Live Company Group plc

Registered Number 00630968

Annual report for the year ended 31 December 2021

Directors	David Ciclitira (Chairman) Serenella Ciclitira (Non-Executive Director) Ranjit Murugason (Senior Non-Executive Director) Bryan Lawrie (Non-Executive Director) Stephen Birrell (Non-Executive Director)
Public Limited Company No.	00630968 - incorporated in England and Wales
Secretary and Registered Office	Bryan Lawrie 3 Park Court Pyrford Road West Byfleet Surrey KT14 6SD
Nominated and Financial Adviser	Beaumont Cornish Limited Building 3 566 Chiswick High Road, London W4 5YA
Broker	ETX. (Monecor) One Broadgate London EC2M 2QS
Auditor	Moore Kingston Smith LLP 9 Appold Sreet London EC2A 2AP
Solicitor	Gateley plc 1 Paternoster Sq. London EC4M 7DX
Bankers	National Westminster Bank Plc 2nd Floor 65 Piccadilly London W1A 2PP
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Registrar	Link Group 10th Floor, Central Square 29 Wellington Street Leeds LS1 4DL

2021 was a tough year for everyone on a personal level. From a business perspective many industries were hard hit – events being one of them – with several companies closing their doors forever. Restrictions in place continued to impact LVCG's opportunity for growth. In fact, as an events based company we were fortunate to still be operational during the second half of 2021. In spite of this LVCG was able to announce in December 2021 a new revenue stream for 2022 onwards – KPOP.Flex.

KPOP.Flex

In December 2021 after a year of negotiations I was delighted to finally be able to launch KPOP.Flex - Europe's largest KPOP multi-artist festival which took place in May 2022 in the iconic DB Frankfurt Stadium.

In February 2022 we announced that the tickets for 14 May 2022 were completely sold out and we announced the second day adding two additional artists to the roster. The final artists included: ENHyphen, NCT-dream and Kai.

We then partnered with KTO-Korean Tourism Office to host a Korean culture festival as a part of the fan festival.

Revenue from KPOP.Flex is derived from several sources: ticket sales, merchandising, sponsorship and streaming. We await the final reconciliation, however it is expected that there will be a positive contribution to our 2022 Group results.

LVCG's strategy going forward is to extend the KPOP.Flex concept into other cities in Europe and globally. The Frankfurt festival is a five-year contract, and all future contracts are envisaged to be long term with multiple revenue streams in place. Frankfurt 2023 and London 2023 dates have been announced.

BRICKLIVE

In 2021, our business in Q1 and Q2 was still impacted by continued COVID-19 restrictions. The majority of the previously postponed events from 2020 largely took place in 2021 with a handful occurring in 2022. Several new events with first time customers also went ahead.

In Q1 we signed a contract within our corporate build division representing a Climate Change Environment with a branch of the UK Environment Agency.

In March 2021 a contract for BRICKLIVE Supersized with John Ball Zoo (USA) was signed and ran from May 2021 until September 2021.

BRICKLIVE Supersized popularity was confirmed with a further booking for Naples Zoo that was secured in April 2021 and followed on from John Ball Zoo in October 2021. The sunshine strategy (using assets all year round in 'summer' states) continued to bear fruit for the Group in 2021.

Q3 saw bookings with Wolverhampton Art Gallery (BRICKLIVE Fantasy Kingdom), McArthur Glen Italy (Nick Jr) and an additional USA booking with Capron Zoo in Massachusetts for BRICKLIVE Animal Paradise.

Q4 saw a variety of Christmas bookings and further USA and European events, including Les Grands Prés Shopping de Wallonie, Mons, Belgium; Les Automnales, Geneva, Switzerland; and Naples Zoo, Florida, USA.

One event we are extremely proud of is the inaugural BRICKLIVE Brickosaurs Tour at Singapore Zoo which ran from November 2021 until May 2022. It represented a return to business in Asia despite extremely challenging COVID-19 restrictions which continue to hamper further growth in the region. Singapore Zoo is one of the most iconic zoos in the world and it was a privilege to work with the team there. BRICKLIVE received a lot of positive social media exposure thanks to Singapore Zoo.

During 2021 BRICKLIVE continued its building program which culminated in Brickosaurs Evolution, which launched at Marwell Zoo at the end of March 2022. We also saw an increased demand in consumer sets and corporate builds including a bespoke kit for Ineos.

Trading has remained extremely difficult for much of 2021 with COVID-19 restrictions limiting the number and size of events and as a result the Division has continued to make losses in the trading period. However, I am encouraged by the return to close to full operational capacity with 42 events taking place in 2021 (down from a high of 71 in 2019) and 40 already scheduled for 2022.

LCSE

In December 2020 we announced the creation of a new Sports and Entertainment division – Live Company Sports and Entertainment ('LCSE'). The division focuses on live sports, entertainment, and music events.

Due to the ongoing effects of COVID-19 there were no events for most of 2021 however The Cape Town Cycle Tour finally took place on 10 October 2021, which was a great success.

A number of events have been confirmed for 2022 and 2023 including, the 2022 and 2023 editions of The Cape Town Cycle Tour, Pick n Pay Wine Festivals and the Cape Town stopover of the Global Ocean Race (confirmed for February 2023).

Formula E

With the acquisition of E Movement Holdings Limited. ('EMHL') in December 2020 LVCG acquired the right to sell sponsorship and the management for the upcoming Formula E race in Cape Town planned for the February 2023, (postponed from February 2022 due to ongoing COVID-19 restrictions in South Africa).

E Movement (Pty) Limited ('EMPL'), the South African based promoter of Formula E, Cape Town, has signed a contract with Formula E Holdings for the rights to promote the Cape Town Formula E race for a 10-year period beginning 2023.

In March 2021 I met with Formula E and its major sponsors for the Cape Town track reveal. There will be several additional related events in 2022 as we prepare for the inaugural Cape Town race.

StART Art Global Limited Investment

In May 2021 we announced the subscription for a minority interest of 18.6% of issued share capital in Start Art Global Limited ('StART.Art'). StART.Art is building an online sales platform (with several potential revenue streams including potential for non-fungible tokens ('NFT's).

The StART.Art platform was soft launched on 22 June 2021 and went live in October 2021. In November StART.Art acquired Start 2013 Limited, the promoter of the physical Start Art Fairs. In May 2022 StART.Art launched StART Art Fair Seoul which is due to take place in September 2022.

At the end of 2021 the LVCG shareholding in StART.Art increased to 19.9% following a reorganisation of the capital structure of StART.Art.

Corporate
In May 2021 and December 2021, we raised a total of £1.9m via two separate placings to facilitate the investment into StART.Art and to fund the initial capital requirements for the launch of KPOP.Flex (prior to ticket revenue being generated) and to provide working capital for the Group. Post balance sheet in March 2022 we raised £0.8 million (gross) via a placing - introducing a new institutional client into the share register.

Following the resignation of three Directors in February 2021 and as referred to in the announcement on 4 May 2021 the Company appointed a new independent Non-Executive Director Stephen Birrell. The Company still intends to conduct a full board review with the intention of making further changes during the latter half of 2022.

I would like to personally thank the team for all their efforts and for their ongoing support and energy especially during the lockdown period and hard work in continuing to develop and diversify the Live Company Group brand.

David Ciclitira
Chairman
29 June 2022

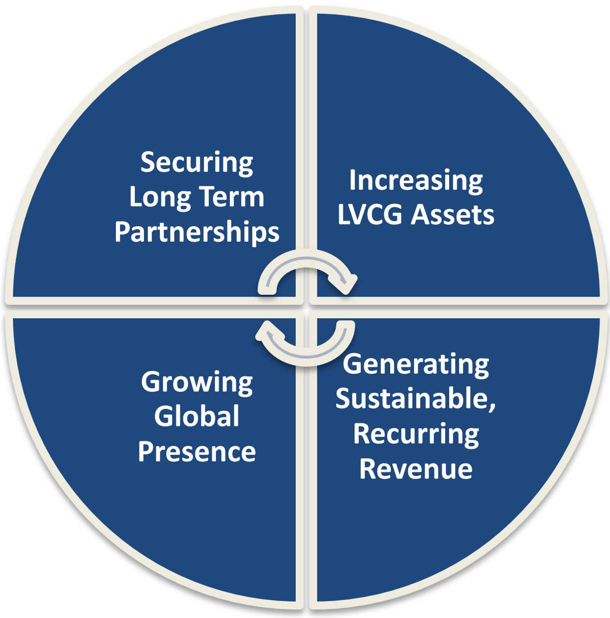
Our aspiration

To become a multi-divisional multi-brand, revenue-producing group that encompasses memorable experiences in sports, music and live entertainments, together with opportunistic minority investments in complementary but 'COVID-19 Proof" businesses.

BUSINESS MODEL

Value creation through global expansion

Having rapidly established a presence in Europe, Asia, South and North America, the Group plans to continue investment in the KPOP.Flex (via KPE), BRICKLIVE and LCSE divisions with the intention of increasing recurring revenue via key partnerships and the introduction of new concepts.



- Securing key long-term global partnerships with Licensed Partners and IP partners as well as sports and entertainment event owners enabling popular sports, entertainment and edutainment events to be replicated in multiple territories;
- Increasing our assets introducing new divisions and ensuring our content and our events are current and fresh, giving audiences what they want to see and capitalising on global trends;
- Generating sustainable recurring revenue through developing a loyal and repeat customer base through the expansion of existing brands; and
- Enhancing our global presence by expanding the number of territories in which KPOP.Flex BRICKLIVE, LCSE events are held.

1. Key Performance Indicators ('KPIs')

The primary objectives of the Group in the first half of 2021 was to SURVIVE whilst maintaining the BRICKLIVE and LCSE brands globally and securing the production of content for 2021 and beyond. In the second half of the year the focus shifted to diversification of revenue with the acquisition of StART.Art and the launch of KPOP.Flex.

The principal internal KPIs revolve around the core objectives:

	2021	**2020**	**Reasons for movement**
Revenue growth	44%	(66%)	Relaxation of COVID-19 related restrictions from Q3 and launch of LCSE
Number of BRICKLIVE Tours	27	24*	*in 2021 some models have been re organised and amalgamated into new tours, 2020 comparisons have been restated based on these new tours
Number of Events	42	20	Relaxation of COVID-19 related restrictions from Q3
Number of IP properties	7	7	Focus on building long term multi territory relationships with key brand owners

New metrics to measure performance of new divisions and investments such as KPOP.Flex and brands will be introduced in the next Annual Report.

2. Future developments

As discussed in the Chairman's Statement, the Group is focused on diversification of revenue streams and the expansion of our brands across live sports and entertainment, BRICKLIVE events coupled with opportunistic minority investments in complementary businesses.

Particular geographic locations of interest are Asia, South Africa, Europe, America and the Middle East. The Directors are investing significant time and resources into developing new business in these regions as they have been identified as markets which can deliver growth for the Group.

3. Principal Risks and Uncertainties

Managing Our Risk and Opportunities

Risk management is central to achieving the Group's strategy and delivering long-term value to shareholders. The Board, its Committees and the Executive Team are actively engaged in setting the risk appetite as well as managing both risks and opportunities to the Group.

Definition of Risk

Risk is defined as a potential future event that may influence the achievement of business objectives. This includes both 'upside' (opportunity) and 'downside' (threat) risks. Risks and opportunities can come from a variety of sources and can be directly related to the Group's operational and commercial activities and support functions, or they can arise externally: from third parties such as Joint Venture partners, suppliers, regulators, competitors; from the economic environment or political climate.

Risk Management
The Group operates to ensure that risks are identified, understood, agreed, communicated and acted upon in a timely and consistent manner. It enables informed resource allocation and the delivery of expected results by providing a structured way to recognise the unexpected and be prepared for it. The main objectives for the Group risk management system are:

- Support the achievement of business objectives and safeguard Group assets;
- Integrate consistent risk management methodology into key business processes;
- Create a risk-aware culture where staff actively identify and respond to risks and opportunities; and
- Ensure compliance with legal, regulatory, and ethical requirements.

Identifying Risk and Ownership
Risk management is actively promoted from both a top-down and bottom-up approach where all individuals in the organisation are empowered to highlight risks and opportunities to the business. All agreed risks are allocated to an individual risk owner with mitigations and actions followed up through quarterly reporting to the Executive Team and biannual reporting to the Audit Committee.

Our Principal Risks

The table below indicates the principal risks the Group faces and has been produced following a robust assessment of risk, including consideration of those that would threaten its business model, future performance, solvency or liquidity. The list is not exhaustive or in priority order and may change over time.

Risk	Impact	Control Measure	Owner
1. **Severe disruption in global economic activity (including global pandemics)**	− Severe reduction in economic activity reducing revenue, profitability and cash flow in all operating markets and territories simultaneously	− Diversified revenue base − Ensure sufficient cash to navigate complete shutdown	Executive Chairman
2. **Insufficient funds to operate and sustain the business**	− Unable to fund work programme, or strategic objectives − Impact to long term viability of the business	− Long term cashflow management − Finances are controlled through annual planning process with regular forecast updates − Active commitment management and tracking for main contracts	Executive Chairman
3. **Protection of IP**	− Loss of advantage to competitors infringing IP reducing revenue, profitability and cash flow − Possible claims regarding infringement of proprietary rights trademarks or patents	− Build strong relationships with partners − Actively monitor potential IP legislation changes	Head of Live Operations

4. Licensee partner performance	− Inability/delay to grow revenue and profitability form successful events in new territories	− Develop a pipeline of potential new business and partners − Allocate adequate resources to ensure a steady pipeline year round − Continue diversification to reduce dependency on individual licence partner performance	Head of Live Operations
5. Business retention	− Contract losses − Damage to reputation − Reduced appetite by investors	− Develop continuous dialogue with existing clients − Engage senior management support with key relationships − Increase focus on account management team to ensure the sales process is as smooth as possible for clients − Ensure delivery of projects meet expected standards and contractual obligations	Director of Sales
6. Change in regulatory or fiscal regime	− Regulatory and tax changes affect profitability and viability of projects and operations − Delay to projects while changes are agreed − Potential renegotiation with licensed and IP Partners	− Regular engagement and communication with government and in-country stakeholders − Monitor potential changes in legislation − Seek stabilisation provisions in key agreements	Executive Chairman
7. Production constraints	− Inability to deliver certain projects on time − Inability to acquire sufficient bricks and model builders	− Proactive involvement with a variety of suppliers of bricks − Investigate alternative models such as franchises to avoid potential production bottlenecks − Continuous training and development of builder workforce and increase employee retention	Head of Live Operations
8. Investment risks	− Group fails to meet forecasts and therefore market expectations	− Ensure market communication is timely and accurate	Executive Chairman

	− Emergence of new competitors or industry disruptors − Equity raises may dilute the interests of existing shareholders	− Engage in regular market reviews − Seek a diversified capital structure with alternative funding solutions	
9. Major Health and Safety Executive (HSE) event	− Loss of life or injury to personnel − Environmental impact − Reputational damage − Exposure to litigation − Financial and operational losses	− Highly skilled, competent, and qualified personnel and subcontractors − Training provided as required − Management and Board commitment − Robust operational HSE processes and procedures − HSE Committee reviews and regular HSE meetings and engagements − Insurance cover	Chief Operating Officer
10. Loss of key personnel	− Loss of shareholder confidence − Lack of direction and leadership within the Group − Loss of expertise and knowledge	− Competitive remuneration package in place for key executives, benchmarked regularly relative to the market − Succession planning	Executive Chairman

OPERATIONAL REVIEW

In 2021 we merged some of our revenue divisions within BRICKLIVE and added a further revenue producing division with the introduction of LCSE. Additionally in late 2021, we announced our new KPOP division - KPOP.Flex.

Between all divisions, 42 events were held in 2021, this was despite the third lockdown in Q1 and part of Q2. There were no cancellations and only one event was postponed to 2023 due to COVID-19 restrictions in South Africa.

BRICKLIVE Tours and Trails

Our zoo programme is going from strength to strength and there is a significant expansion in both the UK and the USA with bookings in Marwell Zoo, Paignton Zoo, Knowsley Zoo and John Ball Zoo Michigan, Naples Zoo in Florida and Capron Park Zoo in Massachusetts.

Production of new tours continued with BRICKLIVE Animal Wonders, a second Paw Patrol tour, and Brickosaurs Evolution built during the year. Additionally new models were built to supplement existing tours and some smaller tours were reorganised and amalgamated into new touring sets. Including Brickosaurs Evolution which premiered at Marwell Zoo in March 2022 we now have 27 tours; 8 large tours, 14 small tours and 5 Christmas themed tours.

BRICKLIVE Shows and Events

As in 2020 COVID-19 restrictions again prevented any BRICKLIVE shows taking place in 2021, however our largest ever Graffiti Wall did put in an appearance at the StART Art Fair at the Saatchi Gallery in October 2021. BRICKLIVE shows are due to return in 2022 with The Great Brick Adventure at the ICC Wales in June 2022 and BRICKLIVE in the Park taking place at Battersea Park in August 2022.

BRICKLIVE Custom Builds

The custom brick models and sets business has proved more resilient than events during COVID-19 related restrictions, providing a way for clients to engage their stakeholders during a time when trade shows, corporate entertainment and other traditional engagement activities are limited.

In Q1 of 2021 we signed a contract with the UK Environmental Agency to design and build a 3D model representing a Climate Change environment which will include a river running into the sea, cycle paths next to a river, houses with solar panels and wind turbines.

LCSE

In December 2020 we acquired a number of contracts, introduced several new concepts and launched our new Sports and Entertainment division, LCSE.

As well as a number of contracts novated from WSSA, our former JV partner in South Africa, the new division is also home to our involvement in K-Pop and Formula-E.

The Cape Town Cycle Tour took place in October 2021 and post balance sheet the cycle tour was run again in March 2022.

The food and wine festivals took place in Q4 2021 in Cape Town, Johannesburg, Pretoria and Durban and again post balance sheet the wine festivals will be going ahead in Q2 2022.

Formula E

Unfortunately, due to the ongoing impacts of the COVID-19 pandemic that continued to be felt in South Africa and internationally, the inaugural Cape Town E-Prix is now set to be staged in Season 9 (ie in 2023), rather than Season 8 as originally intended and announced, delaying by one year the commencement of the five-year (with additional five year option) commitment to host E-Prix in Cape Town.

There will still be further key events in 2022 building up to the inaugural race. In March 2022 the track reveal occurred where the Formula E team came to Cape Town. An e-Investment seminar to map out a 10 year programme of strategies to drive the e-mobility economic sector and positive effects on climate change with LCSE leading the preparations to host the maiden race in Cape Town was also held.

In November 2021 the Company completed the purchase of a 20% interest in E- Movement (PTY) Limited ('EMPL').

