the main tax that a limited company must pay based on their profits, in addition to any gains from the sale of assets. For the year ended 31 March 2024, corporation tax is calculated as 25% of a company's profit for the year. No current tax is yet payable in view of the losses to date.

Deferred tax is recognised for using the liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets (including those arising from investments in subsidiaries), are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be used.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax is calculated at the tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply to the period when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are not discounted.

2.18. Discontinued operations

Discontinued operations define the parts of a Group Company that are sold, shut down, or no longer operational during the financial year of the Group. The financial performance of discontinued operations is presented separately to the Group in the consolidated statement of income, and the statement of cash flows.

2.19. Research and development

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding is recognised in the income statement as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Group are recognised as intangible assets where the following criteria are met:

- It is technically feasible to complete the asset so that it will be available for use;
- Management intends to complete the asset and use or sell it;
- There is an ability to use or sell the asset;
- It can be demonstrated how the asset will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the asset are available; and
- The expenditure attributable to the asset during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the asset include the product development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

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3. Financial risk management

3.1. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. None of these risks are hedged.

Risk management is carried out by the management team under policies approved by the Board of Directors.

Market risk

The Group is exposed to market risk, primarily relating to interest rate and foreign exchange. The Group has not sensitised the figures for fluctuations in interest rates and foreign exchange as the Directors are of the opinion that these fluctuations would not have a significant impact on the Financial Statements at the present time. The Directors will continue to assess the effect of movements in market risks on the Group's financial operations and initiate suitable risk management measures where necessary.

Credit risk

Credit risk arises from cash and cash equivalents as well as loans to subsidiaries and outstanding receivables. Management does not expect any losses from non-performance of these receivables. The amount of exposure to any individual counter party is subject to a limit, which is assessed by the Board.

The Group considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk.

Impairment provisions for loans to subsidiaries are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. At year end it was assessed credit risk was low due to future profits forecast therefore no provision was required.

For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised. At year end all receivables were less than 60 day outstanding and deemed highly likely to be received therefore no provision was required.

Liquidity risk

In keeping with similar sized groups, the Group's continued future operations depend on the ability to raise sufficient working capital through the issue of equity share capital or debt. The Directors are reasonably confident that adequate funding will be forthcoming with which to finance operations. Controls over expenditure are carefully managed. With exception to deferred taxation, financial liabilities are all due within one year.

3.2. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to enable the Group to continue its activities, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the issue of shares or sell assets to reduce debts.

The Group defines capital based on the total equity of the Company. The Group monitors its level of cash resources available against future activities and may issue new shares in order to raise further funds from time to time.

4. Critical accounting estimates and judgements

The preparation of the Financial Statements in conformity with the requirements of the Companies Act 2006 obliges management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the period.

Estimates and judgements are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Items subject to such estimates and assumptions, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial years, include but are not limited to:

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Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which the goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash generating unit and a suitable discount rate in order to calculate present value. The carrying amount of goodwill is the deemed cost on first time application of UK Adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006.

Details of the carrying value of goodwill at the period end and the impairment review assessment are given in Note 14.

Impairment of intangible assets

The Company follows the guidance of IAS 36 to determine when impairment indicators exist for its intangible assets. When impairment indicators exist, the Company is required to make a formal estimate of the recoverable amount of its intangible assets. This determination requires significant judgement. In making this judgement, management evaluates external and internal factors, such as significant adverse changes in the technological market, economic or legal environment in which the Company operates as well as the results of its ongoing development programs. Management also considers the carrying amount of the Company's net assets in relation to its market capitalisation as a key indicator. For the year ended 31 March 2024, future sales forecasts related to the intangible assets of the Company were taken into consideration when finalising the impairment value. Further details of the impairment of intangible assets are included in note 14.

Capitalised development costs

Development costs incurred in building the Group's key platform for future expansion have been capitalised in accordance with the requirements of IAS38. The majority of these costs consist of salary expenses to which an estimated proportion of development time has been applied. Salary expenses are capitalised because the work done is expected to lead to future economic benefits for the Group. The proportion of salary expenses that are capitalised is based on the judgement of management, taking IAS38 into account after reviewing how much each employee contributes to the Company's development projects respectively.

Investment in Subsidiaries

The Company considers the recoverability of the investment in subsidiaries to be a key area of judgment, and this is held at its carrying amount which is expected to be recovered from the subsidiary. The directors believe that the investment in subsidiaries balance at year end is recoverable based on the directors' expectation around the potential that the subsidiaries have to generate sufficient economic benefits in the foreseeable future.

The investment in subsidiaries includes loans as detailed in note 15. The loans are considered recoverable by management, and the investments made have been impaired in line with their level of recoverability.

Subsidiary investments are also reviewed to decide on whether impairments will be required, based on the valuation of the subsidiary's assets. Such impairments that occurred during the year are detailed in note 15.

Going Concern

As discussed more fully in the Strategic Report on page 5, these financial statements have been prepared on the going concern basis. This approach is based on management's judgement that cashflow requirements for the continued development can be achieved through operating activities and additional fundraising if required.

5. Segment information

Business segments are identified according to the different trading activities in the Group.

During the year, the Group's trading segments were machine learning and data services representing revenue of £369,860 (2023: £693,734) and its sports and leisure activities, comprising sports tuition at schools representing its revenue of £928,807 (31 March 2023: £1,398,427). All revenue was generated in the UK. The sport and leisure activities were discontinued during the year as a result of the subsidiaries that provided this service being disposed in November 2023. Consequentially, the revenue recognised from the sport and leisure activities is representative of the period April to November 2023.

