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Feedback PLC
12 September 2023

Feedback plc

Full Year Results to 31 May 2023

Feedback plc (AIM: FDBK, "Feedback" or the "Company"), the clinical infrastructure specialists, announces its audited results for the twelve months to 31 May 2023 (the "Period").

Operational Highlights

- Continued to focus on growth of high margin opportunities
- Sussex Integrated Care System ("ICS") Community Diagnostic Centre ("CDC") pilot contract extension - providing increased revenue visibility
- Demonstrated an approximate 69% reduction in patient wait times compared to national targets
- Named as a supplier on G-Cloud 13, the UK Government's digital marketplace
- Bleepa 1.5 upgrade completed
- NHS Trust customers NCA and RBH both renewed Bleepa subscriptions for a further 3-year term
- Continued progress in India and establishment of Indian subsidiary
- Completion of 200:1 share consolidation

Financial Highlights

- 74% increase in revenue to £1.02m (FY22: £0.59m), of which Bleepa-CareLocker contributed 74%
- 89% increase in sales[1] to £1.27m (FY22: £0.67m)
- Operating loss increased to £3.42 (FY22: £2.51m), reflecting expansion and improvements to the technology
- Cash as at 31 May 2023 was £7.32m (31 May 2022: £10.31m)

Post period Highlights

- Numerous discussions underway both with local, regional and national NHS organisations, and strategic partners
- Successfully granted an import license for Bleepa as a registered medical device in India
- Appointment of India in-country Managing Director to drive the opportunity for Bleepa

Analyst Presentation: 14.00, Tuesday 12 September
A remote briefing for analysts will be held at 14.00 today. Analysts interested in attending should contact Walbrook PR on feedbackplc@walbrookpr.com or 020 7933 8780.

Investor Presentation: 16:00, Tuesday 12 September
Management will be providing a presentation and hosting an investor Q&A session on the Company's results and future prospects at 16:00 today. Investors can sign up for free and register to meet FDBK via the following link: https://www.investormeetcompany.com/feedback-plc/register-investor

Questions can be submitted pre event and at any time during the live presentation via the Investor Meet Company Platform.

Dr Tom Oakley, CEO of Feedback, said: "We are delighted with the continued progress made during the period - with the shift from legacy products. The opportunity afforded by Bleepa and CareLocker both domestically and overseas provides us with tremendous optimism as we focus on generating new contracts from our ongoing dialogues with interested parties, which we believe will further enhance levels of recurring revenue visibility. The additional paid for Sussex CDC extension (announced in April) further validates our strategy and we remain hopeful that we will be successful in the procurement process. With CDCs continuing to explore avenues to reduce waiting times we believe that our performance to date provides compelling testament to our capabilities - with early results from our current CDC programme highlighting an approximate 69% reduction in diagnostics wait times versus the national target.

"Furthermore, we are extremely excited by global opportunities - with inroads in India highlighting the scalability of our solutions. Importantly, we believe that increased regulatory demands both in the UK and India will further underpin demand. There is increasing focus on technologies to secure the transfer and display of images and videos, and we believe that the landscape is very much moving in our favour - with digital infrastructure and digitally enabled tools seen as key solutions to significant administrative burdens. This is especially prevalent when considering winter pressures and the growing requirement to reduce care backlogs - and we believe that given our pipeline and capabilities that we will be at the forefront of change in the coming year."

Note (1): "Sales" is non-IFRS metric representing the total customer contract value invoiced in a period. The figure does not take account of accrued or deferred income adjustments that are required to comply with accounting standards for revenue recognition across the life of a customer contract (typically 12 months).

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About Feedback

Feedback plc helps clinical teams to make better decisions faster for patients. We design products that enhance clinician access to patient data and to their colleagues. Our unique approach centres around individual patient episodes, into which we pull relevant clinical data from hospital systems and around which we build remote clinical teams for collaboration. As a result, we produce a digital infrastructure that makes patient data available to clinicians in multiple settings, in a format that enables them to meaningfully interact with it, providing flexibility to clinicians and free movement of patients between provider settings - clinicians can practice from anywhere and patients can attend any care provider for treatment.

Our products Bleepa and CareLocker work together to deliver unparalleled value to our customers. Bleepa is our application layer and sits on top of CareLocker as our data layer. Bleepa is a clinician facing platform that displays clinical results from a patient's CareLocker at a certified and regulated quality, that is suitable for clinical use and enables dialogue on a patient-by-patient basis with colleagues through a secure, auditable chat interface that links back to the patient medical record. The CareLocker data storage model is built around the patient. Our vision is one where relevant clinical data is always available to the patient as well as to any care setting that they may attend - a federated data architecture with the patient as the tenant.

The Company has a number of growth opportunities domestically and internationally across a range of markets including the NHS, the veterinary market and private healthcare providers and its highly scalable Software as a Service ("SaaS")-based model is expected to provide increasing levels of revenue visibility as the Company grows its customer base.

Chairman's Statement

Laying the foundations for growth

The financial year ending 31st May 2023 has been a positive period for Feedback marked by strong trading despite challenging market conditions and challenging NHS procurement, ongoing inflationary pressures and frequent strikes in the public sector. Despite the pervasive challenges, Feedback has carefully navigated a fluid political and economic backdrop to report strong revenue growth of 74% driven by an 89% increase in sales. Growth has been driven by both emerging opportunities for our products in spaces such as the NHS CDC initiative, with the award of a pilot extension contract by Queen Victoria Hospital in Sussex, and, importantly, through existing customer renewals which highlights the ongoing value that our customers derive from our products and is a validation of the high customer lifetime value potential. Encouragingly, our first two Bleepa customers, the Northern Care Alliance (NCA) and Royal Berkshire Hospital NHS Foundation Trust (RBH), have both renewed Bleepa subscriptions with annual inflationary price uplifts over a 3-year term. This was the first year that the Company saw revenues in excess of £1m - a great base to build from.

Although still early in our commercial journey there is clear growth potential represented by a renewing customer base and a healthy pipeline of CDC and international opportunities. Therefore, we can justifiably state that the strategy to move away from legacy products with non-recurring revenue and towards Bleepa and SaaS is bearing fruit. We are delighted to see a repledged commitment from the NHS to roll out the CDC programme, with renewed funding commitment and multiple business cases being approved for CDC implementation, building a marketfor the breadth of our product library. The team has stayed very close to this programme, and our CEO has presentedon the benefits of Bleepa as a platform enabler of the CDC programme and as the 'third pillar' of the build alongside investment in bricks and mortar and staff, to the APPG for Diagnostics. This has provoked several conversations with both the national NHS team and with multiple regions who are looking to implement CDCs. We retain the view that the UK CDC opportunity represents a TAM of approximately £96m/year and is an opportunity for which we are uniquely positioned to deliver, given our breadth of functionality and medical device certification.