KPE

In December 2021 KPE, the Company's 50% owned subsidiary, announced the first KPOP.Flex festival would take place in Frankfurt, Germany on 14 May 2022. The festival was subsequently extended to a second day featuring K-Pop titans Monsta X, (G)I-DLE, NCT-dream, ENHyphen and Mamamoo. This is the first time a festival of this magnitude will be held in Europe.

KPE earns revenue via a number of sources including; 40% of all sponsorship revenue, 100% of the net revenue of event related on-line merchandising, 75% of merchandising at the event, 100% of broadcast and streaming rights (ex-Korea), annual consultancy fees of Euro 200,000 and a 40% percentage of ticket sale profits.

Post balance sheet dates for KPOP.Flex Frankfurt have been confirmed for 17-18 June 2023 and a second KPOP.Flex festival has been confirmed for the O2 arena, London for 22-24 September 2023.

StART.Art

In May 2021 the Company acquired a 18.6% interest in StART.Art, an online digital art platform. In November 2021 StART.Art acquired the entire issued share capital of Start (2013) Limited, the promoter of the StART Art Fair, in an all share transaction, resulting in a decrease in the Company's interest in the enlarged group from 18.6% to 14.6% with no diminution of value. In December 2021. following a reorganisation of the capital structure of StART.Art, LVCG's holding increased to 19.9%.

2021 was a year of false starts and retrenchments with BRICKLIVE and LCSE both facing challenging trading conditions in the markets in which they operate. Despite these difficulties the newly formed LCSE division achieved a divisional net profit of £33,000 in its first year and although both the BRICKLIVE Models and Sets, and Tours and Trails divisions remained loss making the continued focus on costs reduced divisional net losses by 73% (loss of £203,000 compared to 2020 loss of £748,000) and 42% (loss of £1,190,000 compared to 2020 loss of £2,047,000) respectively.

The Group continued to makes use of the Coronavirus Job Retention Scheme receiving a total of £185,000 (2020: £425,000) during the year.

	2021 £'000	2020 £'000
Revenue	**2,674**	**1,857**
Gross profit/(loss)	**36**	**(699)**
Gross profit/(loss) %	1%	(38%)
Administrative expenses	(2,880)	(3,213)
Share of results of associate	-	-
Operating loss before exceptional items	**(2,844)**	**(3,912)**
Addback: Depreciation and amortisation	1,149	824
Pre-exceptional items EBITDA loss	**(1,695)**	**(3,088)**
Exceptional items:		
Share option and warrant charge	(285)	(278)
Other exceptional costs	(79)	(4,077)
Total exceptional costs	**(364)**	**(4,355)**
Depreciation and amortisation	(1,149)	(824)
Finance costs	(108)	(110)
Taxation	(61)	144
Loss after tax	**(3,377)**	**(8,233)**

Pre-exceptional items EBITDA (PXEBITDA)
The Group uses the alternative performance measures PXEBITDA to allow the users of the consolidated financial statements to gain a clearer understanding of the underlying performance of the business without the impact of one off non-recurring costs of an exceptional nature.

Revenue
Revenues from operations increased 44% from £1,857,000 in 2020 to £2,674,000 in 2021; with the new LCSE division contributing £849,000 (2020: £nil) and BRICKLIVE contributing £1,825,000 (2020: £1,857,000) a fall of 3% resulting from a fall in fees paid by international licence partners due to the ongoing effects of COVID-19.

Regional analysis
The impact of COVID-19 continued to be felt in all markets and sectors in which the Group operates however it was felt most acutely in Asia where revenues fell 66%, from a very low base in 2020 Europe has increased 555% and the launch of LCSE has significantly increased revenues from the Middle East and Africa region.

	2021 £'000	2020 £'000	% change
United Kingdom	999	1,013	(1%)
Europe	321	49	555%
USA	314	265	18%
Asia	147	434	(66%)
Middle East & Africa	893	96	830%
	2,674	**1,857**	**44%**

Gross profit
In the prior year due to the higher operating costs of remaining COVID-19 compliant and reduced revenues associated with lower visitor numbers and restricted opening during the pandemic gross profit per event was significantly reduced, additionally a material component of cost of sales comprises depreciation on content assets which are not dependent on the number of events or revenue. The second half of 2021 saw COVID-19 restrictions lifted and an increase visitor numbers which resulted in a gross profit for the year of £36,000 (2020: gross loss £699,000).

Exceptional items
Exceptional items as detailed in Note 6 to the consolidated financial statements totalled £364,000 (2020: £4,355,000), These relate to IFRS 2 share option and warrant charges and transactional and reorganisational costs, and the impairment of associate and intangible assets.

Finance costs
Finance costs comprise loan interest charges, interest on lease liabilities in accordance with IFRS 16, and other interest charges.

Tax
The tax charge relates to deferred tax arising on timing differences and an adjustment to the prior year relating to Research and Development Tax Credits.

Loss per share
The loss per share decreased to 2.6p (2020: loss 9.8p) as set out in Note 12 to the consolidated financial statements.

Cash flows
The Consolidated Statement of Cash Flows is set out on page 45 to these consolidated financial statements.

Statement of Financial Position
The Consolidated Statement of Financial Position as at 31 December 2021 shows the Group's total net assets having decreased to £5,422,000 (2020: £5,769,000).

Capital expenditure
The Group maintained a reduced build programme throughout the year, completing three new tours Animal Wonders, Caledonia and a second Paw Patrol set as well as augmenting the existing Christmas , this equated to content additions during the year of £586,000 (2020: £921,000).

Investments and impairment
In May 2021 the Company subscribed to 389 ordinary shares in Start Art Global Limited. ('StART.Art'), representing a non-controlling stake of 18.6% of the total issued share capital of the company, for a total consideration of £1,000,000. Prior to the transaction StART.Art was 100% owned by David Ciclitira and Ranjit Murugason as detailed in Note 32.

In November 2021 StART.Art acquired the entire issued share capital of Start (2013) Limited, the promoter of the StART Art Fair, in an all share transaction, resulting in a decrease in the Company's interest in the enlarged group from 18.6% to 14.6% with no diminution of value. Prior to the acquisition Start (2013) Limited was 100% owned by David Ciclitira and Ranjit Murugason.

In December 2021, following a reorganisation of the capital structure of StART.Art, StART.Art issued a further 180 ordinary shares to LVCG for nominal consideration increasing LVCG's holding to 19.9%.

In November 2021 the Company purchased 271 ordinary shares, representing 20% of the total issued share capital, in E Movement (PTY) Limited ('EMPL') from David Ciclitira for a total consideration of £113,460. These shares were originally purchased by David Ciclitira (acting in his personal capacity) for the same amount in anticipation of them being transferred to the Company. EMPL is the South African based promoter of the Cape Town E Prix which has been confirmed for Series 9 of the ABB FIA Formula E World Championship and due to take place in February 2023.

As detailed in Notes 15, 16, 17 and 18 to the consolidated financial statements the Directors considered the carrying value of investments, goodwill and intangible assets including in the in light of the continued impact of COVID-19, together with the effects of the measures taken to contain it, in the markets in which the Group operates and have determined the changes, as described in the following table, were required at 31 December 2021.

Change in carrying value	**Group £'000**	**Company £'000**
Brick Live Far East Limited	-	-
Brick Live Group (incorporating Bright Bricks Limited)	-	3,816
Parallel Live Group	(12)	(116)
Total (decrease)/increase	**(12)**	**3,700**
Net goodwill/investments 1 January 2021	896	6,025
Additions	-	1,113
Net goodwill/investments 31 December 2021	**884**	**10,838**

Due to the improved outlook for Brick Live Group the directors determined a partial reversal of the 2020 impairment in the carrying value of the Company's investment in Brick Live Group was required.

Cash and debt position
At the year end, the Group had total cash balances of £211,000 (2020: £168,000) and total borrowings of £1,678,000 (2020: £2,045,000) giving a net debt figure of £1,467,000 (2020: £1,877,000). During the year, the Group raised new equity in May 2021 and December 2021 as detailed in Note 27.

As at 31 May 2022 the Group had total cash balances of £114,000 and total borrowings of £1,434,000.

Share options and warrants
During the year 1,500,000 (2020: 75,000) warrants were issued to investors and service providers resulting in an exceptional charge as detailed in Notes 6 and 30 to the consolidated financial statements.

In addition 11,428,572 (2020: 16,810,000) warrants were issued to investors as part of an equity raise and are therefore outside the scope of IFRS 2 and consequently there is no share-based payment charge in respect of these warrants.

Going concern
Based on the Group's balance sheet and a review of its forecast future operating budgets and forecasts, the Directors have a reasonable expectation that the Group has adequate resources to

continue in operational existence for at least twelve months from the date of signing of these consolidated financial statements. This review of future operating budgets and forecasts included certain reasonable downside scenarios and confirmed that even in the case of such downside scenarios the Group could continue to operate and comply with all covenants in our banking facilities. Accordingly, the Directors have adopted the going concern basis in preparing the Annual Report and consolidated financial statements.

The Directors have assessed the viability of the Group over a five-year period, taking account of the Group's current position and prospects, its strategic plan and the principal risks and how these are managed. Based on this assessment, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over this period.

In making this assessment, the Directors have considered the resilience of the Group in severe but plausible scenarios, taking into account the principal risks and uncertainties facing the Group and the effectiveness of any mitigating actions. The Directors' assessment considered the potential impacts of these scenarios, both individually and in combination, on the Group's business model, future performance, solvency and liquidity over the period. Sensitivity analysis was also used to stress test the Group's strategic plan and to confirm that sufficient headroom would remain available under the Group's credit facilities. The Directors consider that under each of these scenarios, the mitigating actions would be effective and sufficient to ensure the continued viability of the Group. The Directors believe that five years is an appropriate period for this assessment, reflecting the average length of the Group's contract base; key markets; and the nature of its businesses and products.

Summary
The ongoing effects of COVID-19 continued to exert a severe negative pressure on the Group and the markets and sectors in which it operates throughout much of the year. The easing of restrictions in the latter part of the year, provides an optimistic note demonstrating the Groups resilience and readiness to resume when the remaining overseas restrictions are lifted.

Richard Collett
Finance Director
29 June 2022

Live Company Group plc Board of Directors

David Ciclitira (Executive Chairman)

During his 37 year career, through his innovative vision, drive and creativity, David Ciclitira has played a significant role in shaping today's satellite broadcasting and sponsorship landscape. David was one of the four original shareholders of Europe's first satellite television station, Satellite Television plc ('SATV'), which was renamed SKY following the sale in 1983 of 65% of SATV to Rupert Murdoch's News Corporation. David remained with Sky as Deputy Managing Director until the end of 1986 when he left to found the original Parallel Media Group ('PMG').

In 1987 David founded PMG and in 1998, under David's guidance, PMG entered into a joint venture with NBC for the formation of CNBC Sports International Limited, the international sports broadcasting arm of NBC which was broadcast on its CNBC Europe and CNBC Asia platforms. PMG successfully sold its shareholding in CNBC Sports to NBC in 2004. David has revolutionised the sports marketing strategies of some of the world's leading Federations - taking European Tour golf out of Europe and into South Africa and then Asia (including introducing the first professional golf tournament to China at Mission Hills), re-launching the World Cup of Golf and bringing the event under the wing of the Five Tours, representing the World Nordic Ski Championship on behalf of the FIS, overseeing the sponsorship and broadcast strategies of the Davis Cup, raising sponsorship for the first ever Jordan Formula One team with 7Up, representing the commercial rights of the Ladies European Golf Tour, instigating the commercialisation of the English and Italian Rugby Unions, and creating the Tour of China cycling race.

David's reputation as a leading marketer and dynamic entrepreneur in the Asian marketplace led to the establishment of a joint venture with Live Nation to form Live Nation Marketing Partnership Asia Limited ('LNMPA'). In only two years since its inception, under David's guidance, LNMPA raised many USD millions in funding for a new annual Electronic Daisy Carnival festival in Tokyo.

In May 2016, David invested in Brick Live Group and became its Chairman and its majority shareholder. In December 2018, David reversed Brick Live Group and its sister company Parallel Live Group into Live Company Group Plc (LVCG), which is admitted to trading on the AIM market of the London Stock Exchange. David is the current largest shareholder and Executive Chairman of LVCG.

This wealth of experience allows David to provide first class leadership skills to LVCG at the same time as being able to drive and accelerate new business opportunities.

Bryan Lawrie (Non- Executive Director)

Bryan started his career in the London office of PKF, heading up the Business Support service team. This followed with a period of providing CFO services on a portfolio basis and then founding CFO Partners in early 2015. Bryan is an experienced interim CFO, working with CEO's and other Board directors advising on both business and financial strategic matters.

Bryan's previous experience in many CFO roles provides LVCG with a wealth of financial and commercial accounting skills required in a fast-moving organisation. His understanding of working with dynamic business models provides a robust platform to help grow the business.

Ranjit Murugason (Senior Non-Executive Director)

Ranjit joined the Board of PMG in 2010. Ranjit has over 20 years' experience in strategic advisory, corporate finance and investment banking and capital markets in Europe, Asia, the Middle East and the USA. He is the founder and Managing Director of Urban Strategic, established in London in 2003 and currently headquartered in Singapore. Previously Ranjit served as a Managing Director of the investment banking division of ABN Amro and was a senior advisor to GMR Group, one of India's largest multinational infrastructure businesses.

Ranjit's corporate finance experience provides the Board with first class corporate strategy and structure advice.

Serenella Ciclitira (Non-Executive Director)

Serenella (also known as Maria Serena Papi) has an Honours Degree in Art History from Trinity College, Dublin and since 2003 has been an Honorary Fellow at the Royal College of Art, London. She has worked extensively with art galleries and artists around the world. Between 1992 and 2000 Serenella was Group Managing Director of the pan-European satellite broadcaster Super Channel (which later became NBC Europe) and from 1998-2016 she was Managing Director of PMG which specialised in sport and music, during this period Serenella was also a Director of CNBC Sport. In 2017 Serenella joined the Board of LVCG. Serenella Ciclitira is David Ciclitira's long term partner.

Serenella's international expertise provides the Group with an effective sounding board when dealing with different cultures around the world. Serenella gives the Board a gender balanced view of matters being discussed.

Stephen Birrell (Independent Non-Executive Director)

Stephen has been working at board level and in senior executive levels for the past 16 years. He has over 35 years of experience in business and technical roles since graduating from Strathclyde University in 1985. He has co-founded several niche companies during that time including Granite Rock, a sports and competition based business; a niche technical consultancy; a knowledge management and software business and was instrumental in growing and improving a number of developing businesses.

He focuses on areas of business performance improvement, assurance, and corporate development, working with teams to achieve successful outcomes.

Stephen is an executive director of Ossian Energy Limited and an independent non-executive director for Ascent Resources Plc and is based in London.

The Executive Team

The Executive Team (formerly named Executive Board) was created early in 2019 and is chaired by David Ciclitira, the Group's Executive Chairman and attended by Richard Collett, Finance Director, Nicola Gross, Head of Live Operations and Sarah Ullman, COO. The Executive team is responsible for day-to-day operations and the development of strategic plans which are considered by the Board. The Executive Team contains additional expertise in production, operations, design services as well global event planning events and ordinarily meets each month. Since the COVID-19 outbreak, the Executive Team has been meeting regulalry. It consists of:

Name	Position
David Ciclitira(1)	Executive Chairman
Nicola Gross	Head of Live Operations
Sarah Ullman	Chief Operating Officer

Notes:
(1) Executive Chairman on the Board of Live Company Group plc

The Group is currently recruiting a new Chief Financial Officer, in the interregnum Bryan Lawrie, a Non-Executive director, is taking an active role in supporting the Executive Team in relation to the Groups finances and accounts.

Shareholder Relations

During the year, we engaged with our shareholders through a number of channels. We released a number of Company Newsletters to keep shareholders updated. However, due to the pandemic where live meetings were not permitted the Company held a number of video Q&A sessions in 2021 and they introduced a new and exciting platform called, 'Investor Meet' where individuals and businesses are able to connect regardless of the number of shares they own or where they are located.

Chairman's Corporate Governance Statement

Dear Shareholders

As Chairman I am committed to ensuring that good corporate governance is adhered to and recognise that it underpins the foundations of business. The Board is committed to fit-for-purpose corporate governance across the business, from executive level and throughout the business. The Company made the decision to adopt the Quoted Companies Alliance Corporate Governance Code 2018 ('the QCA code'). The QCA Code and the principles contained within this code are valued by the Company and seen as essential building blocks for the underlying development of the business. As Chairman it is my duty to ensure that excellent standards of governance are maintained and cascaded down throughout the organisation.

The Board is fully committed to investing in the management systems and appropriate controls to ensure that the Group's high standard of corporate governance is reflective of the quality of its operations and service.

The Directors recognise the importance of sound corporate governance commensurate with the size and nature of the Company and the interests of its shareholders. The Corporate Governance Code does not apply to companies admitted to trading on AIM and there is no formal alternative for AIM companies.

The Quoted Companies Alliance (QCA) has published a corporate governance code for small and mid-sized quoted companies, which includes a standard of minimum best practice for AIM companies, and recommendations for reporting corporate governance matters (the 'QCA Code'). The Directors comply with the QCA Code to the extent they consider it appropriate and having regard to the size and resources of the Company.

Corporate Governance Report
The Directors recognise the importance of good corporate governance and apply the QCA Code. The QCA Code was developed by the QCA in consultation with a number of significant institutional small company investors, as an alternative corporate governance code applicable to AIM companies. The correct application of the QCA Code requires us to apply the principles set out in the QCA Code and also to publish certain related disclosures; these may appear in our Annual Report, be included on our website or we can adopt a combination of the two approaches. Recommended locations for each disclosure are specified in the QCA Code.

The corporate governance framework which the Group operates is based upon practices which the Board considers appropriate for the size, risks and operations of the business.

Principle One: Business Model and Strategy
The purpose of the Group is to conceptualise, acquire rights, commercialise and deliver shows, events and exhibitions.

The Group has licensee partners and venue operators to promote and operate BRICKLIVE shows, events and exhibitions globally, providing both content and technical support to partners for a licence and content fee.

In December 2020 the Group formed a new division LCSE which focuses on sport, lifestyle and entertainment events. In 2021 we announced formation of a new KPOP joint venture called KPOP.Flex. The inaugural KPOP.Flex festival took place on the 14 and 15 May 2022 at the iconic 44,000 seater Deutsche Bank Park stadium in Frankfurt. This is the first time a festival of this magnitude was held in Europe.

The Group has partners throughout the world including Asia, Europe, North America, Middle East and Africa, and is constantly seeking to expand its global network of partners. The key to the Group's success is to establish strong relationships with reliable partners who have a track record of staging events, and to supply the best quality content to our partners.

Principle Two: Understanding Shareholder Needs and Expectations

The Board is committed to communicating effectively with its shareholders.

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders on a regular basis. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Group.

In addition, all shareholders are encouraged to attend the Company's Annual General Meeting (during non-pandemic times) and any other General Meetings that are held throughout the year. Investors also have access to current information on the Company through its website, www.livecompanygroup.com.