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For the year ended 31 March 2024

31 March 2024	Machine learning and Data services £	Sport in Schools £	Total £
Revenue	369,860	928,807	1,298,667
Cost of sales	-	(498,890)	(498,890)
Administrative expenses	(2,562,208)	(374,496)	(2,936,704)
Other gains/(losses)	(102,965)	164,093	61,128
Other income	3,160	384	3,544
Finance income	263	822	1,085
Finance costs	(126,390)	(4,156)	(130,546)
Impairments	(15,317,338)	-	(15,317,338)
Profit/(Loss) before tax per reportable segment	(17,735,618)	216,564	(17,519,054)
Additions to intangible assets	1,020,516	-	1,020,516
Reportable segment assets	4,552,239	-	4,552,239
Reportable segment liabilities	2,983,562	-	2,983,562

31 March 2023	Machine learning and Data services £	Sport in Schools £	Total £
Revenue	693,734	1,398,427	2,092,161
Cost of sales	(51)	(732,915)	(732,966)
Administrative expenses	(5,484,356)	(640,413)	(6,124,769)
Other gains/(losses)	(15,796)	(7,572)	(23,368)
Other income	1,291,873	444	1,292,317
Finance income	101	-	101
Finance costs	(81,518)	-	(81,518)
Impairments	(16,558,296)	-	(16,558,296)
Profit/(Loss) before tax per reportable segment	(20,154,309)	17,971	(20,136,338)
Additions to intangible assets	1,456,436	-	1,456,436
Reportable segment assets	20,809,036	566,580	21,375,616
Reportable segment liabilities	5,544,528	263,518	5,808,046

6. Revenue

31 March 2024	Machine learning and Data services £	Sport in Schools £	Total £
Revenue	369,860	928,807	1,298,667

31 March 2023	Machine learning and Data services £	Sport in Schools £	Total £
Revenue	693,734	1,398,427	2,092,161

Lodbrok Capital LLP were the only customer that accounted for over 10% of the Group's revenue for the year, contributing £179,675 (2023: Lodbrok Capital LLP - £334,657).

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7. Administrative expenses – continued operations

	Year ended 31 March 2024 – continued operations £	Year ended 31 March 2023 - Group £
Employee salaries and costs	82,150	1,374,989
Director remuneration	258,521	351,828
Office and expenses	24,821	152,481
Travel & subsistence	18,738	47,587
Professional & consultancy fees	335,791	635,774
IT & Software	-	81,902
Subscriptions	99,280	291,281
Insurance	82,144	106,719
Depreciation and amortisation	1,554,998	2,839,889
Share option expense	-	1,605
Exchange related costs	94,191	67,452
Other expenses	11,574	173,262
Total administrative expenses	2,562,208	6,124,769

Of the above Group staff costs, £711,605 (31 March 2023: £1,167,769) has been capitalised in accordance with IAS 38 as development costs and are shown as an intangible addition in the year.

Services provided by the Company’s auditor and its associates

During the year, the Group (including overseas subsidiaries) obtained the following services from the Company’s auditors and its associates:

	Group	
	Year ended 31 March 2024 £	Year ended 31 March 2023 £
Auditors’ remuneration	80,300	70,500

8. Employee benefit expense

	Group		Company	
	Year ended 31 March 2024 £	Year ended 31 March 2023 £	Year ended 31 March 2024 £	Year ended 31 March 2023 £
Staff costs (excluding Directors)				
Salaries and wages	183,887	2,081,959	-	-
Social security costs	46,043	305,479	-	-
Pension contributions	20,987	128,743	-	-
Other employment costs	1,973	13,668	-	-
	252,890	2,529,849	-	-

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The average monthly number of employees for the Group during the year was 109 (31 March 2023: 112) and the average monthly number of employees for the Company was nil (31 March 2023: nil).

Of the above Group staff costs, £711,605 (31 March 2023: £1,167,769) has been capitalised in accordance with IAS 38 as development costs and are shown as an intangible addition in the year.

There were no employees in the Company apart from Directors whose remuneration is disclosed in Note 26.

9. Other gains/(losses)

	Group	
	Year ended 31 March 2024	Year ended 31 March 2023
	£	£
Continued operations		
Other Losses	(17,450)	23,368
Modification of convertible loan notes	(96,374)	-
Other gains	10,859	-
Other gain/(losses)	(102,965)	23,368
Discontinued Operations		
Profit on disposal of subsidiary	164,300	-
Other Losses	(207)	-
Other gain/(losses)	61,128	23,368

10. Other operating income

	Group	
	Year ended 31 March 2024	Year ended 31 March 2023
	£	£
Continued operations		
Sale of equipment	3,160	444
	3,160	444
Discontinued operations		
Other income	386	-
	3,546	-

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11. Finance income/(costs)

	Group	
	Year ended 31 March 2024	Year ended 31 March 2023
	£	£
Continued operations		
Interest received from cash and cash equivalents	263	101
Discontinued operations		
Interest received from cash and cash equivalents	822	-
Finance income	1,085	101
Continued operations		
Loan interest	(126,390)	(81,518)
Discontinued operations		
Loan interest	(4,156)	-
Finance Costs	(130,546)	(81,518)

12. Property, plant and equipment

Group

	Plant and equipment £	Total £
Cost		
As at 1 April 2022	206,329	206,329
Additions	10,616	10,616
Acquired upon acquisition	(54,332)	(54,332)
As at 31 March 2023	162,613	162,613
As at 1 April 2023	162,613	162,613
Additions	2,323	2,323
Disposals	(135,566)	(135,566)
As at 31 March 2024	29,370	29,370
Depreciation		
As at 1 April 2022	140,665	140,665
Charge for the year	23,593	23,593
Acquired upon acquisition	(39,293)	(39,293)
As at 31 March 2023	124,965	124,965
As at 1 April 2023	124,965	124,965
Charge for the year	23,980	23,980
Disposal	(125,227)	(125,227)
As at 31 March 2024	23,718	23,718
Net book value as at 31 March 2023	37,648	37,648
Net book value as at 31 March 2024	5,652	5,652

All tangible assets shown above are assets in use by the Group's subsidiary undertakings.