In India we have been focusing on both rural and city-based opportunities. Due to the nature of the healthcare system and diverse geography we believe that our products offer compelling solutions. Given the strength of our technology base, we believe that the primary opportunity for India now lies with Bleepa in a clinical/hospital setting, and the remote image acquisition solution. Therefore, post period-end, although there may be a direct opportunity for CareLocker as a patient-facing component of the Bleepa platform when sold to large hospital chains or in facilitating remote screening services, we paused marketing spend on CareLocker as a standalone product for imaging centre patients, enabling the Company to focus on achieving regulatory approval for Bleepa in order to service the growing pipeline. The Board's opinion is that India remains a significant opportunity, so we have furthered our investment in India with the appointment of Rohit Singh as in-country Managing Director who has already identified several additional potential market opportunities for Bleepa with various government organisations, including the Ministry of Defence, and large hospital chains. In addition, post-period, we successfully obtained an import license for Bleepa as a non-sterile non-invasive medical device, with the Central Drugs Standard Control Organisation (CDSCO).

During the period the Company embarked on several internal initiatives including a 200:1 share consolidation with a view to positively impacting the liquidity and trading activity in the Company's shares and improving its marketability to a wider investor group. In addition, the Board constructed and implemented an ESG programme in collaboration with the management team and in alignment with QCA best practice. Each member of the management team has direct oversight and accountability of an ESG initiative within their area of the business and will be reporting back to the board on a quarterly basis around progress. Examples include adoption of green code and server rationalisation within the technical team, consolidation and re-use of marketing materials such as brochures and conference stands by the marketing team (and recycling of materials wherever possible), optimisation of internal systems, and monitoring device energy use by the support team. Most of these ESG initiatives should also yield a cost saving alongside an environmental impact. ESG has become an area of significant importance for UK companies and is increasingly becoming a requirement in public sector contract tenders.

As such, our increasing ESG efforts will also help in our sales efforts to organisations such as the NHS. Our CEO, Dr Tom Oakley was invited to become a mentor on the NHS England Clinical Entrepreneur Programme, taking on two mentees for the year, a commitment that sees him deliver an hour of mentoring per mentee each month and which further cements our Company as partner to the NHS, together building a better future for patients and clinicians.

The Board believes that we have great opportunities ahead of us and recognises the need to build on the customer base that we have established. The NHS has been through a challenging phase post-Covid, with a growing backlog of patients and industrial unrest among the different staff groups. Inevitably, decision-making processes have become protracted. We continue to believe that the functionality of Bleepa and CareLocker will be key to the much-needed service improvement and productivity gains required to stabilise the service. Our team has done exceptionally well to navigate through these difficult trading times and to continue to stimulate the NHS opportunity. The Board is optimistic about the near-term potential. Our products are truly unique in the market and over the last year, we have generated compelling evidence to demonstrate this via our partnership with our NHS customers. We believe we are now well positioned to help a number of NHS programmes. We will ensure delivery of key system priorities for the NHS and benefit from the funding as it becomes available. Bleepa is the key that unlocks the NHS digital strategy, and we intend to further monetise opportunities in the coming year.

Rory Shaw
Non-executive Chairman
11 September 2023

CEO's Statement

Taking our proposition beyond the hospital walls of the NHS

We are delighted by the continued progress in 2023. In addition to driving new lines of business and pursuing cross-provider care opportunities we prioritised the renewal of existing customer contracts. A core component of any SaaS model is understanding and extending the lifetime value of the customer through the delivery of high-quality products and services. Our NHS customers have renewed with us this year because of the value they see in and from Bleepa. For example, Bleepa has now delivered over 11,700 referrals at the Northern Care Alliance (NCA) and over 1,000 users across three hospitals and has become an essential tool to daily clinical practice. Our recent independent clinical evaluation at the NCA demonstrates the benefits of using Bleepa in time and efficiency savings as well as improvements in communication around patient care.

We have fought hard to be proactive and not complacent - we will not ignore customer sites when they reach a steady state; we worked so hard to win them that we believe we must work equally hard to keep them. Providing ongoing value to clinicians and their patients is at the core of what we do and many of the innovations that we identify through customer engagement help us to develop features that unlock new business opportunities such as the CDC programme.

The technical landscape is also always shifting, with customers adopting new digital strategies and bringing on new digital systems that require us to continuously ensure that Bleepa retains a clear value and performance proposition. This approach has seen both RBH and the NCA renew their Bleepa subscriptions with annual inflationary price uplifts over a three-year term. These renewals were made possible by our participation in the G-Cloud 13 procurement framework, a key goal of the prior year and a core part of our strategy to diversify our routes to market in the NHS.

2023 has been a pivotal year for the Company. We started the year with the ambition to develop the Bleepa proposition to one that could deliver services not just within hospitals but between care settings and that would let us pursue much larger regional contracts for an emerging market of CDC customers. I am pleased to say that we delivered this. For the last year Bleepa-CareLocker has been facilitating the UK's first symptom-based care pathway, connecting primary care and secondary care providers. Together with our partner Queen Victoria Hospital (QVH) we have pioneered a new approach to cross-provider care delivery and laid a digital foundation that can transform the model of care pathways, bringing diagnostic testing upfront, earlier in a pathway, reducing the requirement for outpatient appointments and for traditional models of multidisciplinary care delivery (in-person meetings and video calling).

This approach has enabled us to demonstrate a 69% reduction in patient wait times compared to the national 18-week referral to treatment target (RTT), without requiring additional clinical staff and whilst achieving potential cost savings for our NHS customers in relation to the outpatient and MDT reduction delivered.

Following our £450k pilot contract for the Sussex ICS with QVH, we were awarded a nine-month, fixed-term contract extension for the Bleepa-CareLocker CDC solution. This paid extension follows the success of the Company's previous contract and was awarded because of the abandonment of QVH/Sussex ICS's previous procurement process in March 2023. Feedback is now covering the period of re-procurement whilst QVH/Sussex ICS undertakes a new tender exercise under the Public Contracts Regulations 2015. The new tender process for the next phase of the CDC programme rollout is due to commence imminently and the Board is confident that our product offering is unique and unmatched by other UK suppliers.

Our work at QVH/Sussex ICS has become a national flagship and a model system of how CDCs can deliver impact nationwide. Post period, I had the privilege of presenting this work to the APPG for Diagnostics, where I made the case for Bleepa as the third pillar of building a CDC, alongside investment in bricks and mortar and staffing. The reality is that the NHS urgently needs the extra capacity that the CDC programme can deliver but we believe the only way that this can be brought online ahead of winter pressures is digitally through Bleepa. The APPG has given us a national platform from which we have engaged directly with the national CDC leadership at NHS England (NHSE) and a number of ICS regional leaders who are looking to deploy CDC pathways. Until Q2 of CY2023 many ICSs have not had digital leadership in place, which has limited procurement decisions and slowed the rollout of technology such as ours, a situation that has further been compounded by the inflationary and budgetary pressures created by the turmoil of last year. However, most ICSs have now reached a point of operational maturity and some have appointed digital leaders within their organisation. This, in combination with repledged funding commitment from NHSE for the CDC programme and the usual concerns around winter pressures, has put the CDC programme back at the top of the NHS priority ladder. With the evidence that we have generated at QVH/Sussex and a customer that we can now sell to, we are in a strong position to capitalise on the opportunity ahead of us in the coming year.