Principle Three: Stakeholder Responsibilities

The Board recognises the long-term success of the Group is reliant upon the efforts of the employees, contractors, suppliers and licensee partners. The Board has put in place a range of processes and systems to ensure the Board has oversight and contact with key management.

Employees: Good communication is essential and the management team holds weekly calls to discuss material matters affecting the operations of the business.

Contractors and suppliers: the Group engages a number of freelancers to support the team of permanent staff, enabling the business to scale up or down the level of support required at any time. Freelancers are considered an important resource of the business.

Shareholders: the Group communicates regularly with its shareholders, providing information updates using regulatory and non-regulatory news releases, the monthly Group Newsletter, keeping the investor section of the website up to date, and posting regular news updates from shows on the Company's social media channels, including Instagram which was added in 2021.

Principle Four: Risk Management

The Group has an established Audit Committee, chaired by Ranjit Murugason. The Audit Committee has responsibility for ensuring the effectiveness of risk management and internal controls on behalf of the Board. During the annual audit process, specific risks are identified and evaluated in detail.

A whistle blowing policy is in place to enable employees to report to the Board, in confidence, any risks or threats to the operations of the business.

The principal risks of the business are set out on pages 9 to 11. The Audit Committee reviews and assesses these risks on an annual basis.

Principle Five: A Well-Functioning Board of Directors

The time commitment formally required by the Group is an overriding principle that each Director will devote as much time as is required to carry out the roles and responsibilities that the Director has agreed to take on.

In July 2021 we were pleased to announce the appointment of Stephen Birrell as an independent Non-Executive Director. Stephen is an experienced Non-Executive and is currently a Non-Executive Director of Ascent Resources Plc and Coro Energy Plc and holds an Executive Director role at Ossian Energy Limited. He has a BSc Honours in Applied Geology, a background in geoscience bringing broad experience of Corporate Governance, Project Management, Stakeholder Relations, Joint Venture Management and Business Development. In addition to Stephen's expertise in business performance optimisation and development, he has a background in staging and promoting live events and negotiating "rights agreements".

David Ciclitira occupies the dual role of Executive Director and Chairman of the Board. Given the stage of the Company's development, David Ciclitira's experience in event marketing and promotion, and his familiarity with the Company's projects, the Company believes that it is appropriate for the roles to be combined. The Company will keep this under review as the Company develops with a view to splitting the roles when the Company can justify the need for and benefit from a separate Chief Executive.

Biographical details of the Directors are set out within the governance report on pages 18 and 19.

The Executive Chairman and Non Executive Directors are engaged under service contracts requiring between three and twelve months' notice by either party.

The Board encourages the ownership of shares in the Company by Executive and Non-Executive Directors alike and in normal circumstances does not expect Directors to undertake dealings of a short-term nature.

The Board considers ownership of Company shares by Non-Executive Directors as a positive alignment of their interest with shareholders. The Board will periodically review the shareholdings of the Non-Executive Directors and will seek guidance from its advisors if, at any time, it is concerned that the shareholding of any Non-Executive Director may, or could appear to, conflict with their duties as an independent Non-Executive Director of the Company or their independence itself. Directors' emoluments, including Directors' interest in share options over the Company's share capital, are set out in the Directors' Report.

The Board has established a Compliance Committee, Audit Committee, Remuneration Committee and a Nomination Committee.

Principle Six: Appropriate Skills and Experience of the Directors and a Group Company Secretary

The Board currently consists of five Directors following the appointment of Stephen Birrell.

The Board considers that David Ciclitira, who acts as Executive Chairman is best placed to lead and deliver the Group's strategy. David founded the Group in its current form in 2017, and has the necessary skills, expertise and global network of contacts to lead the Group through its next phase of expansion.

The Board of Directors have a diversified skill set, experience and qualities resulting in a well-balanced Board to deliver the strategy of the Group. The Group will ensure, where necessary, that all Directors receive the necessary training to keep their skillset up to date.

All Directors have access to the Company Secretary who is responsible for ensuring that Board procedures and applicable rules and regulations are observed.

Principle Seven: Evaluation of Board Performance

The Board is committed to carrying out regular evaluation of its performance and effectiveness. The last Board evaluation was completed in 2020 and the next is planned for 2022.

Principle Eight: Corporate Culture

The Group recognises its responsibility to be socially responsible and (where possible) contribute to social value, community development, local employment, apprenticeships, and training schemes. The Group endeavours to follow sustainable and responsible management practices in protecting the long-term interests of the business, its employees and community stakeholders.

Ethics and human rights: The Group aims to conduct its business with honesty and integrity, respecting human rights and the interests of its employees, partners and third parties. The Group advocates high ethical standards in carrying out its business activities and has policies for dealing with gifts, bribery, corruption, whistleblowing and inside information. The Group does not make political donations, and any charitable donations are made where legal and ethical according to local law and practices.

Relationships with suppliers, partners and contractors: The Group expects its suppliers and partners to adhere to business principles consistent with its own and to implement appropriate polices and codes of conduct. The Group is committed to maintaining positive relationships with its suppliers, partners and contractors.

Child safety and health and safety: we are fully aware of our, and our partners' health and safety and child safety responsibilities. All of our partners are obliged to comply with all local health and safety legislation to ensure the safety of all children attending BRICKLIVE events. Post COVID-19 we are still very focused on the health and safety of our visitors.

Our people: The Group has a dynamic team, which is highly valued. The Group has adopted a share incentive scheme for staff to ensure they can participate in the long-term success of the Group.

Local communities: the Group is committed to being a responsible neighbour, with investment in local communities and charitable causes where appropriate.

The Company has adopted a share dealing code for the Directors and applicable employees of the Group for the purpose of ensuring compliance by such persons with the provisions of the AIM rules relating to share dealings in the Company's securities. This particularly applies to the provisions of Rule 21 of the AIM Rules and the Market Abuse Regulation. The Directors consider the share dealing code is appropriate for a Company whose shares are admitted to trading on AIM.

Principle Nine: Maintenance of Governance Structures and Processes

The Chairman has overall responsibility for corporate governance and promoting high standards throughout the Group. He chairs the Board and leads in the development of strategy and setting objectives, oversees communication between the Company and its shareholders. The corporate governance framework which the Group operates is based upon practices which the Board considers appropriate for the size, risks and operations of the business. The Board meetings occur at least four times a year and in 2021 there were 12 Board meetings but due to the pandemic they were mainly virtual.

The Board is amongst other things, responsible for:

- establishing and maintaining the Group's system of internal controls;
- setting strategic objectives and policies for the Group;
- setting annual budgets and monitoring performance against budget;
- the preparation and approval of the Group's annual report and accounts and interim results;
- ensuring the financing needs of the Group are met;
- approving the key terms of any significant contracts and significant expenditure;
- employee welfare; and
- shareholder communications.

The Non-Executive Directors provide a robust sounding board and challenge management where necessary.

It is crucial to ensure the Company is compliant with AIM Rule 31 and that the Company must have in place sufficient procedures, resources and controls to enable it to comply with the AIM Rules Compliance Committee and the AIM Rules Compliance Policy. The AIM Rules Compliance Committee comprises Sarah Ullman, Ranjit Murugason and David Ciclitira (Chair).

The Compliance Committee was formed towards the end of 2019. It is responsible for overseeing compliance with AIM Rules and includes weekly meetings with the Nomad. The Committee will review the Insider Company List and will ensure this is maintained and kept up to date, where appropriate.

The Audit Committee monitors the integrity of financial statements, oversees risk management and internal controls, and reviews the independence of the external auditors. The members of the Audit Committee are: Ranjit Murugason (Chair), David Ciclitira and Serenella Ciclitira. The Audit Committee meetings occur at least twice each financial year and in 2021 met two times. In 2021, the Committee:

- Approved audited and interim financial statements; including key judgements and policies to ensure they are fair, balanced and understandable for our shareholders;
- Reviewed and recommended the reappointment of our external Auditor, Moore Kingston Smith LLP, including fee structure; and
- Carried out a comprehensive review of the Company’s Financial Position and Prospects Procedures manual.

In 2022 Stephen Birrell will be joining the Audit Committee.

The Remuneration Committee sets and reviews the remuneration of Executive Directors and is responsible for the implementation of any share-based incentive schemes, including the setting of targets and performance frameworks relating to any such share-based incentive schemes. The members of the Remuneration Committee are: Ranjit Murugason (Chair) who is joined by at least one other Director by invitation. The Remuneration Committee meetings occur at least once each financial year and in 2021 they met once.

In 2021, the Remuneration Committee considered the remuneration package for the Executive team. They will continue to monitor the pay and benefits of all Executives.

In 2022 Stephen Birrell will be joining the Remuneration Committee.

The Nomination Committee is responsible for succession planning and reviewing the Board composition to ensure the Board has an effective blend of skills and experience. The members of the Nomination Committee are: David Ciclitira (Chair), Ranjit Murugason and Serenella Ciclitira. The Nomination Committee meetings occur as and when required and in 2021 they met once.

In 2021, the Nomination Committee reviewed the composition of the Board and continually monitored the requirement of the QCA Code to which the Company adheres with regards to the balance of the Board. After the year end, and in line with best practice, the Board have appointed Stephen Birrell, the senior independent director, to undertake a full board review.

In 2022 Stephen Birrell will be joining the Nomination Committee.

The Executive team retains full control of the Group’s operational management but has delegated day to day control to Executive Directors. A full description of the Executive team is found on page 19.

Principle Ten: Shareholder Communication

The Board is committed to communicating effectively with its shareholders and responds quickly to queries received. The Chairman is primarily responsible for communicating with shareholders and speaks regularly with the Company's major shareholders to ensure that their views are communicated to the Board. The Board attempts to ensure that, where possible, all Directors are present at Company AGMs to meet with and listen to the views of shareholders. To the extent that voting decisions are not in line with expectations, the Board will engage with shareholders to understand and address any issues.

Sustainability Agenda

We are committed to reviewing our environmental policy with regards to plastic consumption. We are proud to produce fantastic models that can be enjoyed by all, the models have a ten year life span although individual bricks can be used for a significantly longer period and be deemed 'bricks for life'.

All 'loose' plastic bricks which can no longer be used in our famous brick pits will be recycled in our fantastic models to avoid unnecessary disposal.

We are proud to be creating touring assets which can be exhibited in zoos across the world. Some of our tours comprise of endangered and/or extinct animals which are not always available to discover in zoos.

Through the promotion of e-Fest and the Cape Town e-Prix the Groups LCSE division actively supports the move to carbon free transport and promotion of electric vehicles.

We are a global brand providing content around the world and are therefore conscious of our carbon footprint, which is why we will seek to deliver as many tours and models using sea freight, where practical and possible. Furthermore, we are establishing touring asset collections which will remain in certain geographic regions around the world to ensure transport distances are minimised.

This report was approved by the Board of Directors on 29 June 2022 and signed on its behalf by

David Ciclitira
Chairman
29 June 2022

In accordance with section 414c (11) of the Companies Act 2006, the Directors have chosen to include information about the future developments and principal risks and uncertainties in the Strategic Report.

Principal activities
The principal activity of the Group is to create and provide content for BRICKLIVE shows and events worldwide and provide access to international sports and entertainment events via its LCSE division.

Branches in the EU
The Group has no branches in the EU.

Financial risk management
The Group's financial risk management objectives are detailed in Note 24.

Dividend
No dividend is recommended in respect of the year ended 31 December 2021 (2020 - £Nil).

Directors
The Directors during the year and their periods of office were as follows.

David Ciclitira	-	Executive Chairman
Bryan Lawrie	-	Non-Executive Director
Simon Horgan	-	Non-Executive Director (resigned 17 February 2021)
Ranjit Murugason	-	Non-Executive Director
Trudy Norris-Grey	-	Non-Executive Director (resigned 14 February 2021)
Serenella Ciclitira	-	Non-Executive Director
Mark Freebairn	-	Non-Executive Director (resigned 14 February 2021)
Stephen Birrell	-	Non-Executive Director (appointed 27 July 2021)

Directors' interests in shares
The beneficial interests in the Ordinary share capital of the Company of the Directors in office at 31 December 2021 were as follows:

Director	2021 1p Ordinary shares	2020 1p Ordinary shares
David Ciclitira (and owned companies)*	36,684,874	34,084,874
Maria Serena Papi (Serenella Ciclitira)*	1,562	1,562
Ranjit Murugason	1,320,317	1,320,317
Bryan Lawrie	90,384	90,384
Stephen Birrell	-	-

** connected persons*

The number of 1p Ordinary shares or beneficial interest in the 1p Ordinary shares held by David Ciclitira are as follows:

Holder	2021 1p Ordinary shares	2020 1p Ordinary shares	Beneficial interest
David Ciclitira	36,361,908	33,761,908	Held by D Ciclitira directly
Zedra Trustees (Jersey) Limited	206,532	206,532	A discretionary trust, of which D Ciclitira is a potential beneficiary
Luna Trading Limited	116,434	116,434	A Company held by a discretionary trust, of which D Ciclitira is a potential beneficiary
Maria Serena Papi (Serenella Ciclitira)	1,562	1,562	Held indirectly by Serenella Ciclitira (long term partner of D Ciclitira)
	36,686,436	**34,086,436**	

Substantial shareholdings
The following investors notified the Directors that they currently hold or are beneficially interested in 3% or more of the Company's 183,954,577 1p Ordinary shares in issue as at 31 May 2022.

	No. of 1p Ordinary shares	% of issued share capital
David Ciclitira*	36,686,436	19.94
Ranjit Murugason	6,367,937	3.46
Brick Live Lab Limited**	9,832,060	5.34
CIDEA Limited**	333,333	0.18
Monecor (London) Limited	16,616,430	9.03
Premier Miton Group Plc	19,428,571	10.56
	89,264,767	**48.53**

* David Ciclitira interest includes Ordinary Shares held directly by him, Ordinary Shares held through his connected entities including Zedra Trustees (Jersey) Limited and Luna Trading Limited and Ordinary Shares held by Serenella Ciclitira.

** Brick Live Lab Limited and CIDEA Limited are controlled by Mr Hyun Seok Kim.

Current Director Shareholdings
Set out below are the Directors' interests in the Ordinary share capital of the Company at 31 May 2022 together with details of options and warrants as set out in Notes 27 and 30.

	No. of 1p Ordinary shares	% of issued share capital	No. of warrants	No. of options
David Ciclitira (and owned companies)*	36,684,874	19.94	480,765	1,341,891
Maria Serena Papi (Serenella Ciclitira)*	1,562	0.00	-	-
Ranjit Murugason	6,367,937	3.46	-	-
Bryan Lawrie	838,051	0.46	-	335,472
Stephen Birrell	428,572	0.23	-	-
	44,320,996	**24.09**	**480,765**	**1,677,363**

** connected persons*

Directors' Liability Insurance
During the year, Directors' and officers' liability insurance was maintained for Directors and other officers of the Company as permitted by the Companies Act 2006.

Material Interests
So far as the Board is aware, no director had any material interest in a contract of significance (other than their service contract) with the company or any of its subsidiary companies during the period.

Post balance sheet events
Post balance sheet events have been detailed in the Strategic Report and in Note 35.

Disclosure of Information to Auditor
In the case of each of the Directors who are Directors of the Company at the date when this report is approved:

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

Auditor
The Company re-appointed Moore Kingston Smith LLP as auditors for the Company for the financial year 2021. A resolution to re-appoint Moore Kingston Smith LLP will be put to the shareholders at the next Annual General Meeting.

On behalf of the Board

David Ciclitira
Chairman
29 June 2022

Section 172(1) of the Companies Act 2006 requires the Directors of the Company to act in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

a) The likely consequences of any decision in the long-term;
b) The interests of the Company's employees;
c) The need to foster the Company's business relationships with suppliers, customers and others;
d) The impact of the Company's operations on the community and the environment;
e) The desirability of the Company maintaining a reputation for high standards of business conduct; and
f) The need to act fairly as between members of the Company.

The Board of Directors is collectively responsible for the decisions made towards the long-term success of the Company and how the strategic, operational and risk management decisions have been implemented throughout the business is detailed in the Strategic Report on pages 7 to 13.

Employees

Our employees are one of the primary assets of our business, and the Board recognises that our employees are the key resource that enables delivering the Group's strategy and goals.

Annual pay and benefit reviews are carried out to determine whether all levels of employees are benefited equally and to retain and encourage skills vital for the business. The Remuneration Committee oversees and makes recommendations of executive remuneration and option awards.

The Board periodically reviews the health and safety measures implemented in the business premises and improvements are recommended for better practices.

A number of staff have worked remotely during the year.

Suppliers, Customers and Regulatory Authorities

The Board acknowledges that a strong business relationship with suppliers and customers is a vital part of the growth. Whilst day-to-day business operations considering suppliers and customers are delegated to the executive management, the Board sets directions and evaluates policies with regard to new business ventures and investing in research and development. The Board upholds ethical business behaviour and encourages management to seek comparable business practices from all suppliers and customers doing business with the Company.

We value the feedback we receive from our stakeholders and we take every opportunity to ensure that, where possible, their wishes are duly considered. The Board is aware of its regulatory requirements and receives training and advice when required. In 2020 the directors received a refresher update on the requirements under the UK Market Abuse regulations and disclosure of information to the Market.

Maintaining High Standards of Business Conduct

The Company is incorporated in the UK and governed by the Companies Act 2006. The Company has adopted the Quoted Companies Alliance Corporate Governance Code 2018 (the "QCA Code") and the Board recognises the importance of maintaining a good level of corporate governance, which, together with the requirements to comply with the AIM Rules, ensures that the interests of the Company's stakeholders are safeguarded.

Anti-corruption and anti-bribery training are compulsory for all staff and contractors, and the anti-bribery statement and policy is contained in the Company's Employee Manual. The Company's expectation of honest, fair and professional behaviour is reflected by this and there is zero tolerance for bribery and unethical behaviour by anyone relating to the Company.

The importance of making all staff feel safe in their environment is maintained and a whistleblowing policy is in place to enable staff to confidentially raise any concerns freely and to discuss any issues that arise. Strong financial controls are in place and are well documented. The risk framework and key business risks reviewed by the Audit Committee which in turn reports to the Board.

Additionally the Board upholds high standards of care towards the community and environment.

Shareholders

The Board recognises the significance of transparent and effective communications with its investors and places equal importance on all shareholders. As an AIM listed company, there is a need to provide fair and balanced information in a way that is understandable to all stakeholders and particularly our shareholders. The primary communication tool with our shareholders is through the Regulatory News Service ("RNS"), on regulatory matters and matters of material substance. The Company's website provides details of the business, investor presentations and details of the Board and Committees, changes to major shareholder information, QCA Code disclosure and updates under AIM Rule 26. Changes are promptly published on the website to enable the shareholders to be kept abreast of Company's affairs. The Company's Annual Report and Notice of Annual General Meetings (AGM) are available to all shareholders. The Interim Report and other investor presentations are also available and can be downloaded from our website.