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13. Right of use Assets

Group	Right of Use leases £	Total £
Cost		
As at 1 April 2022	154,180	154,180
Additions	-	-
Disposal	-	-
As at 31 March 2023	154,180	154,180
As at 1 April 2023	154,180	154,180
Additions	-	-
Disposal	(154,180)	(154,180)
As at 31 March 2024	-	-
Depreciation		
As at 1 April 2022	115,635	115,635
Charge for the year	10,279	10,279
Disposal	-	-
As at 31 March 2023	125,914	125,914
As at 1 April 2023	125,914	125,914
Charge for the year	6,481	6,481
Disposal	(132,395)	(132,395)
As at 31 March 2024	-	-
Net book value as at 31 March 2023	28,266	28,266
Net book value as at 31 March 2024	-	-

Right of Use Assets represent leasehold premises from which the Group operates in relation to its sports and leisure activities.

All right of use assets shown above are assets in use by the Group's subsidiary undertakings.

The right of use assets were disposed of as part of the sale of Sport in Schools and Elms Group that took place on 14 November 2023. As a result, they are no longer recognised by the Group.

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14. Intangible assets

Intangible assets comprise goodwill and development costs.

Assets - Cost and Net Book Value	Goodwill £	Development costs £	Technology assets £	Customer relationships £	Databases £	Total £
Cost						
As at 1 April 2022	21,621,803	1,085,000	16,385,727	1,207,000	1,094,000	41,393,530
Additions	-	1,456,436	-	-	-	1,456,436
As at 1 April 2023	21,621,803	2,541,436	16,385,727	1,207,000	1,094,000	42,849,966
Additions	-	1,020,516	-	-	-	1,020,516
As at 31 March 2024	21,621,803	3,561,952	16,385,727	1,207,000	1,094,000	43,870,482
Amortisation						
As at 1 April 2022	-	(1,085,000)	(1,964,556)	(74,724)	(52,095)	(3,176,375)
Amortisation	-	(537,328)	(2,018,000)	(94,404)	(156,285)	(2,806,017)
Impairment	(11,655,908)	(919,108)	(2,742,498)	(355,162)	(885,620)	(16,558,296)
As at 1 April 2023	(11,655,908)	(2,541,436)	(6,725,054)	(524,290)	(1,094,000)	(22,540,688)
Amortisation	-	(31,587)	(1,442,714)	(74,155)	-	(1,548,456)
Disposal/write-off	(60,000)	-	-	-	-	(60,000)
Impairment	(9,905,895)	-	(5,122,663)	(288,780)	-	(15,317,338)
As at 31 March 2024	(21,621,803)	(2,573,023)	(13,290,431)	(887,225)	(1,094,000)	(39,466,482)
Net book value 2023	9,965,895	-	9,660,673	682,710	-	20,309,278
Net book value 2024	-	988,929	3,095,296	319,775	-	4,404,000

As part of the disposal of Sport in Schools and Elms Group in November 2023, goodwill of £60,000 was disposed of.

Development costs are predominantly capitalised staff costs associated with enhancements to the technology being developed by Insig Partners Limited. The Group's technology, customer relationships and database technology are acquired from the acquisitions undertaken during the period.

Goodwill is recognised when a business combination does not generate cash flows independently of other assets or groups of assets. As a result, the recoverable amount, being the value in use, is determined at a cash-generating unit (CGU) level.

These CGUs represent the smallest identifiable group of assets that generate cash flows. The CGUs are deemed to be the assets within the operating units. Each CGU to which goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The total intangible value in use for each CGU, incorporating goodwill and the intangible asset value, is determined using discounted cash flow projections derived from the total historical revenue profile of each identifiable CGU. The assumptions which are applied to each CGU including the useful economic life are set out in Note 2.7.

The Directors of the Group now assess Insig AI Plc as a one whole CGU. This is due to the Group's revenues not being largely independent of each other. Therefore, they are not individually identifiable as assets which generate cash inflows, but instead as a group.

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The key assumptions for the value in use calculations are those regarding growth rates particularly in respect of the growth in revenue and discount rates. The discount rate is reviewed annually to take into account the current market assessment of the time value of money and the risks specific to the cash generating units and rates used by comparable companies. The discount rate used to calculate the value in use is 27.5%. The long term growth rate used for the terminal value calculation was 2%. Impairments of intangible assets are sensitive to changes in forecasted revenue and changes in the discount rate, which are depicted in the tables below. As a result, management has scrutinised the probable economic benefit of the intangible assets based on revenue forecasts produced, to apply appropriate impairments where necessary.

Sensitivity test - Impairments

	Group 2024
Impact on impairment	£
+10% Revenue	933,000
-10% Revenue	(933,000)

	Group 2024
Impact on impairment	£
+5% Discount rate	1,209,000
-5% Discount rate	(1,908,000)

The tables above reflect the sensitivity of the Company's impairments to changes in revenue and the discount rate. A 10% change in revenue will either increase or decrease the impairment by £933,000 (depending on if it is an increase or decrease). A 5% increase in the discount rate increases the impairment by £1,209,000, and reduces the impairment by £1,908,000 if the discount rate reduces by 5%.