The work around pathways and connecting across care settings is not unique to the NHS. It is equally applicable to the private sector and internationally in systems that are looking to redesign patient flow to reduce wait times and maximise value for money. With this prospect in mind, we are currently exploring opportunities for the utilization of the Bleepa pathway tool within the UK private and insurance sector and internationally.

Internationally we have been focused on exploring the opportunity for our products in India, following two successful trade missions to India in prior periods with the UK Department of International Trade (now Department for Business and Trade (DBT)), hosted by Lord Prior, then Chairman of NHS England. Early on we partnered with the UK India Business Council (UKIBC) who DBT introduced us to as an intermediary who help facilitate market entry into India by UK companies. We finalised the setup of an Indian subsidiary in Q4 and commenced the process of registering Bleepa as a medical device in India, in order to obtain an import license which would allow us to directly market Bleepa to hospitals within India for clinical use. Although it may have been a quicker process to import Bleepa through a third-party wholesaler, this posed a risk to our IP due to the requirement to share our technical file information and therefore, given that the Company views India as a long-term opportunity which we need to approach diligently, it was preferential to use a wholly-owned subsidiary as a local manufacturer and pursue in-country medical device registration. Post-period, we successfully received an import license for Bleepa as a non-sterile non-invasive medical device with the CDSCO in India, allowing us to develop the pipeline of opportunity for Bleepa within India.

Whilst awaiting medical device registration, we were able to continue delivery of the Odisha pilot around remote image acquisition and AI screening, with Qure.ai and AWS, as this was a pilot and not a commercial contract with a customer. Given that we had demonstrated the technical success of the product in this context we decided not to further expand the pilot programme beyond the Odisha site until we were able to commercialise the technology, i.e., post the award of local medical device registration for Bleepa. This pilot site has enabled us to generate data that supports the frontline use of Bleepa and which can now be leveraged to drive commercial opportunities for the platform.

In parallel to gaining regulatory approval for Bleepa, our strategy in the Indian market has been to assess the prospects for CareLocker as a standalone consumer offering. Initial discoveries showed that Indian imaging centres were using costly, environmentally damaging, and outdated processes to transfer patient images, presenting a strong opportunity for disruption. We deployed a CareLocker pilot with an Indore-based imaging centre network, Sampurna Diagnostics, to develop the commercial models and deepen our understanding of the Indian healthcare sector and national initiatives. The Board believes that there is a material opportunity in rural settings and smaller cities, such as Indore, to provide a service that provides benefits over the current system. However, subsequent research suggests that practices in Mumbai, and likely other large cities, are currently very different. Since initial scoping visits, a trend has emerged showing a tendency of PACS vendors to share images with imaging centres and their patients for free, via WhatsApp, as they currently derive revenue from other methods such as the sale of patient data. It is the Board's belief that this would undermine the CareLocker proposition as a paid-for consumer app whilst there is a lack of consumer and provider appetite to pursue stricter data governance regulations. There are indications of a tightening in the Indian Government's position on this, and the Company remains well placed to respond flexibly if legislation turns into regulation with financial penalties, which may stimulate a reemergence of this large sales opportunity. For now, we will focus on the opportunity presented by smaller cities and rural areas and have, post period, paused the marketing of CareLocker to imaging centre patients as we continue to build a pipeline of Bleepa sales now that regulatory approval has been granted. Initial market engagements around Bleepa and the Bleepa remote access pilot in Odisha, shows there may be a direct opportunity for CareLocker as a patient-facing component of the Bleepa platform, when sold to large hospital chains or in facilitating remote screening services.

The Board believes that the primary opportunity for India now lies firmly with Bleepa as a hospital offering and as a remote image acquisition solution. The Board still sees significant opportunity in India, so we have furthered our investment in India with the appointment of Rohit Singh as in-country Managing Director. Rohit joined us from the UKIBC, which facilitates the introduction of UK companies into the Indian market, where he helped build the India advisory practice - a real validation and endorsement Feedback's Indian strategy. Rohit has already identified several additional potential market opportunities for Bleepa with government organisations, including the Ministry of Defence, and large hospital chains, that we believe can be unlocked following Bleepa's medical device registration in India. We remain excited by the opportunity that this market represents and estimate a TAM of approximately £1 billion.

Business strategy

The Company's strategy is to pursue opportunities for cross-provider care delivery where we expect to recognise higher contract values and operational margins, within a less competitive environment. This will predominantly be in the CDC space in the UK, for which we estimate the total addressable market as £96m, and remote care settings in India. The Company will, however, continue to target its core products at traditional NHS opportunities with individual NHS trusts around clinical communication and replacement of legacy communication methods such as pagers and fax machines.

The decision-making process and associated sales cycle is currently particularly long within the NHS, due to several factors described above and, as such, the Company is also targeting parallel market segments for our technology that require minimal additional product development and where there is a mirror value proposition that we understand and can sell into, such as India. More recently this has led us to consider applications in the UK private sector which we intend to pursue in the next financial year.

To date, our commercial success has been derived from our ability to leverage and repurpose our legacy technologies, resulting in the creation of Bleepa, CareLocker and Bleepa Box . In addition, we opportunistically seek to license components of our Cadran technology to third parties, generating recurring royalty revenue from non-core assets, as demonstrated by the licensing of Cadran to Imaging Engineering LLC in the USA for fluoroscopy image capture. The license agreement with Image Engineering yielded royalty revenue of £0.14m (2022: £0.14m) in the period, with a minimum ongoing annual royalty expectation of US$70k per annum until end CY2025.

Leveraging legacy technology and developing our existing products to maximise product market fit and maintain our competitive advantage will remain a core strategy for the Company and will result in continued software development spend on a measured basis. The Company will also continue its strategy of robust regulatory certification and IP protection alongside the programme of software production as a medical device.

Maintaining our lead - regulatory excellence

During the period the Company successfully recertified for a number of its accreditations including:

- ISO13485, the standard for quality of our product manufacturing process (a pre-requisite to medical device certification);
- ISO27001, relating to data governance and management;
- Cyber Essentials Plus, data security and resilience; and
- DCB0129, clinical risk management.

These standards are an essential component of our product development and directly affect our ability to sell to the NHS and international customers. Successfully revalidating against these standards has also enabled the Company to complete the technical file for the latest version of Bleepa v1.5, and to affix a UKCA mark to this product release. Bleepa v1.5 incorporates a number of advanced features including:

- the ability to share the patient record to a clinician outside of the current hospital deployment (where data sharing permission is present), enabling users to have conversations with potentially any clinician in the country, for ever-improved care to the patient, opening the potential for truly regional or national care delivery;
- enhanced features for document capture such as document preview and categorisation, which enable users to contribute to the patient record with virtually any medical information (referral letter, ECG trace, blood report, etc.); and
- improved messaging functionalities such as tagging teams and individuals and making structured notes to enable users to communicate even more intuitively, quickly and safely.

Board changes

Tim Irish stepped down from the board on 01 June 2022, after five years of service for the Company. Annemijn Eschauzier joined the board as a NED on 01 June 2022 and brings with her a wealth of commercial and leadership experience across marketing, sales and business development in the healthcare sector.