Typically, pre COVID-19, the chair of the Audit Committee and the chair of the Remuneration and Nominations Committee attend the AGM and are available to answer any questions. There are also opportunities throughout the year for shareholders to engage with the Board and members of the Executive Team, through general meetings, investor events and the Company's Q&A sessions.

The Board is mindful that with the global COVID-19 pandemic, face-to-face meetings with shareholders have not been possible during 2021. The Company has endeavoured to maintain communication with investors remotely and believes that engagement has been carried out efficiently during these challenging times

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

Company law requires the Directors to prepare Group and Company financial statements for each financial year. As required by the AIM Rules of the London Stock Exchange, the Directors have prepared the Group financial statements in accordance with UK adopted International Financial Reporting Standards and have also elected to prepare the parent Company financial statements in accordance with those standards. Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the Group financial statements have been prepared in accordance with UK adopted international accounting standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group 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 Company and the Group 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 and other information included in annual reports may differ from legislation in other jurisdictions.

We have audited the financial statements of Live Company Group Plc (the 'parent Company' and its subsidiaries (the 'Group')) for the year ended 31 December 2021, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Financial Reporting Standards (IFRSs) and, as regards the parent Company financial statements, as applied in accordance with the provisions 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 December 2021 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements 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 financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

An overview of the scope of our audit

Our audit of the Group and parent Company financial statements was scoped by obtaining an understanding of the Group and parent Company and their environment, including Group wide controls, and assessing the risks of material misstatement at the Group and parent Company level. The whole of the Group is audited by one audit team, led by the Senior Statutory Auditor. Our approach in respect of key audit matters is set out in the table in the Key Audit Matters section. The audit is performed centrally and comprises all of the companies within the Group,

Our audit approach was a risk-based approach founded on a thorough understanding of the Group's business, its environment and risk profile. We conducted substantive audit procedures and evaluated the Group's internal control environment. The components of the Group were evaluated by the Group audit team based on a measure of materiality, considering each component as a percentage of the Group's gross assets, revenue and gross profit, which allowed the Group audit team to assess the significance of each component and determine the planned audit response.

For those components that were evaluated as significant components, either a full scope or specified audit approach was determined based on their relative materiality to the group and our assessment of the audit risk. For significant components requiring a full scope audit approach, we evaluated controls by performing walkthroughs over the financial reporting systems identified as part of our risk assessment, reviewed the accounts production process and material account balances.

In order to address the audit risks identified during our planning procedures we performed a full scope audit of the financial statements of the parent company and we performed specified audit procedures over the other components in the Group.

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) we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Audit area and description	Audit approach
Carrying value of Goodwill and related cost of investment	
The consolidated financial statements include goodwill of £0.896m in respect of the acquisition of Parallel Live Group (£0.896m), acquisition of the remaining shares in Brick Live Far East £nil) and the acquisition of Bright Bricks (£nil). The Company financial statements include investments of £6.025m in respect of Parallel Live Group (£1m) and Brick Live Group (£5.025m). The Group's accounting policy for goodwill is shown in note 2.1 and related disclosures are included in note 17**.**	We assessed the Directors' assertion that an impairment of £0.012m was required in respect of goodwill arising on acquisitions at 31 December 2021 by reference to the trading performance and cash and profit forecasts of the acquired entities. We critically assessed and challenged the assumptions made by the Directors in their preparation of the cash flow and profit forecasts including an assessment against current year trading to date. We identified material misstatements in respect of the carrying value of investments which has resulted in an impairment charge of $0.116m in respect of Parallel Live Group and a £3.816m reversal of an impairment in respect of Brick Live Group.
Carrying value of other intangible assets	
The consolidated financial statements include other intangible assets in respect of contract rights of £1.172m. The Group's accounting policy for intangible assets is shown in note 2.2 and related disclosures are included in note 15.	We critically assessed the carrying value of the contract rights by reference to the financial performance of the contracts. We reviewed and assessed the disclosures within the financial statements to ensure they are appropriate.
Accounting treatment and carrying value of other investments	
The consolidated financial statements include other investments in respect of the acquisition of E Movement (PTY) Limited and Start Art Global Limited of £0.113m and £1m respectively. The Group's accounting policy for investments is shown in note 2.3 and related disclosures are included in note 16,	We critically reviewed the Start Art Global forecasts produced to support the carrying value of the investments. We critically assessed the accounting treatment of the investments and managements assertion that neither investment should be accounted for as an associate. We critically reviewed the disclosures in the financial statements.

Audit area and description	Audit approach
Assessment of the accounting treatment of share options and warrants issued	
The company has previously issued share options under a Share Option Plan adopted in April 2019 and issued warrants in the year in connection with an equity fund raise. The Group's accounting policy for share options and warrants is shown in note 2.9 and related disclosures are included in note 30.	We re-performed the Black-Scholes option pricing model calculation of the share option and warrants charge prepared by the Directors under IFRS 2. We critically assessed and challenged the variables used by the Directors in their Black-Scholes option pricing calculation. We critically assessed the Directors' assertion that the warrants issued as part of the equity fund raise were issued to equity holders in their capacity as equity holders and were therefore outside the scope of the requirements of IFRS 2.
Going concern Although the Group had net current assets at 31 December 2021, the Group's activities have been significantly impacted by the ongoing COVID-19 pandemic and the measures taken to contain it. The Group has incurred a further significant loss in the period to the date of approval of the financial statements and has limited cash funds currently available. These factors indicate the existence of uncertainties at the date of signing the consolidated financial statements as to whether the Group can continue to operate as a going concern. The Group's accounting policy of going concern is shown in note 1.1.	The Directors have prepared cash flow forecasts for the period to 31 December 2026. We have critically assessed and challenged the assumptions included in these cash flow forecasts and performed appropriate sensitivity analysis on the forecasts. We have critically assessed the Directors' ability to raise further funds either by way of debt finance or equity fundraise or by the provision of additional support to the Group. We have critically assessed the disclosures included in note 1.1 to the consolidated financial statements to determine whether they were appropriate.

Our application of materiality
The scope and focus of our audit was influenced by our assessment and application of materiality. We define materiality as the magnitude of misstatement that could reasonably be expected to influence the readers and the economic decisions of the users of the financial statements. We use materiality to determine the scope of our audit and the nature, timing and extent of our audit procedures and evaluate the effect of misstatements both individually and on the financial statements as a whole.

In the light of reduced revenues due to the ongoing COVID-19 pandemic, we considered gross assets to be the main focus for users of the financial statements, and this influenced our judgement of an appropriate metric on which to base our materiality calculation. Based on our professional judgement we determined materiality for the Group to be £109,000 based on a percentage of gross assets (0.9%). We determined materiality for the parent company to be £100,000 based on a percentage of gross assets (0.7%).

On the basis of our risk assessment, together with our assessment of the overall control environment, our judgement was that performance materiality (i.e. our tolerance for misstatement in an individual account or balance) for the Group and Company were 50% of materiality, namely £54,500 and £50,000 respectively.

We agreed to report to the Audit Committee all Group and Company audit differences in excess of £5,450 and £5,000 respectively, the thresholds that we had calculated as clearly trivial to the consolidated and company financial statements, and any other differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also reported disclosure matters that we identified when assessing the overall presentation of the financial statements.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included a critical analysis of the forecasts prepared by the Group for at least twelve months from the date of approval of the audit report, conducting appropriate sensitivity analysis on the forecasts, challenging management as to the assumptions used in the forecasts, and consideration of the post-year end performance of the Group including a review of available banking and loan facilities.

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

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

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters 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 directors
As explained more fully in the Directors' Responsibilities Statement set out on page 32, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the FRC's website at https://wwww.frc.org.uk/auditors/auditor-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor's-responsibilities-for

This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK adopted International Accounting Standards, the rules of the Alternative Investment Market, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

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 for no purpose other than to draw to the attention of the Company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the Company and Company's members as a body, for our work, for this report, or for the opinions we have formed.

29 June 2022

Matthew Banton (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

	Note	Year to 31 December 2021 £'000	2020 £'000
Continuing operations			
Revenue	4	2,674	1,857
Cost of sales		(2,638)	(2,556)
Gross profit/(loss)		**36**	**(699)**
Administrative expenses			
Foreign exchange		-	(17)
Depreciation and amortisation of non-financial assets		(393)	(119)
Other administrative expenses		(2,487)	(3,077)
Total administrative expenses		**(2,880)**	**(3,213)**
Share of result of associate	18	-	-
Operating loss before exceptional items	5	**(2,844)**	**(3,912)**
Exceptional items	6	(364)	(4,355)
Operating loss after exceptional items		**(3,208)**	**(8,267)**
Finance costs	10	(108)	(110)
Loss for the year before tax		**(3,316)**	**(8,377)**
Taxation	11	(61)	144
Loss for the year		**(3,377)**	**(8,233)**
Other comprehensive income		-	-
Total comprehensive income for the year attributable to the equity holders of the parent Company		**(3,377)**	**(8,233)**
Loss per share – continuing and total operations -basic and diluted	12	**(2.6p)**	**(9.8p)**

	Note	Consolidated		Company	
		2021	2020	2021	2020
		£'000	£'000	£'000	£'000
Non-current assets					
Property, plant and equipment	13	3,932	4,144	-	-
Intangible assets	15	1,231	1,516	1,173	1,450
Right of use assets	14	169	231	-	-
Investments	16	1,113	-	10,838	6,025
Goodwill	17	884	896	-	-
Investments in associates and joint ventures	18	-	-	-	-
Total non-current assets		**7,329**	**6,787**	**12,011**	**7,475**
Current assets					
Inventories	19	3,805	4,831	-	-
Trade and other receivables	20	512	404	1,330	1,460
Cash and cash equivalents	21	211	168	-	191
Total current assets		**4,528**	**5,403**	**1,330**	**1,651**
Total assets		**11,857**	**12,190**	**13,341**	**9,126**
Current liabilities					
Borrowings	22	477	615	56	167
Trade and other payables	23	2,636	2,364	970	1,037
Lease liabilities	25	66	60	-	-
Accruals and deferred income	23	1,172	1,120	336	343
Total current liabilities		**4,351**	**4,159**	**1,362**	**1,547**
Net current assets /(liabilities)		**177**	**1,244**	**(32)**	**104**
Non-current liabilities					
Deferred tax	26	761	644	359	288
Borrowings	22	1,201	1,430	185	83
Lease liabilities	25	122	188	-	-
Total non-current liabilities		**2,084**	**2,262**	**544**	**371**
Net assets		**5,422**	**5,769**	**11,435**	**7,208**
Equity					
Share capital	27	5,682	5,165	5,682	5,165
Share premium	28	27,024	25,004	27,024	25,004
Other reserves		(23,698)	(23,697)	557	557
Own shares reserve		(2,111)	(2,151)	-	-
Merger reserve		14,472	14,472	14,472	14,472
Capital redemption reserve		5,034	5,034	5,034	5,034
Share option reserve	30	515	496	515	496
Retained earnings		(21,496)	(18,554)	(41,849)	(43,520)
Equity attributable to equity holders of the parent		**5,422**	**5,769**	**11,435**	**7,208**

As permitted by section 408 of the Companies Act 2006 the parent company's profit and loss account has not been included in these financial statements. The parent company profit for the year, amounted to £1,404,000 (2020: £15,732,000 loss).

The financial statements were approved and authorised for issue by the Board of Directors on 29 June 2022 and were signed on its behalf by:

David Ciclitira
Chairman
Company Registration No. 00630968

CONSOLIDATED AND COMPANY STATEMENTS OF CHANGES IN EQUITY for the year ended 31 December 2021

	Ordinary Share Capital £'000	Share Premium £'000	Reverse acquisition reserve £'000	Forex reserve £'000	Own shares reserve £'000	Merger reserve £'000	Capital Redemption reserve £'000	Share option reserve £'000	Retained Earnings £'000	Total £'000
Consolidated										
As at 31 December 2020	**5,165**	**25,004**	**(24,268)**	**571**	**(2,151)**	**14,472**	**5,034**	**496**	**(18,554)**	**5,769**
Loss for the period	-	-	-	-	-	-	-	-	(3,377)	**(3,377)**
Shares issued for cash	414	1,486	-	-	-	-	-	-	-	**1,900**
Debt to share conversion	103	644	-	-	-	-	-	-	-	**747**
Forex differences arising on conversion	-	-	-	(1)	-	-	-	-	-	**(1)**
Own share reserves	-	-	-	-	40	-	-	-	-	**40**
Gain on sale of own shares	-	-	-	-	-	-	-	-	168	**168**
Warrant charge	-	-	-	-	-	-	-	63	-	**63**
Options charge	-	-	-	-	-	-	-	223	-	**223**
Options charge transfer	-	-	-	-	-	-	-	(267)	267	**-**
Share issue costs	-	(110)	-	-	-	-	-	-	-	**(110)**
At 31 December 2021	**5,682**	**27,024**	**(24,268)**	**570**	**(2,111)**	**14,472**	**5,034**	**515**	**(21,496)**	**5,422**
Company										
As at 31 December 2020	**5,165**	**25,004**	**-**	**557**	**-**	**14,472**	**5,034**	**496**	**(43,520)**	**7,208**
Profit for the period	-	-	-	-	-	-	-	-	1,404	**1,404**
Shares issued for cash	414	1,486	-	-	-	-	-	-	-	**1,900**
Debt to share conversion	103	644	-	-	-	-	-	-	-	**747**
Warrant charge	-	-	-	-	-	-	-	63	-	**63**
Options charge	-	-	-	-	-	-	-	223	-	**223**
Options charge transfer	-	-	-	-	-	-	-	(267)	267	**-**
Share issue costs	-	(110)	-	-	-	-	-	-	-	**(110)**
At 31 December 2021	**5,682**	**27,024**	**-**	**557**	**-**	**14,472**	**5,034**	**515**	**(41,849)**	**11,435**

	Ordinary Share Capital £'000	Share Premium £'000	Reverse acquisition reserve £'000	Forex reserve £'000	Own shares reserve £'000	Merger reserve £'000	Capital Redemption reserve £'000	Share option reserve £'000	Retained Earnings £'000	Total £'000
Consolidated										
As at 31 December 2019	**4,878**	**23,480**	**(24,268)**	**571**	**-**	**14,067**	**5,034**	**218**	**(10,321)**	**13,659**
Loss for the period	-	-	-	-	-	-	-	-	(8,233)	**(8,233)**
Shares issued for cash	160	840	-	-	-	-	-	-	-	**1,000**
Shares issued on acquisition of subsidiary and novation of contracts	60	135	-	-	-	405	-	-	-	**600**
Debt to share conversion	67	633	-	-	-	-	-	-	-	**700**
Own share reserves	-	-	-	-	(2,151)	-	-	-	-	**(2,151)**
Warrant charge	-	-	-	-	-	-	-	56	-	**56**
Options charge	-	-	-	-	-	-	-	222	-	**222**
Share issue costs	-	(84)	-	-	-	-	-	-	-	**(84)**
At 31 December 2020	**5,165**	**25,004**	**(24,268)**	**571**	**(2,151)**	**14,472**	**5,034**	**496**	**(18,554)**	**5,769**
Company										
As at 31 December 2019	**4,878**	**23,480**	**-**	**557**	**-**	**14,067**	**5,034**	**218**	**(27,788)**	**20,446**
Loss for the period	-	-	-	-	-	-	-	-	(15,732)	**(15,732)**
Shares issued for cash	160	840	-	-	-	-	-	-	-	**1,000**
Shares issued on acquisition of subsidiary and novation of contracts	60	135	-	-	-	405	-	-	-	**600**
Debt to share conversion	67	633	-	-	-	-	-	-	-	**700**
Warrant charge	-	-	-	-	-	-	-	56	-	**56**
Options charge	-	-	-	-	-	-	-	222	-	**222**
Share issue costs	-	(84)	-	-	-	-	-	-	-	**(84)**
At 31 December 2020	**5,165**	**25,004**	**-**	**557**	**-**	**14,472**	**5,034**	**496**	**(43,520)**	**7,208**

	Consolidated		Company	
	2021	**2020**	**2021**	**2020**
	£'000	**£'000**	**£'000**	**£'000**
Cash flows from operating activities				
Operating loss	(2,844)	(3,912)	(1,509)	(1,122)
Share of result of associate	-	-	-	-
Depreciation	801	751	-	-
Amortisation of intangible assets	286	11	277	-
Depreciation of right of use assets	62	61	-	-
Loss on disposal of property, plant and equipment	-	192	-	-
Corporation tax refund	55	209	-	-
Net cash flow from exceptional items	(66)	(819)	(66)	(626)
Decrease in inventories	1,026	1,421	-	-
(Increase)/decrease in receivables	(108)	404	(231)	1,061
Increase in payables	1,070	732	673	631
Cash generated from/(used in) operations	**282**	**(950)**	**(856)**	**(56)**
Cash flow from investing activities				
Acquisition of intangible fixed assets	(1)	(51)	-	(50)
Acquisition of investments	(1,113)	-	(1,113)	-
Acquisition of property, plant and equipment	(589)	(935)	-	-
Disposal of property, plant and equipment	-	-	-	-
Net cash used in investing activities	**(1,703)**	**(986)**	**(1,113)**	**(50)**
Cash flow from financing activities				
Issue of equity	1,900	1,000	1,900	1,000
Repayment of lease liabilities	(60)	(55)	-	-
Proceeds from sale of own shares	209	-	-	-
Proceeds from borrowings	-	2,250	-	250
Loans repaid	(367)	(995)	(9)	(995)
Interest paid	(108)	(110)	(3)	7
Share issue costs	(110)	(84)	(110)	(84)
Net cash generated from financing activities	**1,464**	**2,006**	**1,778**	**178**
Net cash inflow/(outflow)	**43**	**70**	**(191)**	**72**
Cash and cash equivalents at beginning of the year	**168**	**98**	**191**	**119**
Net increase/(decrease) in cash and cash equivalents	**43**	**70**	**(191)**	**72**
Cash and cash equivalents at end of the year	**211**	**168**	**-**	**191**

The impairment of £116,000, reversal of impairment of £3,816,000 and the settlement of deferred consideration of £747,000 by the issue of equity in the company and group are non-cash transactions.

1. Basis of preparation

These financial statements have been prepared on the historical cost basis as modified by use of the fair-value basis where required and in accordance with UK adopted International Accounting Standards (IFRS), and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS as at 31 December 2021.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts in the financial statements which are disclosed in Note 3 to these consolidated financial statements.

The consolidated financial statements of the Group are presented in UK Pounds Sterling ("GBP"), rounded to the nearest thousand.