An impairment review of the Group's development costs, technology, customer relationships and database technology is carried out on an annual basis. The recoverable amounts of the cash-generating units are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding forecast revenues, discount rates and operating costs. Management have considered the following elements:

- (i) Based on current assessments of the Insig Partners activities made by the Directors, they consider that whilst revenues are forecast to grow in 2024 and exponentially grow from 2025-2027, these forecasts are reduced from previous forecasts prepared.
- (ii) The reduction of activities in Insig Data have led to the Directors assessing the need for an impairment.
- (iii) Operational costs are monitored and controlled

Following their assessment, the Directors concluded an impairment charge of £15,317,338 (2023: £16,558,296) was necessary for the year ended 31 March 2024 due to the reduced future sales forecast following the Company's sales performance in the current and prior years.

15. Investments in subsidiary undertakings

	Company	
	Investment in subsidiaries	Loans to Group Undertakings
Shares in Group Undertakings		
Cost		
31 March 2023	15,594,537	4,788,599
Additions	-	217,535
Impairment	(15,594,537)	-
31 March 2024	-	5,006,134

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	Company	
	NBV 31 March 2024	NBV 31 March 2023
	£	£
Shares in Group Undertakings and Group Loans		
Cost		
Insig Partners	-	15,594,537
Insig Data	-	-
Loans to Group undertakings	4,075,827	4,788,599
Total	4,075,827	20,383,136

Investments in Group undertakings are stated at cost, which is the fair value of the consideration paid, less any impairment provision.

Although Insig Data's trading activity remained stagnant during the year, it hasn't ceased its trade.

The Company has provided a guarantee in respect of the outstanding liabilities of the subsidiary companies listed below in accordance with Section 479A – 479C of the Companies Act 2006 as these subsidiary companies of the Group are exempt from the requirements of the Companies Act 2006 relating to the audit of the accounts by virtue of Section 479A of this Act.

During the year, £15,594,537 of the investment held in Insig Partners was impaired after review from Management. This impairment was determined after comparing the total investment value of £15,594,537 with the value in use total. There was also an impairment of the intangible assets held within Insig Partners. This was applied as a result of a revised forecast dated from March 2024 to March 2030. The revised sales expected for the Company's products and cost base led to a reduced enterprise value of Insig Partners' intangible assets.

During the year, the loans granted to Insig Partners by Insig AI plc were partially impaired by £930,307. These impairments were agreed based on the recoverability of the loans, after taking the net assets of the subsidiary into account.

Subsidiaries

The following companies were subsidiaries at the balance sheet date and the results and year end position of these companies have been included in these consolidated financial statements.

Name of subsidiary	Registered office address	Country of incorporation and place of business	Proportion of ordinary shares held (%)	Nature of business
Insig Partners Limited	6 Heddon Street, London, W1B 4BT	United Kingdom	100%	Artificial Intelligence
Westside Sports Limited	6 Heddon Street, London, W1B 4BT	United Kingdom	100%	Holding company
Insight Capital Consulting Limited**	6 Heddon Street, London, W1B 4BT	United Kingdom	100%	Artificial Intelligence
Insig Data Limited	6 Heddon Street, London, W1B 4BT	United Kingdom	100%	Artificial Intelligence
Ultimate Player Limited	6 Heddon Street, London, W1B 4BT	United Kingdom	100%	Dormant
Pantheon Leisure Plc *	6 Heddon Street, London, W1B 4BT	United Kingdom	85.87%	Activities of head office

* Shares held indirectly through Westside Sports Limited

** Shares held indirectly by Insig Partners Limited

The data for the disposed subsidiaries are not included in the balance sheet. The profit and loss figures for the disposed subsidiaries are included within the statement of profit and loss, under the "discontinued operations" heading. This data represents Sport in Schools' and The Elms Group's performance up to the date of disposal, which was 14 November 2023.

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16. Trade and other receivables

	Group		Company	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Current	£	£	£	£
Trade receivables	77,250	125,030	-	-
Amounts due from subsidiary undertakings	-	-	230,853	106,864
Prepayments	27,067	38,498	27,067	26,749
VAT receivable	-	-	8,809	18,086
Research and development receivable	-	542,000	-	-
Other receivables	423	14,312	-	-
Total	104,740	719,840	266,729	151,699

The ageing of trade receivables is as follows:

	Group	
	As at 31 March 2024	As at 31 March 2023
	£	£
Up to 3 months	77,250	125,030
Total	77,250	125,030

	Company	
	As at 31 March 2024	As at 31 March 2023
	£	£
Up to 3 months	-	-
Total	-	-

17. Cash and cash equivalents

	Group		Company	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	£	£	£	£
Cash at bank and in hand	37,847	280,584	14,459	3,749

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18. Trade and other payables

	Group		Company	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	£	£	£	£
Trade payables	139,722	266,978	116,883	149,346
Accruals	108,860	371,056	71,735	233,290
Deferred income	-	50,000	-	-
Other payables	24,482	4,852	1,967	-
Taxes and social security	65,174	240,041	2,264	-
Total	338,238	932,927	192,849	382,636

The ageing of trade and other payables is as follows:

	Group	
	As at 31 March 2024	As at 31 March 2023
	£	£
Up to 3 months	231,637	170,849
3 to 6 months	-	296,448
6 to 12 months	90,101	-
Over 12 months	16,500	-
Total	338,238	467,297

	Company	
	As at 31 March 2024	As at 31 March 2023
	£	£
Up to 3 months	115,121	83,012
3 to 6 months	-	66,333
6 to 12 months	77,726	-
Total	192,847	149,346