Financial review

Key performance indicators	**2023** £m	**2022** £m
Revenue	1.02	0.59
Gross margin	92%	83%
Sales (non IFRS)	1.27	0.67
Operating expenses	(4.36)	(3.00)
Operating loss	(3.42)	(2.51)
EBITDA loss (non IFRS)	(2.61)	(1.96)
Cash outflows from operating activities	(1.79)	(1.25)
Cash outflows from investing activities	(1.20)	(1.15)
Cash & cash equivalents end of period	7.32	10.31
Intangible assets	3.71	3.29
Contract liabilities (deferred income)	0.44	0.20
Net assets	10.87	13.71

Revenue for the year ended 31 May 2023 increased 74% to £1.02m (2022: £0.59m). The growth reflects the significant increase in average contract value for Bleepa-CareLocker compared to legacy products, with Bleepa-CareLocker comprising 74% of revenue. In addition, revenue for the period was positively impacted by a one-off item related to the 12-month extension of the QVH/Sussex ICS pilot, a £0.45m contract awarded in September 2022 but covering the 12-month period from 31 March 2022, resulting in £0.19m of revenue being recognised related to the 5-month period prior to contract signing.

Gross margin increased to 92% due to the one-off revenue impact of the 12-month extension of the QVH/Sussex ICS pilot as described above and due to the prior year being impacted by one-off BleepaBox hardware costs.

Sales, a non IFRS measure representing the total customer contract value invoiced in the period, increased 89% to £1.27m (2022: £0.67m). Bleepa-CareLocker contributed £1.0m (2022: £0.26m) and Image Engineering license fees contributed £0.14m (2022: £0.14m), of which 37% is recurring minimum royalties with the balance related to bespoke software development license fees. Sales in 2023 include two contract awards with QVH/Sussex ICS which occurred during the period, being the £0.45m pilot in September 2022 and the £0.38m pilot extension in March 2023. Sales are recognised as revenue monthly across the life of a customer contract (typically 12 months), with any amount not recognised as revenue in the current financial year remaining on the balance sheet as contract liabilities (deferred income) and recognised as revenue in the forthcoming financial year. Contract liabilities (or deferred income) as at period end was £0.44m (2022: £0.20m).

Operating expenses increased 45% to £4.36m (2022: £3.00m), primarily due to the full-year effect of headcount expansion, increasing amortisation of Bleepa software development costs, and additional discovery and research costs related to NHS system integrations with Bleepa and cloud architecture optimisation. Operating loss increased to £3.42m (2022: £2.51m). EBITDA loss, excluding depreciation and amortisation charges of £0.81m (2022: £0.55m), increased 33% to £2.61m (2022: £1.96m).

Cash outflows from operating activities increased 43% to £1.79m (2022: £1.25m) primarily due to higher operating expenses offsetting higher sales, and the prior period containing the benefit of two R&D tax credit refunds totaling £0.77m. Cash outflows from investing activities, primarily being software development expenditures with Graylight Imaging, increased 4% to £1.20m (2022: £1.15m). The Group's cash position as at 31 May 2023 was £7.32m (31 May 2022: £10.31m), a decrease of £2.99m over the prior year.

Intangible assets increased by £0.42m to £3.71m (2022: £3.29m), primarily representing capitalised software development expenditures of £1.23m, offset by amortisation and impairment charges of £0.80m (2022: £0.54m). Net assets decreased to £10.87m (2022: £13.71m) as at 31 May 2023.

Benefitting from the digital revolution

The Company's primary focus is, and will continue to be, on the NHS and as we pursue opportunities in the emerging CDC space where we see a growing amount of government investment and substantial clinical, operational and political need for our technologies. The results that have been delivered against a disrupted and unfavorable market climate demonstrate the continued upward trajectory of the Company as it pursues its strategy of delivering cutting edge technology to frontline clinicians across healthcare settings. We aim to increase our annual recurring revenue base through both existing customer renewals and winning new and larger customers and will do this by delivering quality products to our customers and providing close support to ensure that they derive ongoing and increasing value from them, and by being adaptive to the wider changing healthcare environment, pursuing new areas of opportunity and occasionally revisiting previous areas of opportunity should they resurface. One such area may be the original Bleepa value proposition as a regulatory compliant WhatsApp replacement. Bleepa was launched in Q3 CY2020 as a replacement for the traditional pager and WhatsApp, a value proposition that led to sales to both NCA and RBH; however, following a temporary relaxation of data sharing rules during COVID by NHSx and the collapse of the NHSx Clinical Communication Framework following a procurement challenge in 2022, the WhatsApp value proposition declined. Recognising the growing difficulty of achieving sales against this use case, we pivoted to delivering cross-provider services for the CDC space.

At the beginning of August 2023, the Information Commissioners Office (ICO) reprimanded a Trust for its use of WhatsApp and over 500 breaches of patient confidentiality as a result of its use. This is the first time that the regulator has challenged a Trust around the use of WhatsApp. The ICO stated that there was 'no excuse' for the use of WhatsApp within clinical services and that they expected all NHS providers to take heed of this warning and take appropriate steps. This is a sign that the regulator is gearing up to take action on the use of WhatsApp in clinical settings and we know from the BMJ that this practice remains widespread with over 98% of clinicians using it routinely for clinical communication. If this warning is picked up by NHS providers then it may reopen the original market and value proposition for Bleepa within an inpatient setting, it is too early to tell if this will be the case but if the ICO pursues further action against other sites then this could quickly build momentum and is an area that we will closely monitor. What is of particular interest is that the Trust in question stated, as a mitigating action, that they would be looking at technologies to support the secure transfer and display of images and videos, which suggests that the GDPR breach was larger than publicly disclosed in the ICO warning and implies that there is a wider concern around the handling of patient data, especially patient images. The Directors still believe that Bleepa is the only communication platform available in the UK that is certified for the sharing and display of clinical images, meaning that if image exchange is expressly listed within the areas of concern then Bleepa is uniquely positioned to address this need.

The recent ICO ruling is not the only indication that the landscape is further aligning to our value proposition. The release of guidance by NHSE around CDC based pathways in May 2023 and the subsequent announcements in August 2023 around the role of CDCs in the government's winter pressure planning and in facilitating GP Direct Access, shows the role that CDCs and their associated pathways are set to play in the national agenda. This has been reinforced by the approval of a number of CDC business cases in the last few months alone. However, the digital component of CDCs had been an afterthought until the publication of the Hewitt report which highlighted the need to level up basic digital infrastructure in all parts of the system, not simply within acute hospitals; the need to support multi-disciplinary working through digitally-enabled tools that connect primary, community, intermediate care and acute hospital teams and the need to implement shared digital records and rostering systems to help staff work more effectively and to reduce their administrative burden. These were all points that I built upon when I presented to the APPG for Diagnostics in July 2023 and made the case directly to ministers and senior NHSE leadership for digital as the third pillar of build alongside investments in bricks and mortar and staffing, a message that is now taking root and beginning to gain traction. The results to date of our pilot with QVH/Sussex ICS are highly compelling (an approximate 69% reduction in patient referral to treatment wait times, without needing additional clinical personnel and in a way that we believe is cash releasing) and their impact, if scaled nationally, is compelling.