1.1 Going concern

These financial statements have been prepared on a going concern basis. The Consolidated Statement of Comprehensive Income shows a loss of £3,377,000 for the year ended 31 December 2021 (2020: £8,233,000 loss). The Consolidated Statement of Financial Position shows net current assets of £177,000 (2020: £1,244,000 net current assets). In assessing going concern the Directors have considered the Group's cash flows, solvency and liquidity positions.

Based on the Group's balance sheet and a review of its forecast future operating budgets and forecasts, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least twelve months from the date of signing of these consolidated financial statements. This review of future operating budgets and forecasts included certain reasonable downside scenarios and confirmed that even in the case of such downside scenarios the Group could continue to operate and comply with all covenants in our banking facilities. Accordingly, the Directors have adopted the going concern basis in preparing the Annual Report and consolidated financial statements.

The Directors have assessed the viability of the Group over a five-year period, taking account of the Group's current position and prospects, its strategic plan and the principal risks and how these are managed. Based on this assessment, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over this period.

In making this assessment, the Directors have considered the resilience of the Group in severe but plausible scenarios, taking into account the principal risks and uncertainties facing the Group and the effectiveness of any mitigating actions. The Directors' assessment considered the potential impacts of these scenarios, both individually and in combination, on the Group's business model, future performance, solvency and liquidity over the period. Sensitivity analysis was also used to stress test the Group's strategic plan and to confirm that sufficient headroom would remain available under the Group's credit facilities. The Directors consider that under each of these scenarios, the mitigating actions would be effective and sufficient to ensure the continued viability of the Group. The Directors believe that five years is an appropriate period for this assessment, reflecting the average length of the Group's contract base; key markets; and the nature of its businesses and products.

Consequently, the Directors have prepared these consolidated financial statements on the going concern basis, which assumes that the Group will continue in operational existence for the foreseeable future.

1.2 Adoption of standards effective in 2021

The following new and revised Standards and Interpretations have been issued and are effective for the current financial period of the Company:

- Interest Rate Benchmark Reform Phase 2 – amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16; and
- COVID-19 Related Rent Concessions (Amendment to IFRS 16).

1.3 IFRS in issue but not applied in the current financial statements

The following IFRS and IFRIC Interpretations have been issued but have not been applied by the Company in preparing these financial statements as they are not as yet effective. The Company intends to adopt these Standards and Interpretations when they become effective, rather than adopt them early:

- Amendments to IAS 1 - Classification of Liabilities as Current or Non-current;
- Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before intended use;
- Amendments to IFRS 3 - Reference to the Conceptual Framework;
- Amendments to IAS 37 - Onerous Contracts – Cost of Fulfilling a Contract; and
- Annual Improvements to IFRS Standards 2018–2020.

The directors do not expect that the adoption the Standards listed above will have a material impact on the Company in future periods.

A number of IFRS and IFRIC Interpretations are also currently in issue which are not relevant for the Company's activities and which have not therefore been adopted in preparing these financial statements.

Other new and amended Standards and Interpretations issued by the IASB that will apply for the first time in the next annual financial statements are not expected to impact the Company as they are either not relevant to the Company's activities or require accounting which is consistent with the Company's current accounting policies.

2. Accounting policies

2.1. Basis of consolidation

The consolidated financial statements incorporate:

- the results of LVCG, Brick Live Group Limited ('Brick Live Group'), Parallel Live Group Limited ('Parallel Live Group'), Bright Bricks Limited ('Bright Bricks Group'), Live Company Sports and Entertainment Limited ('LCSE'), E Movement Holdings Ltd ('EMHL'), Live Company Group EBT Limited ('EBT') and their subsidiary companies for the year ended 31 December 2021.
- the assets and liabilities of LVCG, Brick Live Group, Parallel Live Group, Bright Bricks Group, LCSE, EMHL, EBT and their subsidiary companies at 31 December 2021.

Business combinations

The information contained in this note sets out how the Group typically accounts for Business Combinations, which is effectively using the purchase method explained in IFRS 3, 'Business Combinations'.

Subsidiary undertakings are all entities over which the Group has the power to govern the financial and operating policies of the subsidiary and therefore exercises control. The existence and effect of both current voting rights and potential voting rights that are currently exercisable or convertible are considered when assessing whether control of an entity is exercised. Subsidiaries are consolidated from the date at which the Group obtains the relevant level of control and are de-consolidated from the date at which control ceases.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The amendments to IFRS 3, 'Business Combinations' have clarified the definition of a business and have permitted a simplified assessment of whether an acquired set of activities and assets is a group of assets rather than a business. The Group has assessed it's acquisitions on the basis of this amendment.

The cost of an acquisition is measured as an aggregate of the consideration transferred, measured at the acquisition date fair-value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree at the proportionate share of the acquiree's identifiable net assets. Subsequent changes in the proportion of the non-controlling interests, which do not result in de-recognition of the subsidiary, are accounted for in equity. Costs incurred in connection with acquisitions are recognised as exceptional costs in the income statement, as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date.

If the business combination is achieved in stages, the acquisition date fair-value of the Group's previously held equity interest in the acquiree is re-measured to fair-value at the acquisition date through profit or loss. Goodwill is initially measured at cost being the excess of the consideration transferred over the Group's share of net identifiable assets acquired and liabilities assumed.

If this consideration is lower than the fair-value of net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any recognised impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to either the acquired business or to each of the Group's cash generating units that are expected to benefit from the combination irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms a part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in these circumstances is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit until retained.

Formal impairment reviews were completed at 30 June 2021 and 31 December 2021 given the indicators of impairment existing at both dates.

Brick Live Group
In 2017 the reverse acquisition of LVCG by the Brick Live Group resulted in goodwill arising of £4,581,000. This goodwill was fully impaired in the year ended 31 December 2017.

Bright Bricks Group
In October 2018, the Group acquired Bright Bricks Group, resulting in goodwill arising of £86,000. This goodwill was fully impaired in the year ended 31 December 2020.

Parallel Live Group
In December 2017, the Group acquired Parallel Live Group, resulting in goodwill arising of £1,271,000. The carrying value of the goodwill was reduced from £896,000 to £884,000 in the year ended 31 December 2021.

Brick Live Far East Limited ('BLFE')
In December 2017, the Company became the 100% owner of BLFE. Goodwill of £2,950,000 arose on the acquisition. BLFE is a company registered in Hong Kong which owns a 49% stake in the Brick Live Group's China associate company, Brick Live Centre Education Development (Beijing) Company Limited. This goodwill was fully impaired in the year ended 31 December 2020.

Live Company Sports and Entertainment ('LCSE')
In December 2020 the Group established its new LCSE division, through an all share acquisition of Live Company Sports and Entertainment Limited, including its 50% interest in K-Pop Europa Limited; the novation of a number of contracts from World Sport South Africa (Pty) Limited and the acquisition of the entire issued capital of E Movement Holdings Ltd.

The substance of these transactions was the acquisition of a series of contracts rather than a business combination as defined in IFRS 3, 'Business Combinations'. The transactions were therefore accounted for as additions to intangible fixed assets of £1,450,000 with no goodwill arising.

Intercompany balances
All intercompany balances are eliminated on consolidation.

Subsidiary companies audit exemption
The company's active subsidiaries Bright Bricks Limited, Brick Live Group Limited, Brick Live International Limited, Live Company Group EBT Limited, and Parallel Live Group Limited are exempt from the requirements of the Companies Act 2006 relating to the audit of their individual accounts by virtue of section 479A of the Companies Act 2006.

2.2. Intangible fixed assets
Trademarks are registered in each of the geographical territories for the BRICKLIVE brand. Trademarks are amortised on a straight line basis over their estimated useful lives, which is on average 10 years.

Acquired contracts are amortised over the period of the rights acquired, where contracts are renewable and are likely to be renewed for a further period such further period, but no subsequent periods, is considered to be part of the period of the rights acquired.

2.3. Investment in associates and joint ventures
An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control over those policies. The Group uses the equity method of accounting for its associate.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The Group uses the equity method of accounting for its joint ventures.

Start Art Global Ltd. (‘StART.ART’)
In May 2021 the Company subscribed to 389 ordinary shares in Start Art Global Limited. (‘StART.Art’), representing a non-controlling stake of 18.6% of the total issued share capital of the company, for a total cash consideration of £1,000,000. Prior to the transaction StART.Art was 100% owned by David Ciclitira and Ranjit Murugason as detailed in Note 32.

In November 2021 StART.Art acquired the entire issued share capital of Start (2013) Limited, the promoter of the StART Art Fair, in an all share transaction, resulting in a decrease in the Company’s interest in the enlarged group from 18.6% to 14.6% with no diminution of value. Prior to the acquisition Start (2013) Limited was 100% owned by David Ciclitira and Ranjit Murugason as detailed in Note 32.

In December 2021 StART.Art issued a further 180 ordinary shares to LVCG for nominal consideration increasing LVCG’s holding to 19.9%.

The Directors reviewed the investment and concluded LVCG did not exercise significant influence over StART.Art due to its holding being less than the 20% threshold at which significant influence is presumed to exist and there being no contrary indicators of significant influence:

- Although David Ciclitira and Ranjit Murugason are Directors of both LVCG and StART.Art, LVCG does not have the power to appoint or remove directors of StART.Art;
- LVCG is not a party to the StART.Art shareholder agreement and has no reserved powers; and
- LVCG does not participate in the key strategic and operational decisions of StART.Art.

E-Movement (PTY) Limited. (‘EMPL’)
In November 2021 the Company purchased 271 ordinary shares, representing 20% of the total issued share capital, in E Movement (PTY) Limited ('EMPL') from David Ciclitira for a total consideration of £113,460. These shares were originally purchased by David Ciclitira (acting in his personal capacity) for the same amount in anticipation of them being transferred to the Company. EMPL is the South African based promoter of the Cape Town E Prix which has been confirmed for Series 9 of the ABB FIA Formula E World Championship and due to take place in February 2023.

The Directors reviewed the investment and concluded LVCG did not exercise significant influence over EMPL despite a shareholding of 20%, being the threshold at which significant influence is presumed to exist. The presumption was rebutted on the basis that EMPL was actively seeking an additional investor which would reduce LVCG’s holding below the threshold and that other indicators of significant influence were not met as follows:

- Although David Ciclitira is a Director of both LVCG and EMPL the board of directors is controlled by EMPL’s largest shareholder which is an unrelated third party;
- LVCG has no reserved powers in the Shareholder Agreement and such powers that are exercisable are exercised jointly with the other shareholders; and
- LVCG does not participate in the key strategic and operational decisions of EMPL.

2.4. Property, plant and equipment

All property, plant and equipment assets are stated at cost less accumulated depreciation. Content is capitalised in the periods in which they are purchased or completed and valued at the lower of cost and net realisable value.

Depreciation is provided on content assets over eight years on a straight-line basis to reflect their useful life. Residual values, remaining useful lives and depreciation methods are reviewed annually and adjusted if appropriate.

Depreciation is provided on other fixtures, fittings and office equipment over five years on a straight-line basis. Residual values, remaining useful lives and depreciation methods are reviewed annually and adjusted if appropriate.

2.5. Leases

In accordance with IFRS 16, ‘Leases’ a right of use asset, being the present value of the operating lease payments over the remaining life of the lease, has been recognised within non-current assets. The right to use assets and corresponding lease liability were calculated using a discount rate of 9% which the Directors consider to be appropriate, based on the Group’s current borrowing structure. The depreciation of the assets and interest charge are recognised in the Statement of Comprehensive Income in the year and the buildings maturity analysis of lease liabilities at 31 December 2021 is detailed in Note 25.

2.6. Impairment of assets

The carrying amounts of the Group’s assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Comprehensive Income.

Where there is an indication that previously recognised impairment losses may no longer exist or may have decreased the previously recognised impairment loss is reversed. The reversal is limited so that the carrying value of the asset or its cash-generating unit does not exceed either its recoverable amount, or the carrying amount that would have been determined, net of depreciation/amortisation, had no impairment loss been recognised in prior years. Such a reversal is recognised in the Statement of Comprehensive Income.

2.7. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using a weighted average cost method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. The majority of inventories are measured at fair value following the acquisition of the Bright Bricks Group in October 2018 as detailed in Note 19.

2.8. 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 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.

Financial assets
The Group classifies its financial assets as either financial assets measured at amortised cost, fair value through profit and loss or fair value through Other Comprehensive Income (OCI).

Financial assets at fair value through OCI consist of equity investments in other companies or limited partnerships where the Group does not exercise either control or significant influence.

Financial assets at fair value through OCI are shown at fair value at each reporting date with changes in fair value being shown in OCI. In cases where the Group can reliably estimate fair value, fair value will be determined in reference to practical completion of each development project.

All assets for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial instruments are derecognised on the trade date when the Group is no longer a party to the contractual provisions of the instrument.

2.9. Share based payments

The Company issues equity settled share-based payment transactions to certain employees and service providers. Equity settled share-based payment transactions with employees are measured at the fair value at the date of grant. The calculation of fair value at the date of grant requires the use of management's best estimate of volatility, risk free rate and expected time to exercise the options.

Equity settled share based payment transactions with service providers are measured at the fair value of the goods or services received, except where the fair value cannot be reliably estimated, in which case they are measured at the fair value of the equity instrument granted, measured at the date the entity obtains the goods or the counterparty renders the service.

2.10. Trade and other receivables

Trade and other receivables are stated at their amortised cost. Trade receivables are reduced by appropriate allowances for estimated irrecoverable amounts.

A loss allowance is recognised on initial recognition of financial assets held at amortised cost, based on expected credit losses, and is re-measured annually with changes appearing in profit or loss. Where there has been a significant increase in credit risk of the financial instrument since initial recognition, the loss allowance is measured based on lifetime expected losses. In all other cases, the loss allowance is measured based on 12-month expected losses. For assets with a maturity of 12 months or less, including trade receivables, the 12-month expected loss allowance is equal to the lifetime expected loss allowance.

2.11. Cash and cash equivalents

Cash equivalents comprise short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.12. Trade and other payables

Trade and other payables are stated at their amortised cost.

2.13. Interest-bearing borrowings (other than compound financial instruments)

Interest-bearing borrowings are stated at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability.

2.14. Revenue recognition

Revenue is the value of goods and services provided by the Group to customers, net of VAT and discounts. Revenue includes licence fees, revenue from the sale of products, rental fees, sale of content (brick-based statues), brick lease fees and ticket sales from self-promoted events.

Revenue from contracts is recognised in accordance with IFRS 15 as follows:

i. Identify the contract with the customer;
ii. Identify separate performance obligations in the contract;
iii. Determine the transaction price;
iv. Allocate the transaction price to separate performance obligations; and
v. Recognise revenue when the entity satisfies a performance obligation.

Revenue recognised as above is measured on the following basis:

i. Annual licence fees – on a straight-line basis in accordance with the terms of the agreement, unless it is non-refundable in which case fees are recognised on the contractual invoice date;
ii. Event licence fees and revenue shares – in accordance with the terms of the agreement;
iii. Content fees – on delivery of the specific content to the client in accordance with the terms of the agreement;
iv. Tour and show rental fees – in accordance with the terms of the agreement;
v. Brick lease fees – on a straight-line basis in accordance with the terms of the agreement;
vi. Ticket sales from self-promoted events – on the date of the event; and
vii. Sales of products - in accordance with contract.

2.15. Deferred taxation

Deferred tax is provided in full using the balance sheet liability method. Deferred tax is the future tax consequences of temporary differences between the carrying amounts and tax bases of assets and liabilities shown on the Statement of Financial Position.

The amount of deferred tax provided is based on the expected manner of recovery or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

The Group does not recognise deferred tax liabilities, or deferred tax assets, on temporary differences associated with investments in subsidiaries, as it is not considered probable that the temporary differences will reverse in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. The carrying amounts of the deferred tax assets are reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the assets to be recovered.

2.16. Segmental reporting

The Group has three operating segments, namely: Models and Sets, Tours and Trails and Sports and Entertainment. In identifying these operating segments, management generally follows the Group's service lines representing its main products and services (see Note 4).

For management purposes, the Group uses the same measurement policies as those used in its consolidated financial statements, except for certain items not included in determining the operating profit of the operating segments, such as exceptional costs.

In addition, corporate assets and expenses which are not directly attributable to the business activities of any operating segment are not allocated to a segment. This primarily applies to the Group's headquarters.

2.17. Foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated at the rates of exchange ruling at the reporting date. Transactions in foreign currencies are translated at the rate ruling at the date of the transaction. Differences on exchange arising on translation of subsidiaries are charged directly to other comprehensive income. All other exchange differences have been charged to the profit or loss in the period under review.

2.18. Exceptional items

Exceptional items are those costs incurred by the Group which are considered by the Directors to be material in size and are unusual and infrequent in occurrence which require separate disclosure within the financial statements. See Note 6 for details of exceptional items in the year.

2.19. Government grants and assistance

Government grants and assistance are recognised in the related expense line in the consolidated statement of comprehensive income on a systematic basis over the period in which the entity recognises the expense, for which the grant is intended to compensate.

Therefore, grants in recognition of specific expenses are recognised in the related expense line in the same period.

The Group continued to makes use of the Coronavirus Job Retention Scheme receiving a total of £185,000 (2020: £425,000) during the year.

2.20. Reserves

Reverse acquisition reserve

The reverse acquisition reserve of (£24,268,000) arose in December 2017 with the acquisition of 100% of the issued share capital of Brick Live Group, 100% of the issued share capital of Parallel Live Group and the remaining 61.1% of Brick Live Far East Limited not already owned indirectly by the Group via Brick Live International Limited, The transaction was treated as a reverse acquisition on a consolidated bases with Brick Live Group Limited considered to be the acquirer for the purposes of the consolidated financial statements with the cumulative acquisition adjustment to adjust comparatives to a consistent basis in the consolidated financial statements treated as a reverse acquisition reserve.

Forex reserve

The forex reserve of £570,000 comprises all foreign currency differences arising from translation of the financial position and performance of certain subsidiaries, which have a functional currency different to the Group's presentation currency of GBP.

Own shares reserve

The own share reserve of (£2,111,000) arose in August 2020 on the creation of the Employee Benefit Trust ('EBT'), following the termination of the ESA described in Note 33, and the EBT's acquisition into trust of 5,726,480 ordinary shares in the Company previously held by YA II and RiverFort (representing 6.51%. of the Company's issued share capital at the time). Movement on the reserve reflects changes in the number of shares held by the EBT during the year.

Merger reserve

The merger reserve of £14,472,000 comprises:

- £4,833,333, being the premium recognised on the issue of 16,666,666 new ordinary shares with a nominal value of 1p and a price of 30p in consideration for the entire issued share capital of Brick Live Group Limited in December 2017;
- £966,666, being the premium recognised on the issue of 3,333,3334 new ordinary shares with a nominal value of 1p and a price of 30p in consideration for the entire issued share capital of Parallel Live Group Limited in December 2017;
- £2,851,297, being the premium recognised on the issue of 9,832,060 new ordinary shares with a nominal value of 1p and a price of 30p in consideration for the remaining 61.1% of the issued share capital of Brick Live Far East Limited not already owned indirectly by the Company through Brick Live International Limited in December 2017;
- £5,415,385, being the premium recognised on the issue of 8,461,536 new ordinary shares with a nominal value of 1p and a price of 65p in partial consideration for the entire issued share capital of Bright Bricks Holdings Limited in October 2018; and
- £405,000, being the premium recognised on the issue of 941.860 new ordinary shares with a nominal value of 1p and a price of 44p in partial consideration for the entire issued share capital of Bright Bricks Holdings Limited in November 2019.