19. Leases and borrowings

	Group		Company	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	£	£	£	£
Not later than one year:				
Convertible loan note	1,544,324	2,261,769	1,544,324	2,261,769
Right of use liability	-	10,386	-	-
Later than one year:				
Right of use liability	-	16,868	-	-
Total	1,544,324	2,289,023	1,544,324	2,261,769

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20. Convertible loan notes

	CLN 1	CLN 2	CLN 3	31 March 2024
	£	£	£	£
Convertible loan note	1,000,000	500,000	750,000	2,250,000
Interest				
Accrued interest	95,057	45,643	35,076	175,776
Conversion	-	-	(785,076)	(785,076)
Modification of convertible loan note	(65,021)	(31,355)	-	(96,376)
Total	1,030,036	514,288	-	1,544,324
Equity				
Amount classified as equity	86,025	52,618	-	138,643
Total	86,025	52,618	-	138,643

On 4 May 2022, the Company entered into a formal agreement for a £1.0m convertible loan note to be provided by Richard Bernstein, Director of the Company. A total of £1,000,000 has been drawn down by the Company. The loan facility when issued was originally repayable on or before 31 December 2022, and interest accrued from the date monies were drawn down at a rate of 5%. The convertible loan note can be converted at the noteholder's discretion.

On 17 June 2022, the Company entered into a convertible loan facility agreement with David Kyte, a long-term shareholder in the Company for £500,000. A total of £500,000 has been drawn down by the Company. The loan facility when issued was repayable on or before 31 December 2022, and interest accrued from the date monies were drawn down at a rate of 5%. The convertible loan note can be converted at the noteholder's discretion.

On 22 December 2022, the Company agreed revised terms for both the convertible loan note (CLN) agreements with Richard Bernstein and David Kyte for £1m and £0.5m respectively.

The following revisions were made during the year ended 31 March 2023.

- Interest owed on the first CLN will be rolled up into the loan expiring 31 December 2023, with an interest of 8% per annum.
- A conversion price of 20 pence for Richard Bernstein, and 18 pence for David Kyte.
- The issuance of 1,666,667 warrants expiring on 31 December 2025 exercisable at a price of 30 pence for Richard Bernstein.
- The issuance of 1,388,889 warrants expiring on 31 December 2025 exercisable at a price of 25 pence for David Kyte.

The revisions for the year ended 31 March 2024 are as follows:

On 20 December 2023, it was agreed that the terms of the CLN with David Kyte will be extended by six months to 30 June 2024, and the interest rate was changed from 8% per annum to 12% per annum.

On the 12 September 2022, the Company entered into a formal agreement for a £750,000 convertible loan note to be provided by Richard Bernstein, Director of the Company. A total of £750,000 has been drawn down by the Company.

The loan facility is repayable on or before 30 June 2023, and interest will be accrued from the date monies are drawn down at a rate of 5%. The loan facility has a conversion price which is set at the higher of 35 pence per ordinary share or the prevailing share price at the date of conversion. The convertible loan note can be converted at the noteholder's discretion.

On 14 December 2023, it was agreed that the terms of the CLN with Richard Bernstein will be extended by six months to 30 June 2024. All other terms of the agreement remained the same.

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On 15 November 2023, the Company received notice from Richard Bernstein to convert the balance of the agreement entered on 12 September 2022 to 3,925,380 ordinary shares at a conversion price of 20 pence per share. The total amount converted, including interest, was £785,076.

21. Deferred tax

An analysis of the deferred tax liability is set out below.

	Cost £
Deferred tax liability	
As at 31 March 2022	4,160,088
Deferred tax liability for intangibles	(1,573,992)
As at 31 March 2023	2,586,096
Deferred tax liability for intangibles	(1,485,096)
As at 31 March 2024	1,101,000

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22. Financial Instruments by Category

Group

	31 March 2024		31 March 2023	
	Amortised cost £	Total £	Amortised cost £	Total £
Financial Assets per Statement of Financial Position				
Trade and other receivables	77,673	77,673	681,341	681,341
Cash and cash equivalents	37,847	37,847	280,584	280,584
	115,520	115,520	961,925	961,925
Financial Liabilities per Statement of Financial Position				
Trade and other payables	1,792,907	1,792,907	2,964,025	2,964,025
Right of use lease liabilities	-	-	27,254	27,254
	1,792,907	1,792,907	2,991,279	2,991,279

The convertible loan notes provided during the year by Richard Bernstein and David Kyte have been included in the payables as they are classed as financial liabilities.

Company

	31 March 2024		31 March 2023	
	Amortised cost £	Total £	Amortised cost £	Total £
Financial Assets per Statement of Financial Position				
Trade and other receivables	230,852	230,852	106,864	106,864
Due from subsidiary undertakings	4,075,827	4,075,827	4,788,599	4,788,599
Cash and cash equivalents	14,459	14,459	3,749	3,749
	4,321,138	4,321,138	4,899,212	4,899,212
Financial Liabilities per Statement of Financial Position				
Trade and other payables	192,849	192,849	382,636	382,636
	192,849	192,849	382,636	382,636

The Company's financial instruments comprise cash and cash equivalents, receivables and payables which arise in the normal course of business. As a result, the main risks arising from the Company's financial instruments are credit and liquidity risks. Please refer to Note 3.1.