In the last year we have set the scene that our technology represents a core infrastructure, a foundation stone to the NHS's plans around addressing winter pressures and reducing care backlogs. This is a message that is now gaining traction with national and regional stakeholders. The scene is set for our success and now, in the current financial year, we seek to build upon this and drive the growth of our technology as quickly as possible across the system, becoming that third pillar of build for the NHS CDC programme.

Outlook

We are delighted with the continued progress made during the period - with the shift from legacy products. The opportunity afforded by Bleepa and CareLocker both domestically and overseas provides us with tremendous optimism as we focus on generating new contracts from our ongoing dialogues with interested parties, which we believe will further enhance levels of recurring revenue visibility. The additional paid for Sussex CDC extension (announced in April) further validates our strategy and we remain hopeful that we will be successful in the procurement process. With CDCs continuing to explore avenues to reduce waiting times we believe that our performance to date provides compelling testament to our capabilities - with early results from our current CDC programme highlighting an approximate 69% reduction in diagnostics wait times versus the national target.

Furthermore, we are extremely excited by global opportunities - with inroads in India highlighting the scalability of our solutions. Importantly, we believe that increased regulatory demands both in the UK and India will further underpin demand. There is increasing focus on technologies to secure the transfer and display of images and videos, and we believe that the landscape is very much moving in our favour - with digital infrastructure and digitally enabled tools seen as key solutions to significant administrative burdens. This is especially prevalent when considering winter pressures and the growing requirement to reduce care backlogs - and we believe that given our pipeline and capabilities that we will be at the forefront of change in the coming year.

Dr Tom Oakley
Chief Executive Officer
11 September 2023

Consolidated Statement of Comprehensive Income
for the year ended 31 May 2023

	Note	2023	2022
		£	£
Revenue	4	1,024,997	588,576
Cost of sales		(84,276)	(99,321)

Gross profit		940,721	489,255
Other operating expenses	5	(4,362,675)	(3,002,489)
Operating loss	6	(3,421,954)	(2,513,234)
Net finance income	7	47,868	2,012
Loss before taxation		(3,374,086)	(2,511,222)
Tax credit	9	455,909	392,631
Loss after tax attributable to the equity shareholders of the Company		(2,918,177)	(2,118,591)
Other comprehensive income/(losses)			
Translation difference on overseas operation		(2,243)	-
Total comprehensive expense for the year		(2,920,420)	(2,118,591)
Loss per share (pence)			
Basic and diluted*	11	(21.88)	(22.67)

*The 2022 Loss per share has been presented on a proforma basis by applying the 200:1 share consolidation to the weighted average number of ordinary shares of that period.

Consolidated Statement of Changes in Equity

for the year ended 31 May 2023

GROUP	**Share Capital**	**Share Premium**	**Capital Reserve**	**Retained Earnings**	**Translation Reserve**	**Share option Reserve**	**Total**
	£	**£**	**£**	**£**	**£**	**£**	**£**
At 31 May 2021	2,667,330	8,860,079	299,900	(6,730,478)	(209,996)	381,774	5,268,609
Loss of the year and Total comprehensive loss for the year	-	-	-	(2,118,591)	-	-	(2,118,591)
New shares issued	4,000,000	7,200,000	-	-	-	-	11,200,000
Costs of new shares issued	-	(709,008)	-	-	-	-	(709,008)
Share options lapsed	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	68,264	68,264
Total transactions with owners	4,000,000	6,490,992	-	-	-	68,264	10,559,256
At 31 May 2022	6,667,330	15,351,071	299,900	(8,849,069)	(209,996)	450,038	13,709,274
Loss of the year	-	-	-	(2,918,177)	-	-	(2,918,177)
Other comprehensive loss for the year					(2,243)	-	(2,243)
Loss of the year and Total Comprehensive Loss for the year				(2,918,177)	(2,243)		(2,920,420)
New Shares issued	-	-	-	-	-	-	-
Costs of new shares issued	-	(830)	-	-	-	-	(830)
Share-based payments	-	-	-	-	-	80,859	80,859
Total transactions with owners	-	(830)	-	-	-	80,859	80,029
At 31 May 2023	6,667,330	15,350,241	299,900	(11,767,246)	(212,239)	530,897	10,868,883

COMPANY	**Share Capital**	**Share Premium**	**Retained Earnings**	**Share option Reserve**	**Total**
	£	**£**	**£**	**£**	**£**
At 31 May 2021	2,667,330	8,860,079	(6,855,858)	381,774	5,053,325
Loss of the year and Total comprehensive loss for the year	-	-	(559,408)	-	(559,408)
New shares issued	4,000,000	7,200,000	-	-	11,200,000
Costs of new shares issued	-	(709,008)	-	-	(709,008)
Share-based payments	-	-		68,264	68,264
Total transactions with owners	4,000,000	6,490,992	-	68,264	10,559,256
At 31 May 2022	6,667,330	15,351,071	(7,415,266)	450,038	15,053,173

Profit of the year and Total comprehensive income for the year	-	-	1,703,482	-	1,703,482
Costs of new shares issued	-	(830)	-	-	(830)
Share-based payments	-	-	-	80,859	80,859
Total transactions with owners	-	(830)	-	80,859	80,029
At 31 May 2023	6,667,330	15,350,241	(5,711,784)	530,897	16,836,684

Consolidated Balance Sheet

for the year ended 31 May 2023

	Notes	2023 £	2022 £
Assets			
Non-current assets			
Property, plant and equipment	13	14,909	8,367
Intangible assets	14	3,710,946	3,288,811
		3,725,855	3,297,178
Current assets			
Trade and other receivables	15	225,302	308,293
Corporation tax receivable		455,641	392,351
Cash and cash equivalents		7,317,534	10,305,577
		7,998,477	11,006,221
Total assets		11,724,332	14,303,400
Equity			
Capital and reserves attributable to the Company's equity shareholders			
Called up share capital	18	6,667,330	6,667,330
Share premium account	18	15,350,241	15,351,071
Capital reserve	18	299,900	299,900
Translation reserve	18	(212,239)	(209,996)
Share option expense reserve	18	530,897	450,038
Retained earnings	18	(11,767,246)	(8,849,069)
Total equity		10,868,883	13,709,274
Liabilities			
Current liabilities			
Trade and other payables	16	855,449	594,126
		855,449	594,126
Non-current liabilities			
Contract liabilities	16	-	-
		-	-
Total liabilities		855,449	594,126
Total equity and liabilities		11,724,332	14,303,400

The financial statements were approved and authorised for issue by the Board of Directors on 11 September 2023 and were signed below on its behalf by:

Consolidated Cash Flow Statement

for the year ended 31 May 2023

	2023 £	2022 £
Cash flows from operating activities		
Loss before tax	(3,374,086)	(2,511,222)
Adjustments for:		
Net finance income	(47,868)	(2,012)
Depreciation and amortisation	809,333	552,931
Impairment of intangible assets	6,695	-
Translation difference in overseas operation	(2,243)	-
Share based payment expense	80,859	68,265
Decrease/(Increase) in trade receivables	94,876	(198,754)
Decrease/(Increase) in other receivables	(11,885)	28,503
Increase/(Decrease) in trade payables	(103,570)	(30,100)
Increase/(Decrease) in other payables	364,891	71,397
Corporation tax received	392,619	767,400
Total adjustments	1,583,707	1,257,630
Net cash used in operating activities	(1,790,379)	(1,253,592)