Capital Redemption Reserve

The capital redemption reserve of £5,034,000 comprises the cumulative effect of previous reorganisations in the capital of the Company and represents the value of shares redeemed from retained earnings.

Share option reserve
The share option and warrant reserve of £515,000 is attributable to the accumulated charge relating to share options and warrants issued by the Company which is recognised over the vesting period of the share option or warrant. This is partially offset by the accumulated charge relating to lapsed share options and warrants, which is transferred to retained earnings.

3. Accounting estimates and judgements

The preparation of these consolidated financial statements in accordance with generally accepted accounting practice, being UK adopted International Accounting Standards, requires the Directors to make estimates and judgements that affect the reported amount of assets, liabilities, income and expenditure and the disclosures made in these consolidated financial statements. Such estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events.

The significant judgements made by management in applying the Group's accounting policies as set out above, and the key sources of estimation which management consider may have a significant risk of causing a material adjustment to the reported amounts in the year, were:

Impairment of investments and goodwill
The Directors have carried out impairment reviews of the Group's intangible assets, goodwill, investments and the share of net assets of associates as detailed in Notes 15, 16, 17 and 18.

Depreciation and amortisation
Depreciation rates have been set to accurately reflect the reduction in value of property, plant and equipment assets over their economic life, less their expected residual value. This requires judgement by the Directors, who have set the depreciation rates as detailed in Note 2.4 to these consolidated financial statements based on their knowledge of the industry and typically how long each asset type retains its value.

Amortisation rates have been set to reflect the reduction in value of intangible assets over their economic life, less their expected residual value. This requires judgement by the Directors, who have set the amortisation rates as detailed in Note 2.2 to these consolidated financial statements based on their knowledge of the industry and typically how long each asset type retains its value.

Revenue recognition with customers
Revenue from contracts with customers is recognised in accordance with IFRS 15. This requires judgement as revenue transactions are subject to a variety of contract terms, albeit under the general guidelines of the accounting policies for revenue recognition as explained in Note 2.14 to these consolidated financial statements.

Share option and warrants
The Black-Scholes model is used to calculate the appropriate charge of the share options and warrants. The use of this model to calculate the charge involves a number of estimates and judgements to establish the appropriate inputs to be entered into the model, covering areas such as the use of an appropriate interest rate and dividend rate, exercise restrictions and behavioural considerations. A significant element of judgement is therefore involved in the calculation of the charge.

Carrying value of inventory
The Directors have carried out impairment reviews of the Group's inventory as detailed in Note 19. Inventory is not readily replaceable and has a long economic life, a significant element of judgement is therefore involved in assessing it for impairment.

Carrying value of content assets
The Directors have carried out impairment reviews of the Group's content assets as detailed in Note 13. Content assets are unique and have a long economic life, a significant element of judgement is therefore involved in assessing them for impairment.

Accounting treatment of investments, and acquisition
The Company has an interest, both directly and indirectly, in a number of entities over which it exerts a varying degree of control or influence. The accounting treatment of business combinations in accordance with IFRS 3, and also consolidation of subsidiaries under IFRS 10 and treatment of associates under IAS 28 requires a significant element of judgement in assessing the extent to which the acquired entity represents a business combination or acquisition of assets and the extent to which it is controlled or influenced by the Group.

4. Segment reporting

The Directors have identified the Group's business segments by reference to the principal product and service lines offered and geographical organisation of the business as reported to the Executive Chairman, identified by the Directors as the chief operating decision-maker (CODM).

Reportable segments
The reportable segment results for the year ended 31 December 2021 are as follows:

	BRICKLIVE		Sports and	Unallocated	Total
	Models and Sets	Tours and Trails	Entertainment		
	£'000	£'000	£'000	£'000	£'000
Revenue	578	1,247	849	-	2,674
Cost of sales*	437	941	506	-	1,884
Administrative expenses	291	629	309	1,256	2,485
Amortisation and depreciation	53	867	1	228	1,149
Finance costs	-	-	-	108	108
Exceptional items	-	-	-	364	364
Taxation	-	-	-	61	61
Segment (loss)/profit for the year	**(203)**	**(1,190)**	**33**	**(2,017)**	**(3,377)**

The reportable segment results for the year ended 31 December 2020 were as follows:

	BRICKLIVE Models and Sets	Tours and Trails	Sports and Entertainment	Unallocated	Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Revenue	497	1,360	-	-	1,857
Cost of sales*	684	1,166	-	-	1,850
Administrative expenses	540	1,479	-	1,075	3,094
Amortisation and depreciation	21	762	-	42	825
Finance costs	-	-	-	110	110
Exceptional items	-	-	-	4,355	4,355
Taxation	-	-	-	(144)	(144)
Segment (loss)/profit for the year	**(748)**	**(2,047)**	**-**	**(5,438)**	**(8,233)**

Content depreciation is included with amortisation and depreciation in this note 4 but in cost of sales in the Consolidated Statement of Comprehensive Income on page 38.

Administrative expenses are apportioned to each trading segment in proportion to the revenue earned.

Segment assets consist primarily of property, plant and equipment, intangible assets, investments, goodwill, trade and other receivables and cash and cash equivalents.

Unallocated assets comprise deferred taxation and financial assets held at fair value through profit or loss. Segment liabilities comprise operating liabilities; liabilities such as deferred taxation are not allocated to individual business segments.

Segment assets and liabilities as at 31 December 2021 are as follows:

	BRICKLIVE Models and Sets	Tours and Trails	Sports and Entertainment	Unallocated	Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Assets	-	10,399	343	1,115	**11,857**
Labilities	-	5,828	-	607	**6,435**

Segment assets and liabilities as at 31 December 2020 were as follows:

	BRICKLIVE Models and Sets	Tours and Trails	Sports and Entertainment	Unallocated	Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Assets	-	10,868	-	1,322	**12,190**
Labilities	-	5,776	-	645	**6,421**

Geographical information

The Group's business segments operated in five principal geographical areas in the year, although they are managed on a worldwide basis from the Group's head office in the United Kingdom.

A geographical analysis of the Group's continuing revenue and non-current assets is given below. Revenue is allocated based on the location of the customer; non-current assets are allocated based on the physical location of the asset.

	2021 £'000	2020 £'000
Revenue		
United Kingdom	999	1,013
Europe	321	49
USA	314	265
Asia	147	434
Middle East and Africa	893	96
	2,674	**1,857**

	2021 £'000	2020 £'000
Non-current assets		
United Kingdom	4,721	4,445
Europe	270	-
USA	668	394
South America	-	31
Asia	786	711
Middle East and Africa	-	310
Unallocated	884	896
	7,329	**6,787**

Major customers

Included within BRICKLIVE Tours and Trails are revenues of £128,000 (2020: £225,000) which arose from sales to the Groups largest customer.

5. Operating loss before exceptional items

	2021 £'000	2020 £'000
This is stated after charging:		
Content depreciation (included within cost of sales)	754	705
Loss on disposal of content assets (included within cost of sales)	-	192
Other depreciation and amortisation (included within administrative expenses)	333	57
Inventories recognised as an expense	637	1,036
Depreciation on right of use assets	62	61
Net foreign exchange losses	-	17

6. Exceptional items

The exceptional items consist of the following:

	2021 £'000	2020 £'000
Share options and warrants charge	286	278
Transactional and reorganisational costs	66	2,676
Impairment of associate and intangible assets	12	1,401
	364	**4,355**

2021 Exceptional items

Share option and warrant charge
Ongoing charges related to options and warrants issued in connection to previous transactional and reorganisational events, the costs of which were treated as exceptional items at the time, continue to be classified as exceptional items in the year they are recognised.

The Group uses the Black–Scholes model to value its share option and warrants. Certain judgement is required in terms of selecting the risk-free interest rate and standard deviation rate used. The charge for the current year is £286,000 which may increase or decrease with changes to these rates.

Transactional and reorganisational costs
Transactional costs relate to equity raises completed during the year as detailed in Note 27 and the ongoing guarantee fees relating to the HP Agreement entered into with Close Leasing Ltd. in August 2020 as detailed in Note 22.

Impairment of associate and intangible assets
The Directors considered the carrying value of goodwill as at 31 December 2021 and determined the impairment, as detailed in Note 17 was required.

2020 Exceptional items

Share option and warrant charge
Ongoing charges related to options and warrants issued in connection to previous transactional and reorganisational events, the costs of which were treated as exceptional items at the time, continue to be classified as exceptional items in the year they are recognised. The Group uses the Black–Scholes model to value its share option and warrants, the charge for 2020 was £278,000.

Transactional and reorganisational costs
Transactional costs relate to various debt and equity raises completed during 2020 as well as costs associated with terminating the ESA as detailed in note 33.

Impairment of associate and intangible assets
The Directors considered the carrying value of goodwill, investments and the share of net assets of associates as at 31 December 2020 and determined the impairment, as detailed in Notes 16, 17 and 18 were required.

7. Auditor's remuneration

	2021 £'000	2020 £'000
Fees payable to the auditor, Moore Kingston Smith LLP, for the audit of the annual accounts of the Group and the Company	81	76
Taxation compliance	8	8
	89	**84**

8. Employees

The average number of employees (including Directors not under employment contracts) during the year was:

	2021 No.	2020 No.
Administration	5	5
Production	28	44
Sales	2	3
	35	**52**

The aggregate payroll costs (including Directors not under employment contracts) were:

	2021 £'000	2020 £'000
Wages, salaries and fees	1,448	2,250
Social security costs	77	133
Pension costs	13	22
	1,538	**2,405**

Wages, salaries and fees are stated in this note 8 gross of £185,000 (2020: £425,000) received in accordance with the Coronavirus Job Retention Scheme which is netted off in the Consolidated Statement of Comprehensive Income on page 40.

9. Remuneration of Directors and key management personnel

In the opinion of the Board, only the Directors of the Company and the other members of the Executive Team, as detailed in the Corporate Governance Report, are regarded as key management personnel. The remuneration of key management personnel during 2021 was, in aggregate, £451,000 (2020: £508,000).

Directors' remuneration and fees, including Non-Executive Directors, during the year were as follows, (no pension contributions were made in either 2021 or 2020):

	2021 £'000	2020 £'000
David Ciclitira	261	330
Bryan Lawrie	17	76
Serenella Ciclitira*	20	10
Ranjit Murugason*	107	20
Trudy Norris-Grey (resigned 14 February 2021)	15	52
Simon Horgan (resigned 17 February 2021)*	2	10
Mark Freebairn (resigned 14 February 2021)*	2	10
Stephan Birrell (appointed 27 July 2021)	27	-
	451	**508**

*In 2020 the Non-Executive Directors waived their fees for Q2 and Q3.

David Ciclitira	2021 £'000	2020 £'000
UK Chairman's fees*	-	25
International consultancy fees	250	250
Additional contracted work during the year	11	55
	261	**330**

*In 2021 David Ciclitira voluntarily waived his Chairman's fees.

In the prior year David Ciclitira invoiced a further £178,000 for further additional contracted work which was subsequently paid but then waived by credit note. The balance is included in unpaid balances due to related parties at 31 December 2020. This was subsequently offset against the outstanding loan balance due to David Ciclitira in the current year.

Bryan Lawrie

	2021 £'000	2020 £'000
Fees as Chief Financial Officer	-	71
Non-Executive fees	17	5
	17	**76**

Fees for the services of Bryan Lawrie as Chief Financial Officer were paid to CFO Partners Limited.

Ranjit Murugason

	2021 £'000	2020 £'000
Temporary increase agreed in February 2021	67	-
Non-Executive fees	40	20
	107	**20**

Stephen Birrell

	2021 £'000	2020 £'000
Consultancy fees	15	-
Non-Executive fees	12	-
	27	**-**

Fees for consultancy services provided by Stephen Birrell were paid to Ossian Energy Limited.

In April 2019 the Group adopted a share option scheme on 2 April 2019 for certain Directors and senior management. Options are generally exercisable at a price equal to the market price of the Plc shares on the day immediately prior to the date of the grant. Options are forfeited if the employee leaves the Group before the options vest.

As at 31 December 2021 the following outstanding share options were held by Directors and key management personnel. No options were issued to directors in 2020 or 2021.

	2021	2020
David Ciclitira	1,341,891	1,341,891
Bryan Lawrie	335,472	335,472
Serenella Ciclitira	-	-
Ranjit Murugason	-	-
Stephan Birrell (appointed 27 July 2021)	-	-
	1,677,363	**1,677,363**

Further information on share options are set out in Note 30.

Further information on related party transactions are set out in Note 32.

10. Finance costs

	2021 £'000	2020 £'000
Loan interest	65	59
Interest expense on lease liabilities	19	24
Other interest	24	27
	108	**110**

Included in loan interest is £22,000 (2020: £51,000) paid to David Ciclitira in accordance with the loan facility described in Note 22, see also Note 32.

11. Taxation

	2021	2020
Current tax	**£'000**	**£'000**
UK Corporation tax in respect of current year:		
Current taxation	-	-
Adjustments in respect of prior years	(56)	(238)
Total tax (credit) charge for the year	**(56)**	**(238)**
Deferred taxation		
Original and reversal of timing differences	(87)	28
Effect of change in tax rates	204	66
Total deferred taxation charge	**117**	**94**
Tax charge on loss on ordinary activities	**61**	**(144)**

	2021 £'000	2020 £'000
Loss on ordinary activities before tax	(3,316)	(8,377)
Loss on ordinary activities at the standard rate of corporation tax of 19% (2020: 19%)	(630)	(1,592)
Effect of disallowable expenditure	234	960
Tax losses (utilised)/carried forward	299	660
Effect of change in tax rates	204	66
Adjustment in respect of prior years	(56)	(238)
Effect of different tax rates applied in overseas jurisdictions	10	-
Total tax charge/(credit) for the year	**61**	**(144)**

12. Earnings per share

The basic earnings per share is calculated by dividing the (loss)/profit attributable to equity shareholders by the weighted average number of shares in issue during the year. In calculating the diluted earnings per share, any outstanding share options, warrants and convertible loans are taken into account where the impact of these is dilutive.

	2021	2020
Loss for the year after tax (£'000)	(3,377)	(8,233)
Weighted average number of shares in issue	131,155,672	83,678,936
Basic and diluted earnings per share	(2.6p)	(9.8p)

Diluted earnings per share in both 2021 and 2020 are the same as basic earnings per share, as there are no dilutive options or warrants in issue during these years, the number of outstanding share options and warrants are detailed in Note 30.

13. Property, plant and equipment

Group	Content		Other		Total	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cost						
Cost at start of year	5,556	5,015	175	176	5,731	5,191
Additions for year	586	921	3	14	589	935
Disposals	-	(380)	-	(15)	-	(395)
Cost at end of year	**6,142**	**5,556**	**178**	**175**	**6,320**	**5,731**
Depreciation						
Cumulative depreciation at start of year	1,487	970	100	69	1,587	1,039
Charge for year	754	705	47	46	801	751
Eliminated on disposal	-	(188)	-	(15)	-	(203)
Cumulative depreciation at end of year	**2,241**	**1,487**	**147**	**100**	**2,388**	**1,587**
Net book value at end of year	**3,901**	**4,069**	**31**	**75**	**3,932**	**4,144**
Net book value at start of year	**4,069**	**4,045**	**75**	**107**	**4,144**	**4,152**

The Company had no property, plant and equipment assets in either 2021 or 2020.

The Directors considered the carrying value at 31 December 2021 for each asset and it was determined that no impairment was required.

14. Right of use Assets

Buildings	Group	
	2021	**2020**
	£'000	**£'000**
Cost		
Cost at start of year	308	308
Additions for year	-	-
Cost at end of year	**308**	**308**
Depreciation		
Cumulative depreciation at start of year	77	16
Charge for year	62	61
Cumulative depreciation at end of year	**139**	**77**
Net book value at end of year	**169**	**231**
Net book value at start of year	**231**	**292**

The Company had no right of use assets in either 2021 or 2020.

15. Intangible assets

	Group		Company	
	2021	**2020**	**2021**	**2020**
	£'000	**£'000**	**£'000**	**£'000**
Cost				
Cost at start of year	1,539	88	1,450	-
Additions for year	1	1,451	-	1,450
Cost at end of year	**1,540**	**1,539**	**1,450**	**1,450**
Amortisation				
Cumulative amortisation at start of year	23	12	-	-
Charge for year	286	11	277	-
Cumulative amortisation at end of year	**309**	**23**	**277**	**-**
Net book value at end of year	**1,231**	**1,516**	**1,173**	**1,450**
Net book value at start of year	**1,516**	**76**	**1,450**	**-**

Trademarks
Trademarks are obtained for each show in each jurisdiction around the world. Trademarks are amortised over their estimated useful lives, which is on average 10 years. The carrying value of trademarks at 31 December 2021 is £59,000 (2020; £66,000).

LCSE
In December 2020 the Company formed a new Sports and Entertainment division ('LCSE') through the acquisition of the entire issued share capital of Live Company Sports and Entertainment Limited together with its wholly owned subsidiary Live Company Sports and Entertainment (Pty) Limited and 50% interest in K-Pop Europa Limited for £650,000. Prior to the acquisition Live Company Sports and Entertainment Limited was 100% owned by David Ciclitira.

The Company also purchased certain contracts from World Sport South Africa (Pty) Limited for £500,000 and acquired the entire issued share capital of E Movement Holdings Ltd for £300,000. Prior to the acquisition E Movement Holdings Ltd was 33.34% owned by David Ciclitira.

The substance of these transactions being the acquisition of a series of contracts rather than a business combination as defined in IFRS 3 'Business Combinations'. The acquired contracts are amortised over the period of the rights acquired, where contracts are renewable and are likely to be renewed for a further period such further period, but no subsequent periods, is considered to be part of the period of the rights acquired. The carrying value of these contracts at 31 December 2021 is £1,172,000 (2020; £1,450,000).

2020 Acquisitions	**Purchase price**
	£'000
Live Company Sports and Entertainment Limited	650
Live Company Sports and Entertainment Pty Limited	-
K-Pop Europa Limited (50%)	-
Novation of contracts	500
E Movement Holdings Ltd	300
	1,450
Satisfied by:	
Cash	50
Deferred consideration	800
Equity instruments (6,000,000 Ordinary shares of parent Company)	600
	1,450

As detailed in Note 27 5,500,000 Ordinary shares of the Company representing £550,000 of the deferred consideration were issued in May 2021; a further 1,142,858 Ordinary shares of the Company representing a further £40,000 of the deferred consideration were issued in December 2021, which together with cash payments of £25,000 in March 2021 and £25,000 in April 2021 left £160,000 of deferred consideration outstanding at 31 December 2021.