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23. Share capital and premium

Group and Company	Number of shares		Share capital	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Ordinary shares	109,601,025	105,675,645	1,841,833	1,056,757
Deferred shares	22,811,638	22,811,638	2,053,047	2,053,047
Total	132,412,663	128,487,283	3,894,880	3,109,804

Issued at 0.01 pence per share	Number of Ordinary shares	Share capital £	Share premium £	Total £
As at 31 March 2023	105,675,645	1,056,756	39,077,403	40,134,159
<i>24 April 2023 – Equity subscription from treasury reserve</i>	-	-	900,000	900,000
<i>15 November 2023 - Loan conversion</i>	3,925,380	39,254	745,822	785,076
<i>27 November 2023 – Issue of shares from treasury reserve</i>	-	-	87,500	87,500
As at 31 March 2024	109,601,025	1,096,010	40,810,725	41,906,735

As at 31 March 2024, The Company had 505,888 shares held in treasury. The number of ordinary shares presented are the number of ordinary shares before taking the treasury reserve into account.

On 24 April 2023, the Company raised £0.9 million by way of equity subscription. 5,294,118 shares were issued at 17 pence per share from the Company's treasury reserve.

On 28 September 2023, the Company agreed to issue 500,000 ordinary shares from treasury to John Wilson for adviser services provided.

On 15 November 2023, Richard Bernstein converted the balance of the convertible loan, being £785,076 into 3,925,380 ordinary shares at a conversion price of 20 pence per share.

On 27 November 2023, the Company agreed to issue 500,000 ordinary shares from treasury to Roger Parry for the corporate development adviser services provided.

On 28 November 2023, the Company agreed to issue 200,000 ordinary shares from treasury to Gareth Evans for investor relations services provided.

Deferred Shares (nominal value of 0.09 pence per share)	Number of Deferred shares	Share capital £
As at 31 March 2023	22,811,638	2,053,047
As at 31 March 2024	22,811,638	2,053,047

The Company has an authorised share capital limit in place, which will be considered by shareholders at the next annual general meeting.

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24. Share based payments

The Company has established a share option scheme for Directors, employees and consultants to the Group. Share options and warrants outstanding and exercisable at the end of the period have the following expiry dates and exercise prices:

Grant Date	Vesting Date	Expiry Date	Exercise price in £ per share	31 March 2024
Options & Warrants				
Opening balance				10,027,138
1 August 2019	31 January 2020	31 July 2023	0.20	(666,666)
1 August 2019	31 July 2021	31 July 2023	0.20	(333,334)
1 August 2019	31 July 2020	31 January 2024	0.40	(333,334)
1 August 2019	31 July 2021	31 January 2024	0.40	(666,666)
				8,027,138

The Company and Group have no legal or constructive obligation to settle or repurchase the options or warrants in cash.

During the year, a total of 2,000,000 options expired.

Warrants

	2024	2023
Outstanding at beginning of period	3,452,138	396,582
Exercised	-	-
Vested	-	3,055,556
Outstanding as at period end	3,452,138	3,452,138
Exercisable at period end	3,452,138	3,452,138

The movements in the weighted average exercise price of the warrants were as follows:

	2024	2023
Outstanding at beginning of period	0.46	0.84
Granted	-	0.28
Outstanding as at period end	0.46	1.12
Exercisable at period end	0.46	0.46

In accordance with IFRS2, the fair value of the warrants issued and recognised as a charge in the accounts for the 12 month period is nil (31 March 2023 - £Nil). In arriving at this amount, the expected volatility is based on historical volatility, the expected life is the average expected period to exercise, and the risk-free rate of return is the yield on a zero-coupon UK government bond for a term consistent with the assumed option life.

The fair value of the equity instruments granted was determined using the Black Scholes Model. The inputs into the model for warrants outstanding at the year-end were as follows

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	2022 Warrants
Granted on:	22 December 2022
Life (years)	3 years
Share price (pence per share)	15p
Exercise price	25p
Shares under option	3,055,556
Vesting period (years)	3 years
Small company discount factor	20%
Total fair value (pence per option)	0.33

Options

In January 2011, the Company adopted an unapproved share option scheme and on 1 August 2019, the Company granted options over 4,000,000 ordinary shares in the Company as part of a Director's compensation agreement. In March 2022, the Company granted options over 3,350,000 ordinary shares to a Director and certain employees. No options were granted in the year ended March 2023 and 2024. Details of the options are set out below:

	2024	2023
Outstanding at beginning of period	6,575,000	7,350,000
Lapsed during period	(2,000,000)	(775,000)
Exercised	-	-
Granted	-	-
Outstanding as at period end	4,575,000	6,575,000
Exercisable at period end	2,000,000	4,000,000

	2024	2023
Outstanding at beginning of period	44.0	46.0
Lapsed	30.0	48.0
Exercised	-	-
Granted	-	-
Outstanding as at period end	53.0	44.0
Exercisable at period end	53.0	44.0

The movements in the weighted average exercise price of the options were as follows:

The fair value of the equity instruments granted was determined using the Black Scholes Model. The only conditions attached to the options is continuing employment. The inputs into the model for options outstanding at the year-end were as follows:

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	2022 Options
Granted on:	8 March 2022
Life (years)	10 years
Share price (pence per share)	27.5p
Exercise price	48p
Shares under option	3,350,000
Risk free rate	0.57%
Expected volatility	43.1%
Vesting period (years)	8 to 9 years
Small company discount factor	35%
Total fair value (pence per option)	0.02

The expected volatility is based on historical volatility, the expected life is the average expected period to exercise, and the risk-free rate of return is the yield on a zero-coupon UK government bond for a term consistent with the assumed option life.

In accordance with IFRS 2, the fair value of the share options issued and recognised as a charge in the accounts for the 12 month period is £nil (2023: £nil).

The weighted average contractual life of options outstanding on 31 March 2024 was 5 years (2023: 4.3 years).