Cash flows from investing activities		
Purchase of tangible fixed assets	(19,083)	(5,450)
Purchase of intangible assets	(1,225,619)	(1,149,246)
Net finance income received	47,868	2,012
Net cash used in investing activities	(1,196,834)	(1,152,684)
Cash flows from financing activities		
Net proceeds of share issue	(830)	10,490,991
Net cash generated from financing activities	(830)	10,490,991
Net increase/(decrease) in cash and cash equivalents	(2,988,043)	8,084,715
Cash and cash equivalents at beginning of year	10,305,577	2,220,862
Cash and cash equivalents at end of year	7,317,534	10,305,577

Notes to the Financial Statements

1. **General information**

The Company is a public limited company limited by shares, domiciled in the United Kingdom and incorporated under registered number 00598696 in England and Wales. The Company's registered office is 201 Temple Chambers, 3-7 Temple Avenue, London, England, United Kingdom, EC4Y 0DT.

The Company is quoted on AIM, a market operated by the London Stock Exchange. These Financial Statements were authorised for issue by the Board of Directors on 11 September 2023.

2. **Adoption of the new and revised International Financial Reporting Standards**

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board (IASB) that are mandatory for the current reporting period.

The following new and revised Standards and Interpretations are relevant to the Company, but the Company has not early adopted these new standards. The Directors do not anticipate that the adoption of these standards will have a material impact on the reported results of the Company:

- IFRS 7 Financial Instruments: Disclosures amendments regarding supplier finance arrangements
- IAS 1 Presentation of Financial Statements - amendment regarding the classification of; liabilities as current or non-current; disclosure of accounting policies; classification of debt with covenants
- IAS 7 Statement of Cash Flows - amendment regarding supplier finance arrangements
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - amendment regarding the definition of accounting estimates
- IAS 12 Income Taxes - Amendments regarding; deferred tax on leases and decommissioning obligations and providing a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes

3. **Significant accounting policies**

(a) Basis of preparation

These financial statements have been prepared in accordance with UK adopted international accounting standards. The policies set out below have been consistently applied to all the years presented.

No separate income statement is presented for the parent Company as provided by Section 408, Companies Act 2006.

(b) Basis of consolidation

The Group financial statements consolidate the financial statements of Feedback plc and its subsidiaries (the "Group") for the years ended 31 May 2023 and 2022 using the acquisition method.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies. All inter-company balances and transactions, including unrealised profits arising from them, are eliminated.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

consolidated from the date on which control is transferred out of the Group.

Investments in subsidiary companies are held at cost less any impairment. Impairment reviews are performed annually or more frequently if events or changes in circumstances indicate a potential impairment.

The impairment review compares the carrying value to the recoverable amount, which is calculated as the higher of the value in use and the fair value less costs to sell.

(c) Going Concern

The Group incurred a net loss of £2,920,420 for the year ended 31 May 2023 however it had net assets of £10,868,883 inclusive of £7,317,534 of cash and cash equivalents at 31 May 2023. The directors have considered the applicability of the going concern basis in the preparation of the financial statements. This included a review of financial results, internal budgets and cash flow forecasts to 30 September 2024, including downside scenarios.

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and that the Group and Company will have sufficient funds to continue to meet their liabilities, including providing financial support to the Company's subsidiaries, as they fall due for at least twelve months from the date of approval of the financial statements. Accordingly, the Directors believe that the Group and Company are a going concern and have therefore prepared the financial statements on a going concern basis.

(d) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. An intangible asset acquired as part of a business combination is recognised outside goodwill if the asset is separable or arises from contractual or other legal rights and its fair value can be reliably measured.

The significant intangible asset cost related to external software development of products which are integral to the trade of the Group's medical imaging products.

Amortisation and impairment charges are recognised in other operating expenses in the income and expenditure account. Internal development costs are not capitalised but written off during the year in which the expenditure is incurred.

The carrying value of intangible assets which are not yet being amortised because they are not yet available for use are reviewed for impairment annually. The carrying value of intangible assets which are currently being amortised are reviewed for impairment when there is an indication that they may be impaired. Impairment losses are recognised in other operating expenses in the income and expenditure account.

Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success, considering its commercial and technological feasibility, and costs can be measured reliably. Only external software development expenditure is capitalised. Internal research expenditure is written off in the year in which it is incurred. Other development expenditure is recognised as an expense as incurred. Intangible assets that have a finite useful life and that have been capitalised are amortised on a straight-line basis as follows:

Intangible asset	**Useful economic life**
Intellectual Property	5 - 10 years
Customer relationships	4 years
Software development	5 years

Intellectual Property primarily relates to patent and trademark application costs. Software development costs capitalised in the year relate to products and product improvements which are yet to be ready for use.

(e) Valuation of Investments

Investments held as non-current assets are stated at cost less provision for impairment.

(f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. When used, bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

shown within borrowings in current liabilities on the balance sheet.

(g) Goodwill

Business combinations on or after 1 April 2006 are accounted for under IFRS 3 using the acquisition method. Any excess of the cost of business combinations over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised in the balance sheet as goodwill and is not amortised.

After initial recognition, goodwill is not amortised but is stated at cost less accumulated impairment loss, with the carrying value being reviewed for impairment, at least annually and whenever events or changes in circumstance indicate that the carrying value may be impaired.

For the purposes of impairment testing, goodwill is allocated to the related cash generating units monitored by management. Where the recoverable amount of the cash generating unit is less than its carrying amount, including goodwill, an impairment loss is recognised in the statement of comprehensive income.

(h) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Depreciation on other assets is provided on cost or valuation less estimated residual value in equal annual instalments over the estimated lives of the assets. The rates of depreciation are as follows:

Computer and office equipment 10 - 50% p.a.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

(i) Foreign currency

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the income statement.
Translation to presentation currency: The results and financial position of Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency (GBP) are translated into the presentational currency as follows:

- assets and liabilities presented are translated at the closing rate at the date of that reporting period;
- income and expenses are translated at average exchange rates; and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income.

(j) Revenue recognition

Sales transactions include software installation, software licenses, scientific and software support and consultancy. Revenue is measured at the fair value of the contractually agreed consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of VAT.

The Group recognises revenue on the basis of following IFRS15 whereby revenue is recognised on the promise of goods and services to the customer at the transaction price contractually agreed and once the performance obligations have been met.

Revenue relating to software consultancy and similar services is recognised as the services are performed and completed. The invoice is recognised on a linear basis over the duration of the contract.

Revenue relating to the sale of software licences such as Bleepa or associated support services is recognised over the contractual period to which the licence relates or the duration of the support contract.

Revenue recognised from the sale of TexRAD software and related scientific support services are recognised over the estimated duration of the Group's involvement in a customer's project which is considered to represent its performance obligation. This is that the Group will provide the support required as agreed when the sale was made.

The difference between the amount of revenue from contracts with customers recognised and the amount invoiced on a particular contract is included in the statement of financial position as contract liabilities. Normally, the full contract value is invoiced when the customer's purchase order is received.