In March 2022 £45,000 of the outstanding deferred consideration due to David Ciclitira was settled in cash, leaving £105,000 of deferred consideration outstanding of which £55,000 is due to David Ciclitira.

The Directors considered the carrying value at 31 December 2021 for each intangible asset and it was determined that no impairment was required.

16. Investments

	Group		**Company**	
	2021	**2020**	**2021**	**2020**
	£'000	**£'000**	**£'000**	**£'000**
Cost				
Cost at start of the year	-	-	17,450	17,450
Additions for the year	1,113	-	1,113	-
Cost at end of year	**1,113**	**-**	**18,563**	**17,450**
Impairment				
At start of the year	-	-	11,425	-
Impairment in the year	-	-	116	11,425
Reversal of prior year impairment	-	-	(3,816)	-
Cumulative impairment at end of year	**-**	-	**7,725**	**11,425**
Net book value at end of the year	**1,113**	**-**	**10,838**	**6,025**
Net book value at start of year	**-**	**-**	**7,725**	**17,450**

Cash generating units
The Directors considered the carrying value at 31 December 2021 for each cash generating unit, identified below, based on a detailed budget and forecast, discounted over five years at

the Groups current cost of capital, considered by the Directors to be 9%, and it was determined the impairment, and reversal of prior impairment, as described in the table below, was required.

	At start of year £'000	Additions £'000	(Impairment) /reversal of £'000	At end of year £'000
Brick Live Far East Limited	-	-	-	-
Brick Live Group (incorporating Bright Bricks Limited)	5,025	-	3,816	8,841
Parallel Live Group	1,000	-	(116)	884
	6,025	**-**	**3,700**	**9,725**

Financial assets
The Directors considered the carrying value at 31 December 2021 for each investment, identified below, and it was determined that no further impairment was required.

	At start of year £'000	Additions £'000	Impairment £'000	At end of year £'000
Start Art Global Ltd	-	1,000	-	1,000
E-Movement (PTY) Ltd	-	113	-	113
	-	**1,113**	**-**	**1,113**

In May 2021 the Company subscribed to 389 ordinary shares in Start Art Global Limited. ('StART.Art'), representing a non-controlling stake of 18.6% of the total issued share capital of the company, for a total consideration of £1,000,000. Prior to the transaction StART.Art was 100% owned by David Ciclitira and Ranjit Murugason as detailed in Note 32.

In November 2021 StART.Art acquired the entire issued share capital of Start (2013) Limited, the promoter of the StART Art Fair, in an all share transaction, resulting in a decrease in the Company's interest in the enlarged group from 18.6% to 14.6% with no diminution of value. Prior to the acquisition Start (2013) Limited was 100% owned by David Ciclitira and Ranjit Murugason as detailed in Note 32. In December 2021 StART.Art issued a further 180 ordinary shares to LVCG for nominal consideration increasing LVCG's holding to 19.9%.

There being no active market for shares in StART.Art the carrying value has been assessed with reference to a DCF model prepared by the management of StART.Art and reviewed by the directors of LVCG. The valuation has also been reviewed by a third party independent valuer.

In November 2021 the Company purchased 271 ordinary shares, representing 20% of the total issued share capital, in E-Movement (PTY) Limited ('EMPL') from David Ciclitira for a total consideration of £113,460. These shares were originally purchased by David Ciclitira (acting in his personal capacity) for the same amount in anticipation of them being transferred to the Company. EMPL is the South African based promoter of the Cape Town E Prix which has been confirmed for Series 9 of the ABB FIA Formula E World Championship and due to take place in February 2023.

These transactions have been treated as the acquisition of investments as detailed in Note 2.8.

	Purchase price
	£'000
Start Art Global Limited	1,000
E-Movement (PTY) Limited	113
	1,113
Satisfied by:	
Cash	1,113
	1,113

17. Goodwill

	Group		Company	
	2021	**2020**	**2021**	**2020**
	£'000	**£'000**	**£'000**	**£'000**
Cost at start and end of year	**8,888**	**8,888**	-	-
Impairment				
At start of the year	7,992	4,581	-	-
Impairment in the year	12	3,411	-	-
Cumulative impairment at end of year	**8,004**	**7,992**	**-**	**-**
Net book value at end of year	**884**	**896**	**-**	**-**
Net book value at start of year	**896**	**4,307**	**-**	**-**

Cash generating units
The Directors considered the carrying value at 31 December 2021 for each cash generating unit, identified below, based on a detailed budget and forecast, discounted over five years at the Groups current cost of capital, considered by the Directors to be 9%, and it was determined the impairment, as described in the table below, was required.

	At start of year	Additions	(Impairment)	At end of year
	£'000	**£'000**	**£'000**	**£'000**
Brick Live Far East Limited	-	-	-	-
Brick Live Group (incorporating Bright Bricks Limited)	-	-	-	-
Parallel Live Group	896	-	(12)	884
	896	**-**	**(12)**	**884**

18. Investments in Associates and Joint Ventures

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Cost				
Cost at start of year	197	197	-	-
Additions in the year	-	-	-	-
Cost at end of year	**197**	**197**	**-**	**-**
Impairment				
At start of year	197	111	-	-
Impairment in the year	-	86	-	-
At end of year	**197**	**197**	**-**	**-**
Net book value at end of year	**-**	**-**	**-**	**-**
Net book value at start of year	**-**	**86**	**-**	**-**

Brick Live Centre Education Development (Beijing) Company Ltd ('BLCED')
In July 2017, BLFE entered into a long-term agreement with Fortune Access, to create a limited liability foreign enterprise company in China called Brick Live Centre Education Development (Beijing) Company Limited. BLFE agreed to invest 980,000 RMB (approximately £111,000) for a 49% shareholding. Based on the performance in the year ended 31 December 2020 the investment in the associate was impaired to £nil.

The Group accounts for the associate under the equity method of accounting.

The results of BLCED in the year are:	**2021 £'000**	**2020 £'000**
Revenue	473	128
Loss before tax	(468)	(500)
Taxation	-	-
Loss after tax	**(468)**	**(500)**
Current assets	380	287
Non-current assets	490	693
Current liabilities	(1,205)	(912)
Non-current liabilities	(64)	-
	(400)	**68**

In August 2021 Fortune Access injected a further 516,000 RMB (approximately £65,000).

BLCED losses have been recognised through the Consolidated Statement of Comprehensive Income to the extent that they do not exceed the Group's initial investment in BLCED together with the Group's share of its accumulated profits. The Group's unrecognised share of BLCED's loss for the year to 31 December 2021 is £168,000. The Groups unrecognised share of BLCED's cumulative loss is £118,000.

Parallel Three Six Zero Inc ('PTSZ')
In September 2018, Parallel Live Group signed a joint venture agreement with US-based company Three Six Zero, forming the new company Parallel Three Six Zero Inc. It has been granted exclusive rights by Parallel Live Group to promote BRICKLIVE events in North America and Canada with Brick Live International Limited as its content provider.

There were no BRICKLIVE events in North America operated by PTSZ in 2021 or 2020.

The Group accounts for the joint venture under the equity method of accounting.

The results of the PTSZ in the year are:

	2021 £'000	2020 £'000
Revenue	-	-
Loss before tax	-	(1)
Taxation	-	-
Loss after tax	**-**	**(1)**
Current assets	-	-
Non-current assets	-	-
Current liabilities	(27)	(27)
Non-current liabilities	-	-
	(27)	**(27)**

19. Inventories

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Inventories of bricks	3,742	4,633	-	-
Work in progress	63	198	-	-
	3,805	**4,831**	**-**	**-**

Included in inventories is £3,097,000 (2020: £3,983,000) of stock acquired on acquisition of Bright Bricks Group and included at fair value at that date.

Included in inventories is £1,500,000 (2020: £1,500,000) subject to a sale and HP Agreement entered into with Close Leasing Limited, (see Note 22).

The Directors considered the carrying value at 31 December 2021 for inventories and it was determined that no impairment was required.

20. Trade and other receivables

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade receivables	231	123	2	-
Amounts owed by subsidiaries (note 34)	41	-	1,155	1,226
Other receivables	57	64	50	78
Prepayments and accrued income	183	217	123	156
	512	**404**	**1,330**	**1,460**

Amounts owed by subsidiaries are unsecured, interest free and repayable on demand.

21. Cash and cash equivalents

	Group		Company	
	2021	**2020**	**2021**	**2020**
	£'000	**£'000**	**£'000**	**£'000**
Cash at bank	211	168	-	191

22. Borrowings

	Group		Company	
	2021	**2020**	**2021**	**2020**
	£'000	**£'000**	**£'000**	**£'000**
Loan due within one year	477	615	56	167
Loan due after one year	1,201	1,430	185	83
	1,678	**2,045**	**241**	**250**

In April 2020 the Company entered into a £250,000 CBILS loan agreement with NatWest Bank Plc of which £240,740 remained outstanding at the balance sheet date. The loan is unsecured, for a term of six years with an effective interest rate of 4.08%.

In April 2020 the Group entered into a £500,000 loan agreement with David Ciclitira of which £90,823 remained outstanding at the balance sheet date. The loan from David Ciclitira bears interest at 16.2% and is secured by a second fixed and floating charge over the Groups assets with priority given to the security held by Close Leasing Limited as detailed below. In March 2022 the outstanding balance was repaid in full.

In August 2020 the Group entered into an agreement with Close Leasing Limited whereby stock totalling £1,500,000 included under Inventories in the Statement of Financial Position in these condensed consolidated financial statements was sold to Close Leasing Limited and purchased back under the terms of a £1,500,000 Hire Purchase Facility (HP Agreement) provided in conjunction with the CBILS, of which £1,346,504 remained outstanding at the balance sheet date. The HP Agreement was for a term of five years at an effective interest rate of 5.14% secured against the £1,500,000 of stock subject to the agreement and a fixed and floating charge over the Groups other assets.

23. Trade and other payables

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade payables	1,098	574	533	112
Amounts owed to subsidiaries	-	-	217	66
Other payables	275	866	188	835
Other taxation and social security	1,265	924	32	24
Accruals and deferred income	1,170	1,120	336	343
	3,808	**3,484**	**1,306**	**1,380**

Amounts owed to subsidiaries are unsecured, interest free and repayable on demand.

Other payables include £160,000 (2020: £800,000) of deferred consideration as detailed in Note 15.

24. Financial risks

The Group and Company operations expose them to a number of financial risks. The Directors aim to protect the Group and Company against the potential adverse effects of these financial risks.

Financial assets
Financial assets include cash and trade and other receivables, excluding prepayments.

These amounts, where appropriate, have been shown separately on the face of the Statement of Financial Position. Funds not immediately required for the Group and Company's operations are invested in bank deposits. It is the Directors' opinion that the carrying values of cash, trade receivables and investments approximate to their fair values.

Financial liabilities
Financial liabilities include current and non-current borrowings and trade and other payables (excluding taxation and social security and deferred income).

All amounts are carried at amortised cost. These amounts have been disclosed in the notes to the financial statements. It is the Directors' opinion that the carrying values of financial liabilities approximate to their fair-value.

Liquidity risk
The Group and Company's surplus liquid resources are maintained on short-term interest-bearing deposits. The Group and Company plans to continue to meet operating and other loan commitments as they fall due. Liquidity risk is managed through cash flow forecasts and regular planning.

Set out below are liquidity risk comparative tables as at 31 December 2021 and 31 December 2020.

Remaining contractual maturities year ended 31 December 2021

Group	**Within 3 months £'000**	**> 3 months < 1 year £'000**	**> one year < 5 years £'000**	**Total carrying amount £'000**
Bank loans and borrowings	185	292	1,201	1,678
Trade and other payables	1,373	-	-	1,373
Lease liabilities	16	50	122	188
	1,574	**342**	**1,323**	**3,239**

Company	**Within 3 months £'000**	**> 3 months < 1 year £'000**	**> one year < 5 years £'000**	**Total carrying amount £'000**
Bank loans and borrowings	14	42	185	241
Trade and other payables	938	-	-	938
	952	**42**	**185**	**1,179**

Remaining contractual maturities year ended 31 December 2020

Group	**Within 3 months £'000**	**> 3 months < 1 year £'000**	**> one year < 5 years £'000**	**Total carrying amount £'000**
Bank loans and borrowings	8	607	1,430	2,045
Trade and other payables	1,440	-	-	1,440
Lease liabilities	15	45	188	248
	1,463	**652**	**1,618**	**3,733**

Company	**Within 3 months £'000**	**> 3 months < 1 year £'000**	**> one year < 5 years £'000**	**Total carrying amount £'000**
Bank loans and borrowings	-	167	83	250
Trade and other payables	1,013	-	-	1,013
	1,013	**167**	**83**	**1,263**

Trade and other payables above exclude taxation and accruals and deferred income.

Credit risk

Financial assets past due but not impaired as at 31 December 2021:

	Not impaired and not past due	Not impaired but past due by the following amounts			
		>30 days	>60 days	>90 days	>120 days
	£'000	£'000	£'000	£'000	£'000
Group: Trade and other receivables	269	14	8	16	22
Company: Trade and other receivables	1,207	-	-	-	-

Financial assets past due but not impaired as at 31 December 2020:

	Not impaired and not past due	Not impaired but past due by the following amounts			
		>30 days	>60 days	>90 days	>120 days
	£'000	£'000	£'000	£'000	£'000
Group: Trade and other receivables	113	25	-	-	49
Company: Trade and other receivables	1,304	-	-	-	-

Trade and other receivables above exclude prepayments and accrued income.

The Group is exposed to credit risk on its cash and cash equivalents, trade and other receivables. The maximum exposure to credit risk is represented by the carrying value of each financial asset.

Credit risk with respect to cash is reduced through maintaining banking relationships with established financial intermediaries with acceptable credit ratings. Bank deposits as at 31 December 2021 were £211,000 (2020: £168,000), all of which are considered of low credit risk.

Credit risk with respect trade and other receivables Is reduced through assessing all material new clients for credit risk prior to entering into a contractual relationship. All trade and other receivables are assessed regularly for credit risk and those which are past due by 90 days or more and where there has been a breakdown of communication with the client such that there is no longer confidence that the sum will be collectable are impaired to the extend they are no longer expected to be colectable.

Group trade and other receivables excluding prepayments and accrued income as at 31 December 2021 were £287,000 (2020: £187,000), all of which are collected and/or collectable and are considered of low credit risk.

Market risk

a. *Interest rate risk*

The Group had two outstanding interest bearing loans (one with NatWest Bank PLC and one with David Ciclitira) and the HP Agreement with Close Leasing Limited at the year end.The interest rates in respect of the HP Agreement and loan from David Ciclitira are fixed and in respect of the loan from NatWest Bank PLC is calculated in relation to bank Base Rate, there are no early redemption penalties associated with the NatWest Bank PLC loan and the risk is therefore considered to be insignificant.

b. *Foreign currency risk*

Although the Company is based in the United Kingdom, a significant part of the Group's and Company's operations are overseas, and the operating or functional currency of a large part of the global business is in US Dollars, Euros and South African Rand. As a result, the Group's sterling accounts can be affected by movements in the US Dollar/Sterling, the Euro/Sterling and the South African Rand/Sterling exchange rates.

The foreign assets and liabilities of the Group and Company are closely matched as at 31 December 2021. The table below sets out the carrying amounts of assets and liabilities for the Group in their presentational currency (i.e. Sterling) and a total impact for each 10% fluctuation in exchange rates. Based on the carrying amounts of foreign assets and liabilities as at 31 December 2021, for each 10% fluctuation in exchange rates, net assets are expected to be impacted by £11,000 (2020: £16,000).

Year ended 31 December 2021

Carrying amount (sterling equivalent)						Forex Risk	
	£	$	€	R	Total	(-10%)	10%
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Financial assets							
Cash	(36)	1	-	246	211	25	(25)
Trade and other receivables	390	14	12	96	512	12	(12)
	354	**15**	**12**	**342**	**723**	**37**	**(37)**
Financial liabilities							
Borrowings	1,678	-	-	-	1,678	-	-
Trade payables	836	88	101	73	1,098	26	(26)
Other payables	275	-	-	-	275	-	-
Lease liabilities	188	-	-	-	188	-	-
Other taxation and social security	1,265	-	-	-	1,265	-	-
Accruals and deferred income	1,170	-	-	-	1,170	-	-
	5,412	**88**	**101**	**73**	**5,674**	**26**	**(26)**
Net Impact						**(11)**	**11**

Year ended 31 December 2020

Carrying amount (sterling equivalent)	£	$	€	R	Total	Forex Risk (-10%)	10%
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Financial assets							
Cash	164	3	1	-	168	-	-
Trade and other receivables	331	27	46	-	404	7	(7)
	495	**30**	**47**	**-**	**572**	**7**	**(7)**
Financial liabilities							
Borrowings	2,045	-	-	-	2,045	-	-
Trade payables	349	67	158	-	574	23	(23)
Other payables	866	-	-	-	866	-	-
Lease liabilities	248	-	-	-	248	-	-
Other taxation and social security	924	-	-	-	924	-	-
Accruals and deferred income	1,120	-	-	-	1,120	-	-
	5,552	**67**	**158**	**-**	**5,777**	**23**	**(23)**
Net Impact						**16**	**(16)**

25. Lease liabilities

	Group 2021	Group 2020	Company 2021	Company 2020
	£'000	**£'000**	**£'000**	**£'000**
Current	66	60	-	-
Non-current	122	188	-	-
	188	**248**	**-**	**-**

In 2019, a right of use asset, being the present value of the operating lease payments over the remaining life of the lease, was recognised. The right of use assets and corresponding lease liability have been calculated using a discount rate of 9%. The depreciation of the assets and interest charge are recognised in the Statement of Comprehensive Income in the year and the buildings maturity analysis of lease commitments at 31 December 2021 is detailed below.

Lease payments relate to leases of property. The Group does not have an option to purchase the leased property at the expiry of the lease period.

Payments recognised as an expense	**2021**	**2020**
	£'000	**£'000**
Minimum lease payments	-	-
Lease depreciation	62	61
Interest	19	24

Non-cancellable lease commitments	**2021**	**2020**
	£'000	**£'000**
Not later than 1 year	66	79
Later than 1 year and not later than 5 years	122	219
Later than 5 years	-	-
	188	**298**

26. Deferred tax

	2021	**2020**
	£'000	**£'000**
At start of year	644	550
Charged to profit or loss	117	94
At end of year	**761**	**644**

Due to the availability of UK tax losses, subject to agreement with the HMRC, there is an estimated deferred tax asset of £2,944,000 (2020: £2,648,000). This is not recognised due to the uncertainty of the timing of future taxable profits against which these losses could be utilised.