25. Other reserves

	Equity reserve for convertible loan notes	Merger reserve £	Total £
At 31 March 2023	51,798	325,583	377,381
Equity element arising on the issue of convertible loan notes	138,634	-	138,634
At 31 March 2024	190,432	325,583	516,015

26. Directors' remuneration

	31 March 2024		
	Salary or Fees £	Pension £	Total £
Executive Directors			
Richard Bernstein	35,000	-	35,000
Steven Cracknell	156,000	10,000	166,000
Warren Pearson	178,643	10,000	188,643
Colm McVeigh	150,000	6,000	156,000
Non-executive Directors			
John Murray	2,917	-	2,917
Richard Cooper*	12,000	-	12,000
	534,560	26,000	560,560

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*Richard Cooper is a director of Luclem Estates & Advisory Limited which received £32,873 in fees in the year to 31 March 2024.

Directors who retired after the year end:

- John Murray – deceased 24 April 2023
- Colm McVeigh – resigned 29 May 2024
- Warren Pearson – resigned as director 29 May 2024

Of the above Group directors' remuneration, £308,911 (31 March 2023: £288,665) has been capitalised in accordance with IAS 38 as development related costs and are shown as an intangible addition in the year. None of the settlement fees were capitalised.

	31 March 2023		
	Salary	Pension	Total
	£	£	£
Executive Directors			
Richard Bernstein	35,000	-	35,000
Steven Cracknell	146,667	10,000	156,667
Warren Pearson	146,667	10,000	156,667
Colm McVeigh	233,333	9,333	242,666
Non-executive Directors			
John Murray	35,000	-	35,000
Richard Cooper*	12,000	-	12,000
	608,667	29,333	638,000

*Richard Cooper is a director of Luclem Estates & Advisory Limited which received £31,826 in fees in the year to 31 March 2024.

The remuneration of Directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

27. Income tax expense

	Group	
	Year ended	Year ended
	31 March	31 March
	2024	2023
	£	£
Current Tax		
UK corporation tax on profit for the year	(117,043)	(542,000)
Adjustments in respect of prior periods	(13,290)	(749,873)
Total current tax	(130,333)	(1,291,873)
Deferred Tax		
Intangibles on business combinations	(1,485,096)	(1,573,992)
Total deferred tax	(1,485,096)	(1,573,992)
Total income tax expense	(1,615,429)	(2,865,865)

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	Group	
	Year ended 31 March 2024 £	Year ended 31 March 2023 £
Loss before tax	(17,571,318)	(21,428,211)
Tax at the applicable rate of 25% (2023: 25%)	(4,392,830)	(4,071,360)
Effects of:		
Expenditure not deductible for tax purposes	3,048,662	2,940,457
Income not taxable for tax purposes	(65,462)	-
Adjustments in respect of prior periods – current tax	(13,290)	-
Adjustments in respect of prior periods – deferred tax	-	-
Additional deduction for R&D expenditure	-	(401,421)
Surrender of tax losses for R&D tax credit refund	-	168,207
R&D expenditure credits	-	8,461
Group relief surrendered/(claimed)	(13,335)	(20,948)
Adjustments in respect of prior periods regarding R&D	-	(749,873)
Effect of tax rate change on deferred tax opening balance	-	(209,040)
Unrecognised deferred tax asset in relation to carried forward losses	(179,174)	(530,348)
Tax charge	(1,615,429)	(2,865,865)

The Group has unutilised tax losses of approximately £14,545,091 (31 March 2023 £13,828,392) available to carry forward against future taxable profits. No deferred tax asset has been recognised on accumulated tax losses because of uncertainty over the timing of future taxable profits against which the losses may be offset.

28. Earnings/Loss per share

Continued Operations

The calculation of the total basic loss per share of 17.71 pence (31 March 2023: 17.89 pence) is based on the loss attributable to equity holders of the parent company's continued operations of £16,120,188 (31 March 2023: £18,568,591) and on the weighted average number of ordinary shares of 100,155,706 (31 March 2023: 103,757,837) in issue during the year.

Discontinued Operations

The calculation of the total basic earnings per share of 0.21 pence (31 March 2023: 0.01 pence) is based on the earnings attributable to equity holders of the parent company's discontinued operations of £210,085 and on the weighted average number of ordinary shares of 100,155,706 (31 March 2023: 103,757,837) in issue during the year.

In accordance with IAS 33, basic and diluted loss per share are identical for the Group as the effect of the exercise of share options would be to decrease the loss per share. Details of share options that could potentially dilute earnings per share in future periods are set out in Note 24.

29. Contingent Liabilities

The Group had a contingent liability as at 31 March 2024 in respect of a Research & Development Tax Credit of £117,042 (2023: £nil) received from HM Revenue & Customs ("HMRC"). The Tax Credit, which relates to the year ended 31 March 2023 tax return, was recognised in the financial statements as an asset as at 31 March 2023 and was received from HMRC during the year ended 31 March 2024. HMRC provided a notice of enquiry in January 2024 and opened an enquiry in relation to the balance. The enquiry remained open at the year end and the Group is in ongoing discussions regarding the enquiry

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post year end. The full balance of £117,042 is included in the enquiry and is therefore the total estimated value included as a contingent liability, however the Group is confident in defending the full value of the Tax Credit.

30. Discontinued Operations

On 14 November 2023, the Company's 85.87% owned subsidiary, Pantheon Leisure plc ("Pantheon"), entered into a sale agreement for Sports in Schools and Elms Group with Haygreen Limited for a total cash consideration payable of £300,000. The disposed subsidiaries are reported in the financial statements as discontinued operations. Financial information relating to the discontinued operations from 1 April 2023 to the date of disposal are set out below.