Cash payments received as a result of this advance billing are not representative of revenue earned on the contract as revenues are recognised over the duration of the contract (typically twelve months). Contract liabilities which are expected to be recognised within one year are included within current liabilities. Contract liabilities which are expected to be recognised after one year are included within non-current liabilities.

(k) Pension Costs

The Group operated a defined contribution pension scheme during the year. The pension charge represents the amounts payable by the Group to the scheme in respect of that year.

(l) Taxation

The tax credit represents the sum of the current tax credit and deferred tax credit.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

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

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

(m) Financial instruments

<u>Financial assets</u>

Financial assets are measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL). The measurement basis is determined by reference to both the business model for managing the financial asset and the contractual cash flow characteristics of the financial asset. The group's financial assets comprise of trade and other receivables and cash and cash equivalents.

Trade receivables

Trade receivables are measured at amortised cost and are carried at the original invoice amount less allowances for expected credit losses. Expected credit losses are calculated in accordance with the simplified approach permitted by IFRS 9, using a provision matrix applying lifetime historical credit loss experience to the trade receivables. The expected credit loss rate varies depending on whether, and the extent to which, settlement of the trade receivables is overdue and it is also adjusted as appropriate to reflect current economic conditions and estimates of future conditions.

For the purposes of determining credit loss rates, customers are classified into groupings that have similar loss patterns. The key drivers of the loss rate are the aging of the debtor, the geographic location and the customer type (public vs private).

When a trade receivable is determined to have no reasonable expectation of recovery it is written off, firstly against any expected credit loss allowance available and then to the income statement.

For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the consolidated statement of comprehensive income Subsequent recoveries of amounts previously provided for or written off are credited to the income statement.

Cash and cash equivalents
Cash and cash equivalents comprise cash at hand and deposits with maturities of three months or less.

Financial liabilities
The Group's financial liabilities consist of trade payables and other financial liabilities. Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is held-for trading, it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense is recognised in profit or loss.

(n) Employee share options and warrants
The Group has applied the requirements of IFRS 2 Share-based Payments.

The Group has issued equity-settled share-based payment transactions to certain employees and previously issued warrants to the vendors of the acquired subsidiary, TexRAD Limited. Equity-settled share-based payment transactions are measured at fair value at the date of grant. The fair value determined at the grant date of equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

Fair value is measured by use of the Black Scholes option pricing model for share options without performance obligations and the Monte Carlo option pricing model for share options with performance obligations. The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations.

(o) Key areas of judgement

The preparation of financial statements requires the Board of Directors to make estimates and judgments that affect reported amounts of assets, liabilities, revenues and expenses. These estimates and judgements are based on historical experience and various other assumptions that management and the Board of Directors believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources.

The key areas of judgement are:

- Intangible assets - Patent and trademark applications are included at cost less amortisation and impairment. Other intangible assets including development costs are recognised only when it is probable that a project will be a success. There is a risk therefore that a project previously assessed as likely to be successful fails to reach the desired level of commercial or technological feasibility. Where there is no probable income to be generated from these assets an estimation of the carrying value and the impairment of the intangible assets and development costs, including goodwill, has been made.

- Fair value measurement - share options and warrants issued included in the Group's and Company's financial statements require measurement at fair value. The calculation of fair values requires the use of estimates and judgements, details of the valuation can be found in Note 18 of this report.

- Revenue recognition - revenue on the sale of software and provision of related scientific support services is recognised over the expected duration of the group's involvement in customer's projects as the group's staff contribute significant support, analysis and input to those customers using our software for research purposes. Judgement based on past experience is used to determine the expected duration of involvement over which income should be deferred and recognised however the duration of the group's involvement may vary from expectations.

4. Segmental reporting

4. Segmental reporting

The Directors have determined that the operating segments based on the management reports which are used to make strategic decisions are medical imaging and head office. The trading activities of the Company solely relate to Medical Imaging and the Head Office covers the costs of running the parent company, Feedback PLC.

Year ended 31 May 2023	**Medical Imaging** £	**Head Office** £	**Total** £
Revenue			
External	1,024,997	-	1,024,997
Expenditure			
Total (excluding depreciation and amortisation)	(2,613,702)	(976,048)	(3,589,750)
Depreciation and amortisation	(809,333)		(809,333)
Loss before tax	(2,398,038)	(976,048)	(3,374,086)
Tax credit	455,909	-	455,909
Balance sheet			
Total assets	4,693,140	7,031,192	11,724,332
Total liabilities	(767,656)	(87,793)	(855,449)
	3,925,484	6,943,399	10,868,883
Capital expenditure (all located in the UK)	(1,244,702)	-	(1,244,702)

The revenues from external customers in 2023 are comprised of the following products Bleepa-CareLocker: £753,937, Image Engineering license fees: £143,282 and legacy products Cadran PACS and Texrad: £127,778.

Year ended 31 May 2022	**Medical Imaging** £	**Head Office** £	**Total** £
Revenue			
External	588,576	-	588,576
Expenditure			
Total (excluding depreciation and amortisation)	(1,629,998)	(916,869)	(2,546,867)
Depreciation and amortisation	(552,931)	-	(552,931)
Loss before tax	(1,594,353)	(916,869)	(2,511,222)
Tax credit	392,631	-	392,631
Balance sheet			
Total assets	4,109,874	10,193,526	14,303,400
Total liabilities	(520,112)	(74,014)	(594,126)
	3,589,762	10,119,512	13,709,274
Capital expenditure (all located in the UK)	(1,154,697)	-	(1,154,697)

Reported segments' assets are reconciled to total assets as follows:

	External revenue by location of customer		**Non-current assets by location of assets**		**Total liabilities location of assets**	
	2023 £	**2022** £	**2023** £	**2022** £	**2023** £	**2022** £
United Kingdom	873,597	432,129	3,725,855	3,297,179	855,449	594,126
Europe	2,208	4,485	-	-	-	-
Rest of the world	149,135	151,962	-	-	-	-
Total	1,024,940	588,576	3,725,855	3,297,179	855,449	594,126

£203,674 of revenue recognised in the current year was recorded in contract liabilities in the prior year.

Major customers

During the year ended 31 May 2023, the Group generated £525,000 of revenue from one customer in the United Kingdom, which is equal to 51% of total Group revenues in the year. Major customer from the rest of the world is located in USA and accounts for £143,282 of group revenue generated.

5. Other operating expenses

	2023 £	**2022** £
Administrative costs:		
Employment and other costs	3,553,342	2,449,558
Amortisation and depreciation costs	809,333	552,931
	4,362,675	3,002,489

6. Operating loss

	2023 £	**2022** £

This is stated after charging		
Depreciation and amortisation		
Owned assets	12,541	10,856
Amortisation of intangible assets	796,789	542,076
Provision for doubtful debts	15,401	1,529
Foreign exchange differences	21,805	(648)
Auditors' remuneration		
Audit of parent company and group financial statements	20,700	13,800
Audit of subsidiaries	13,800	9,200

7. Net finance income

	2023 £	2022 £
Interest received	47,868	2,012
	47,868	2,012

8. Directors and employees

	2023 Average	2022 Average	2023 Year-end FTE	2022 Year-end FTE
Number of employees				
Selling and distribution	2	2	1	2
Administration	15	12	15	11
Research and development	6	5	8	6
	23	19	24	19

	2023 £	2022 £
Staff costs		
Wages and salaries	1,877,036	1,267,740
Social security costs	231,303	159,225
Payments to defined contribution pension scheme	179,160	144,308
Share based payment expense	80,859	68,265
	2,368,358	1,639,538

Details of Directors' remuneration for the year ended 31 May 2023 and the prior year ended 31 May 2022 are set out in the Remuneration Committee report.