27. Share capital

The issued share capital is set out in the table below:

	2021		**2020**	
	No. of shares	**£'000**	**No. of shares**	**£'000**
Issued and fully paid				
Ordinary shares of 1p	159,802,147	1,598	108,138,544	1,081
Deferred shares of 51.8p	2,047,523	1,061	2,047,523	1,061
Deferred Ordinary shares of 0.5p	199,831,545	999	199,831,545	999
Deferred B shares of £19.60	103,260	2,024	103,260	2,024
Total		**5,682**		**5,165**

The changes in the year to 1p Ordinary shares, relating to the various capital transactions during the year were as follows:

	2021	
Ordinary shares of 1p	**No. of shares**	**£'000**
At start of year	**108,138,544**	**1,081**
Settlement of supplier and contractor fees (RNS Number : 4882P 17 February 2021)	1,863,219	19
Share placing, settlement of deferred consideration and contractor fees (RNS Number : 3348X 04 May 2021)	36,000,000	360
Loan conversion and settlement of contractor fees (RNS Number : 1210F 14 July 2021)	1,114,668	11
Share placing, settlement of deferred consideration and contractor fees (RNS Number : 9667V 17 December 2021)	12,685,716	127
At end of year	**159,802,147**	**1,598**

	2020	
Ordinary shares of 1p	**No. of shares**	**£'000**
At start of year	**79,500,419**	**794**
Settlement of director fees (RNS Number : 1029A 17 January 2020)	116,667	1
Settlement of advisor fees (RNS Number : 6990J 15 April 2020)	233,333	2
Settlement of salary and contractor fees (RNS Number : 9396L 05 May 2020)	1,196,866	12
Share Placing (RNS Number : 1520R 26 June 2020)	4,000,000	40
Loan conversion (RNS Number : 1520R 26 June 2020)	2,050,000	21
Settlement of salary and contractor fees (RNS Number : 5485T 21 July 2020)	835,182	8
Settlement of salary and contractor fees (RNS Number : 9339Z 24 September 2020)	1,396,077	14
Share placing and subscription (RNS Number : 3562H 03 December 2020)	18,810,000	189
At end of year	**108,138,544**	**1,081**

The number of additional shares authorised for issue is 60,314,284 (2020: 30,104,523).

Deferred shares
The Company has 2,047,523 Deferred shares of 51.8p each and 199,831,545 Deferred Ordinary shares of 0.5p each (together the 'Deferred shares') in issue. The Company also has 103,260 Deferred B shares in issue.

The Deferred shares have the following rights and restrictions. They shall:

a. Not entitle their holders to receive any dividend or other distribution;
b. Not entitle their holders to receive notice of or to attend, speak or vote at any General Meeting of the Company by virtue of or in respect of their holding of such Deferred shares; and
c. Entitle their holders on a return of assets on a winding-up of the Company or otherwise only to the repayment of the capital paid up on such Deferred shares and only after repayment of the capital paid up on each Ordinary share in the capital of the Company and the payment of a further £100,000 on each such Ordinary share.

The holders of the Deferred shares shall not be entitled to any further participation in the assets or profits of the Company. Notwithstanding any other provision of these Articles and unless specifically required by the provisions of the Act, the Company shall not be required to issue any certificates in respect of the Deferred shares. The Company shall have irrevocable authority at any time:

a. to appoint a person on behalf of any holder of Deferred shares to enter into an agreement to transfer, and to execute a transfer of, the Deferred shares, for no consideration, to such person (whether or not an officer of the Company) as the Directors may determine as the custodian thereof;
b. to purchase all the Deferred shares then in issue in consideration of an aggregate payment of one penny for all of such shares then redeemed and upon giving 28 days' prior notice to the holders of Deferred shares as to be redeemed fixing a time and place for redemption; and
c. in the event of any transfer, purchase or redemption to retain any share certificate relating to such shares. If any Deferred shares are purchased or redeemed as aforesaid, the

relevant amount of authorised but unissued share capital arising may be redesignated by the Directors as Ordinary share capital.

Neither the passing by the Company of any special resolution for the cancellation of the Deferred shares for no consideration by means of a reduction of capital requiring the confirmation of the Court nor the obtaining by the Company nor the making by the Court of any Order confirming any such 103 reduction of capital nor the becoming effective of any such Order shall constitute a variation, modification or abrogation of the rights attaching to the Deferred shares and accordingly the Deferred shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with the Act without sanction or consent on the part of the holders of the Deferred shares.

28. Share premium

	2021 £'000	2020 £'000
At start of year	25,004	23,480
Premium arising on issue of equity shares	1,486	840
Shares issued on acquisition of subsidiary and novation of contracts	-	135
Debt to share conversion	644	634
Share issue costs	(110)	(85)
At end of year	**27,024**	**25,004**

29. Acquisitions

There were no acquisitions in 2021.

30. Share options and warrants

Share option reserve

	2021 £'000	2020 £'000
At start of year	496	218
Share option charge	223	222
Share options forfeited	(267)	-
Warrant charge	63	56
At end of year	**515**	**496**

Share options
The Group adopted a share option scheme on 2 April 2019 for certain directors and senior management. Options are generally exercisable at a price equal to the market price of the Plc shares on the day immediately prior to the date of the grant. Options are forfeited if the employee leaves the Group before the options vest.

The Share Option Plan provides for the grant of both tax-approved Enterprise Management Incentives (EMI) Options and unapproved options.

No options were issued in 2020 or 2021.

The charge for the year ended 31 December 2021 for the options issued in April 2019 totals £223,000 (2020: £222,000).

Details of the share options outstanding during the year are as follows.

	2021		2020	
	Number	Weighted average exercise price (p)	Number	Weighted average exercise price (p)
Outstanding at the beginning of the year	3,086,346	65	3,086,346	65
Granted during the year	-	-	-	-
Forfeited during the year	(1,341,889)	65	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	**1,744,457**	**65**	**3,086,346**	**65**

Options become exercisable on the third anniversary of the grant date and lapse on the tenth anniversary of the grant date. All options currently outstanding were granted on 2 April 2019.

Advisor and creditor warrants
1,500,000 (2020: 75,000) advisor warrants were issued during the year at a weighted average exercise price of 5p (2020: 15p).

The inputs into the warrant pricing model for the warrants issued in the year are:

Weighted average exercise price	5p
Expected volatility	77%
Expected life	2 years
Risk free interest rate	1.1%
Expected dividends	0.00

The charge for the year ended 31 December 2021 for the advisor and creditor warrants in issue totals £63,000 (2020: £56,000).

A total of 2,213,941 advisor and creditor warrants were outstanding at 31 December 2021 (2020: 713,941).

Investor warrants
11,428,572 (2020: 16,810,000) investor warrants were issued to investors as part of an equity raise and are therefore outside the scope of IFRS 2 'Share-based payment' and consequently there is no share-based payment charge in respect of these warrants.

During the year 3,903,840 (2020: nil) investor warrants expired leaving a total of 28,238,572 investor warrants outstanding at 31 December 2021 (2020: 20,713,840).

Details of all warrants outstanding during the year are as follows.

	31 December 2021 Number	Price (p)	31 December 2020 Number	Price (p)
Investor (exercisable up to 25 February 2021)	-	-	3,903,840	80.00
Adviser (exercisable up to 25 February 2022)*	50,000	15.00	50,000	80.00
Investor (exercisable up to 25 June 2022)**	4,000,000	10.00	4,000,000	15.00
Adviser (exercisable up to 25 June 2022)**	75,000	10.00	75,000	15.00
Creditor (exercisable up to 17 October 2022)	356,923	38.79	356,923	38.79
Investor (exercisable up to 3 December 2022)	12,810,000	10.00	12,810,000	10.00
Creditor (exercisable up to 16 December 2022)	232,018	38.79	232,018	38.79
Adviser (exercisable up to 24 May 2023)	1,500,000	5.00	-	-
Investor (exercisable up to 23 December 2023)	11,428,572	5.00	-	-
	30,452,513	**8.44**	**21,427,781**	**24.66**

*repriced from 80p to 15p in May 2021.
**repriced from 15p to 10p in May 2021.

Warrants	**2021 Number**	**2021 Weighted average exercise price (p)**	**2020 Number**	**2020 Weighted average exercise price (p)**
Outstanding at the beginning of the year	21,427,781	24.66	4,542,781	74.66
Issued during the year	12,928,572	5.00	16,885,000	11.21
Expired during the year	(3,903,840)	15.00	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	**30,452,513**	**8.44**	**21,427,781**	**24.66**

31. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders. The Group had net assets of £5.4m at 31 December 2021 (2020: £5.8m). The Group's capital management strategy is to retain sufficient working capital for day to day operating requirements and to ensure sufficient funding is available to meet commitments as they fall due and to support growth. There are no externally imposed capital requirements.

	2021 £'000	**2020 £'000**
Loan facility	(1,678)	(2,045)
Total debt	**(1,678)**	**(2,045)**
Cash	211	168
Net debt	**(1,467)**	**(1,877)**

In order to maintain or adjust the capital structure the Group may issue new shares or sell assets to reduce debt.

32. Related party transactions

Details of the Directors' remuneration and consultancy fees are disclosed in Note 9.

David Ciclitira

David Ciclitira injected funds into the Company during the year as follows:	**2021 £'000**	**2020 £'000**
Fees settled in shares	-	28
Loan converted to equity	30	205
Acquisition of LCSE settled in shares	200	450
	230	**683**
Loan advanced		
Loan facility	-	500
Total funds injected	**230**	**1,183**

David Ciclitira received payments during the year as set out below:	**2021 £'000**	**2020 £'000**
Business expenses and healthcare costs.	14	13
Rental arrangements for use of Venturi Formula E Car as described in Note 33 to the annual report for the year ended 31 December 2019	-	17
Fees and interest at 16.2% in relation to the provision of loan facility detailed in Note 22.	22	101
Fees in relation to HP Agreement guarantee	21	28
Consideration for the purchase of share in EMPL	113	-
Consideration for the purchase of LCSE, settled in shares	200	450
Fee in relation to the assumption of historic liabilities	-	29
	370	**638**
Loan repaid		
Loan converted to equity	30	205
Loan repaid	174	-
	204	**205**
Total payments received	**574**	**843**

Unpaid balances due to related parties at 31 December	**2021 £'000**	**2020 £'000**
David Ciclitira*	205	318
Serenella Ciclitira	28	8
Ranjit Murugason**	127	20
Bryan Lawrie**	24	11
Trudy Norris-Grey	-	(15)
Mark Freebairn	-	10
Simon Horgan	-	10
Stephen Birrell**	16	-
	400	**362**

*Includes total deferred consideration of £100,000 (2020: £300,000) in relation to the acquisition of David Ciclitira's interest in EMHL, and the outstanding loan balance of £90,823 (2020: £295,000) as detailed in Note 22. In March 2022 the outstanding loan balance was repaid in full together with £45,000 of the outstanding deferred consideration relating to the acquisition of EMHL leaving £55,000 outstanding.

**In February 2022 6,223,859 new Ordinary shares in the Company were issued in settlement of outstanding Director's fees. Senior Director Ranjit Murugason received 5,047,620 Ordinary shares at 3.5p, Bryan Lawrie received 747,667 Ordinary shares at 3.5p and Stephen Birrell received 428,572 shares at 3.5p price.

Subsidiary undertakings and associates

During the year the Company provided and received services to other Group companies totalling:

Services provided by the Company to:	**2021**	**2020**
	£'000	**£'000**
Brick Live International Limited	90	-
	90	**-**
Services received by the Company from:		
Brick Live International Limited	**102**	**-**
	102	**-**

Unpaid balances due to subsidiary undertakings and associates	**2021**	**2020**
	£'000	**£'000**
Brick Live Group Limited	65	66
Bright Bricks Limited	(521)	(943)
Brick Live International Limited	(593)	(283)
K-Pop Europa Limited	(41)	-
Live Company Group EBT Limited	152	-
	(938)	**(1,160)**

Investments

In May 2021 the Company subscribed to 389 ordinary shares in Start Art Global Limited. ('StART.Art'), representing a non-controlling stake of 18.6% of the total issued share capital of the company, for a total consideration of £1,000,000. Prior to the transaction StART.Art was 100% owned by David Ciclitira and Ranjit Murugason who are both directors of the Company.

In November 2021 StART.Art acquired the entire issued share capital of Start (2013) Limited, the promoter of the StART Art Fair, in an all share transaction, resulting in a decrease in the Company's interest in the enlarged group from 18.6% to 14.6% with no diminution of value. Prior to the acquisition Start (2013) Limited was 100% owned by David Ciclitira and Ranjit Murugason who are both directors of the Company.

In December 2021, following a reorganisation of the capital structure of StART.Art, StART.Art issued a further 180 ordinary shares to LVCG for nominal consideration increasing LVCG's holding to 19.9%.

In November 2021 the Company purchased 271 ordinary shares, representing 20% of the total issued share capital, in E-Movement (PTY) Limited ('EMPL') from David Ciclitira for a total consideration of £113,460. These shares were originally purchased by David Ciclitira (acting in his personal capacity) for the same amount in anticipation of them being transferred to the Company.

33. Equity Share Arrangement

In December 2019, the Company entered into a subscription agreement with YA II PN, Limited. ('YA II') and RiverFort Global Opportunities PCC Limited ('RiverFort') together the 'Investors' whereby the Investors agreed to make an equity investment of £2m, before expenses ,through the subscription for, and issue of 6,666,667 new Ordinary shares of 1 pence each in the capital of the Company at a price of 30p per share. Under an equity sharing agreement also entered into by the Company with the Investors (the 'ESA'), an amount equal to the gross proceeds of the Subscription following its completion, will then be returned by the Company to the Investors (the 'ESA Payment'), with the Company to receive back the ESA Payment, subject to certain pricing adjustments on a pro rata monthly basis.

In August 2020 the Group entered into a £1,500,000 CBILS borrowing agreement with Close Leasing Limited, the proceeds from the facility were used to repay the outstanding YA II and RiverFort borrowing and to terminate the ESA agreement.

In addition to an early termination fee of £143,000 payable by the Group, Live Company Group EBT Limited purchased 5,726,480 shares previously held by YA II and RiverFort (representing 6.51%. of the Company's issued share capital at the time) into trust, at a cost of £57,000.

These payments together with the Group's expected share of the ESA Payment (£2,000,000 at the time of the agreement and included in non-current receivables in the Groups consolidated statement of financial position at 31 December 2019) which following the termination will no longer be receivable will be considered part of the consideration for the share purchase at a group level and is included in the Group retained earnings in the Consolidated Statement of Financial Position.

34. Subsidiaries

At 31 December 2021, the Company had the following (direct and indirect) subsidiaries:

Held directly	**Company number**	**Place of incorporation**	**% owned**	**Principal activities**
Brick Live Group Limited	10151705	UK	100%	Holding Company
Bright Bricks Limited	07227540	UK	100%	Specialist production company

Bright Bricks 2020 Limited	12333294	UK	100%	Dormant
Live Company Group EBT Limited	12792192	UK	100%	Employee Benefit Trust Company
Parallel Live Group Limited	09932658	UK	100%	Holding Company
Live Company Sports and Entertainment Limited	12328268	UK	100%	Holding Company
E Movement Holdings Limited	12502990	UK	100%	Holding Company
Championship (Singapore) Pte Limited	201427355K	Singapore	95%	Dormant
Held indirectly				
Brick Live International Limited	10257756	UK	100%	BRICKLIVE events
Brick Live Far East Limited	10308158	UK	100%	Dormant
Brick Live Far East Limited	2460460	Hong Kong	100%	Owner of Associate investment in China
Parallel Live (NY) LLC	6339763	USA	100%	Dormant
Live Company Sports and Entertainment (Pty) Limited	2020/765082/07	South Africa	100%	Sports and entertainment events
K-Pop Europa Limited	12924203	UK	50%	KPOP events
E Movement Holdings (Pty) Limited	2021/354354/07	South Africa	100%	Formula E events

In December 2020, the Company acquired the entire issued share capital of Live Company Sports and Entertainment Limited including its 50% interest in K-Pop Europa Limited (KPE).

At the time of acquisition the Directors concluded, by virtue of David Ciclitira being the sole director of KPE and was thus able to direct its activities, that KPE should be consolidated as a subsidiary in accordance with IFRS 10. The directors continued to assess signifiers of control during the year ended 31 December 2021 and concluded that the criteria for consolidation continued throughout the year.

During the year KPE made a pre tax loss of £8,000; and at 31 December KPE had net liabilities of £8,000. The results of KPE have not been consolidated in these financial statements on the basis of immateriality.

The following subsidiaries were dissolved in the year:

Held directly	**Company number**	**Place of incorporation**	**% owned**	**Principal activities**
Brick Live Touring Limited	11253539	UK	100%	Dissolved
Held indirectly				
Bright Bricks Consumer Limited	10653625	UK	100%	Dissolved

Brick Live Far East Limited is in the process of being dissolved.

The registered office of the subsidiaries incorporated is England and Wales is 3 Park Court Pyrford Road, West Byfleet, Surrey, KT14 6SD.

The registered office of the overseas subsidiaries are as follows:-

Championship (Singapore) Pte Limited, 62 Neil Road, Singapore (088833).

Brick Live Far East Limited, RM 1307A 13/F, Two Harbourfront, 22 Tak Fung Street, Hughom, Hong Kong.

Parallel Live ((NY) LLC, 800 N King St, Suite 303, Wilmington, DE 19801, USA

E Movement Holdings (Pty) Limited, 9 Viscount Crescent, Baronetcy Estate, Plattekloof, Western Cape, 7500, South Africa.

Live Company Sports and Entertainment (Pty) Limited, Noland House, River Park, Mowbray, Western Cape, South Africa.

The company's subsidiaries Brick Live Group Limited, Parallel Live Group Limited, Brick Live International Limited, and Live Company Group EBT Limited are exempt from the requirements of the Companies Act 2006 relating to the audit of their individual accounts by virtue of section 479A of the Companies Act 2006.

35. Post balance sheet events

In February 2022 6,223,859 new Ordinary shares in the Company were issued in settlement of outstanding Director's fees. Senior Director Ranjit Murugason received 5,047,620 Ordinary shares at 3.5p, Bryan Lawrie received 747,667 Ordinary shares at 3.5p and Stephen Birrell received 428,572 shares at 3.5p price.

In March 2022 the outstanding balance of £90,823 due under the loan arrangement with David Ciclitira as detailed in Note 22 was repaid in full. Also in March 2022 £45,000 of the outstanding deferred consideration due to David Ciclitira in relation to the acquisition of EMHL as detailed in Note 29 was settled in cash.

In March 2022 16,500,000 new Ordinary shares of 1 pence each in the capital of the Company were issued at a price of 5p, raising £784,000 net of fundraising costs.

In April 2022 1,428,571 Investor warrants were exercised at a price of 5p raising £57,000.