The financial performance and cash flow information are for the period ended 14 November 2023.

Financial performance and cash flow information

	November 2023 £
Revenue	928,807
Net expenses	(883,022)
Gain on disposal	164,300
Profit before income tax	210,085
Profit for the year from discontinued operations	210,085
Net cash used in operating activities	(58,319)
Net cash generated from investing	138,572
Net cash used in financing	(261,847)
Net increase in cash and cash equivalents	(181,594)

Details of the sale of the subsidiaries

	November 2023 £
Consideration received or receivable:	
Cash	300,000
Total disposal consideration	300,000
Carrying amount of net assets sold (see below)	(74,500)
Disposal fee	(1,200)
Loss of goodwill after disposal	(60,000)
Profit on disposal of subsidiaries	164,300

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The carrying amounts of assets and liabilities as at the date of sale (14 November 2023) were:

	November 2023 £
Property, plant and equipment	7,830
Cash	111,596
Right of use asset	21,785
Trade and other receivables	170,494
Total assets	311,705
Trade and other payables	(237,205)
Total liabilities	(237,205)
Net Assets disposed	74,500

31. Related party transactions

Loans to Group undertakings

Amounts receivable as a result of loans granted to subsidiary undertakings are as follows:

	Company	
	31 March 2024	31 March 2023
	£	£
Insig Partners	4,404,000	4,655,904
Insig Data	42,113	-
Insight Capital Consulting Limited	184	31
Pantheon Leisure Plc	(370,470)	132,664
Westside Sports Limited	-	-
	4,075,827	4,788,599

Insig Partners Limited

Loans totalling £678,402 were provided to Insig Partners Limited from Insig AI Plc during the year to cover operating costs (31 March 2023: £1,322,635).

During the year, the loan balance owed by Insig Partners was impaired by £930,306 to £4,404,000, to reflect the value of the investment that is held within the subsidiary as at 31 March 2024.

Insig Data Limited (formerly FDB Systems Limited)

Loans totalling £42,113 were provided to Insig Data from Insig AI Plc during the year to cover operating costs (31 March 2023: £291,761).

Insight Capital Consulting Limited

Loans totalling £153 were provided to Insight Capital Consulting from Insig Partners Limited during the year to cover operating costs (31 March 2023: £31).

Pantheon Leisure Plc

Loans totalling £5,666 were provided to Pantheon Leisure from Insig AI Plc during the year to cover operating costs (31 March 2023: £2,121).

INSIG AI PLC
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The proceeds and dividends due to be received by Pantheon Leisure after the disposal of Sport in Schools and The Elms Group in November 2023 totalled £508,800. The proceeds were deposited in Insig AI Plc's bank account and the £210,000 dividends were applied against Pantheon's intercompany balance with Insig AI.

All intra Group transactions are eliminated on consolidation.

Other transactions

The Group defines its key management personnel as the Directors of the Company as disclosed in the Directors' Report.

Luclem Estates Limited, a company of which Richard Cooper is a director, was paid a fee of £25,638 the year ended 31 March 2024 (31 March 2023: £32,112) for the provision of corporate management and consulting services to the Company. There was a balance of £7,235 owing at year end (31 March 2023: £7,362).

On 24 April 2023, the Company raised £0.9 million by way of equity subscription for 5,294,118 ordinary shares of 1 pence each in the Company (at 17 pence per Ordinary Share. As part of this subscription, Richard Bernstein subscribed for 874,509 shares at 17 pence per share.

On 4 July 2023 the Company agreed revised terms for a convertible loan note agreement with Richard Bernstein as announced on 12 September 2022 for £0.75m. The Company and Richard Bernstein agreed to extend the term of the CLN by six months to 30 December 2023. All other terms were unchanged.

On 15 November 2023, the Group disposed of Sport in School Limited and Elms Group Limited. Following the Disposal, an existing convertible loan between the Company and Richard Bernstein was revised. This included the release of security over Westside Sports Limited and a new conversion price of 20.0 pence per ordinary share of 1 pence each in the Company being a 21.2 per cent. premium to the closing price on 14 November 2023.

32. Ultimate controlling party

The Directors believe there is no ultimate controlling party.

33. Events after the reporting date

On 4 April 2024, the Group agreed to a £250,000 equity funding facility with Richard Bernstein, who is now the Chief Executive Officer of Insig AI. The facility allows him to subscribe for up to 1,250,000 new ordinary shares at a price of 20 pence per share until 31 August 2024.

On 30 May 2024, Colm McVeigh stepped down from the Board from his role as CEO to pursue other opportunities. Warren Pearson also stepped down from the Board, but remains as a full-time employee to focus on product development. John Wilson was appointed as Non-Executive chairman with immediate effect.

On 30 May 2024, the Group acquired 5.45% equity interest in ImpactScope OU, an award-winning AI and blockchain company based in Estonia. The consideration is through the issue of 900,000 ordinary shares at a price of 13.75 pence per share. ImpactScope also appointed Insig AI as its exclusive agent for global sales of their award-winning Greenwashing Identifier.

On 5 June 2024 the Company raised £0.813 million via an equity subscription for 6,500,000 shares at a price of 12.5 pence per share.

On 5 June 2024, the Company granted share options over 7,800,000 ordinary shares of 1 pence each in the Company to certain Directors and employees with an expiry date of 5 June 2029.

On 3 July 2024, Richard Bernstein and David Kyte extended the redemption dates of their existing convertible loan notes (CLN) with the Company to 30 September 2025. Richard agreed to reduce the interest on the CLN to 6% per annum. The 12% interest on David Kyte's CLN remains unchanged.