9. Taxation on loss

		2023 £	2022 £
(a)	The tax credit for the year:		
	UK Corporation tax	(455,909)	(392,631)
	Current tax credit	(455,909)	(392,631)
	Adjustments in respect of prior periods	-	-
		(455,909)	(392,631)
(b)	Tax reconciliation		
	Loss before tax	(1,132,957)	(2,511,222)
	Loss at the standard rate of corporation tax in the UK of 20% (2022 - 19%)	(226,623)	(480,825)
	Fixed asset differences	-	-
	Expenses non-deductible for tax purposes	16,593	(506,626)
	Other permanent differences	-	-
	Other income	(447,489)	(376,897)
	Additional deduction for R&D expenditure	(362,633)	(1,530,494)
	Surrender of tax losses for R & D tax credit refund	203,611	(392,631)
	Deferred tax not recognised	450,728	2,903,525
	Remeasurement of deferred tax for change in tax rates	(90,096)	-
	Net capital allowances		(8,683)
	Tax charge for the year	(455,909)	(392,631)

In view of the tax losses carried forward there is a deferred tax amount of approximately £1,510,984 (2022: £1,609,875) which has not been recognised in the group Financial Statements. This contingent asset will be realised when the Group makes sufficient taxable profits in the relevant company.

In view of the tax losses carried forward there is a deferred tax amount of approximately £ £1,075,668 (2022:

£789,816) which has not been recognised in the Company Financial Statements. This contingent asset will be realised when the Company makes sufficient taxable profits.

10. Results of Feedback Plc

As permitted by Section 408 of the Companies Act 2006, the income and expenditure account of the parent company is not presented as part of these financial statements. The Company's profit for the financial year is £1,703,482 (2022 loss: £559,408). The profit for the financial year 2023 arises from the reversal of provisions against intercompany loans to subsidiaries Feedback Medical Limited and Texrad Limited following an intercompany debt to equity swap on 31 May 2023 whereby £9,500,000 of the loan due to the parent company by Feedback Medical Limited and a £350,000 of the loan due to the parent company by Texrad Limited were swapped for equity.

11. Loss per share

Basic loss per share is calculated by reference to the loss on ordinary activities after taxation of £2,918,177 (2022: £2,118,591) and on the weighted average of 13,334,659 (2022: 9,345,617 rebased after consolidation) shares in issue.

	2023 £	2022 proforma £
Net loss attributable to ordinary equity holders	(2,918,177)	(2,118,591)

	2023	2022
Weighted average number of ordinary shares for basic earnings per share	13,334,659	9,345,617
Effect of dilution:		
Share Options	-	-
Warrants	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	13,334,659	9,345,617
Loss per share (pence)		
Basic	(21.88)	(22.67)
Diluted	(21.88)	(22.67)

There is no dilutive effect of the share options and warrants as the dilution would be negative.

The comparative period 2022 has been presented on a proforma basis by applying the 200:1 share consolidation factor to the weighted average number of shares in that period.

12. Investments

Company	Share in Group undertakings £	Shares in joint venture £	Total £
Cost			
At 31 May 2021	2,440,368	1,000	2,441,368
Addition (see note below)	19,436		19,436
Disposal of shares in joint venture		(1,000)	(1,000)
At 31 May 2022	2,459,804	-	2,459,804
Addition (see note below)	9,857,991	-	9,857,991
As at 31 May 2023	12,317,795	-	12,317,795
Provision for impairment			
At 31 May 2021	2,440,368	1,000	2,441,368
Additional impairment included in operating expenses (see note below)	19,436		19,436
Disposal of shares in joint venture	-	(1,000)	(1,000)
At 31 May 2022	2,459,804	-	2,459,804
Additional impairment included in operating expenses (see note below)	357,889	-	357,889
At 31 May 2023	2,817,693	-	2,817,693
Net Book Value			
At 31 May 2023	**9,500,102**	**-**	**9,500,102**

At 31 May 2022	-	-	-

All of the above investments are unlisted. The disposal of shares in joint venture is due to the dissolution of Prostate Checker Ltd, which had been fully provided for previously.

The cost additions in 2023 are comprised of a £9,500,000 investment in Feedback Medical Limited and a £350,000 investment in Texrad Limited both arising from a debt to equity swap, a £102 investment in Feedback Medical India Private Limited and a £7,889 related to options in Feedback Medical Limited which would be satisfied with Feedback Plc shares if/when they are exercised.

The impairment losses in 2023 by the Company (Head Office segment) are comprised of:

- a £350,000 impairment against the cost of investment in Texrad Limited of £350,000. The Group is now focused on selling Bleepa such that Texrad is a legacy product which is no longer being actively marketed. The recoverable amount, being the value in use, has been assessed as nil and consequently this investment has been fully written; and
- £7,889 related to options in Feedback Medical Limited which would be satisfied with Feedback Plc shares if/when they are exercised.

As at 31 May 2023, the carrying value of the Company's investment in Feedback Medical Limited, the principle operating subsidiary of the Group, was £9,500,000. The directors have considered the Group's market capitalisation at 31 May 2023 based on a volume weighted average share price of one to three months when making an assessment of the recoverable value, being the fair value less costs to sell of its investment in Feedback Medical Limited. On this basis, the recoverable amount exceeds the carrying value therefore no further impairment has been recognised.

Particulars of principal subsidiary companies during the year, all the shares of which being beneficially held by Feedback Plc, were as follows:

Company	**Activity**	**Country of incorporation and operation**	**Proportion of Shares held**
Brickshield Limited	Dormant	England	100% Ordinary £1
Bleepa Limited	Dormant	England	100% Ordinary £2
Feedback Medical Limited	Medical Imaging	England	100% A Ordinary £1 100% B Ordinary 1p
Feedback Medical India Private Limited	Medical Imaging	India	Direct 0.1% and Indirect 99.9% Ownership 100% Ordinary INR 10
TexRAD Limited	Medical Imaging	England	100% Ordinary 1p

All the subsidiary companies have been included in these consolidated financial statements.

TexRAD Limited is owned 100% by virtue of a direct holding by Feedback plc of 91% and an indirect holding via Feedback Medical Ltd of 9%.

Feedback Medical India Private Limited was incorporated on 25 December 2022 and it is owned 100% by virtue of a direct holding by Feedback Plc of 0.1% and an indirect holding via Feedback Medical Ltd of 99.9%. Its registered office address is Shop G 183, Ground Floor, Raghuleela, Mega Mall, SV Road, Kandivali West, Mumbai, Mumbai City, Maharashtra, India, 400067. Feedback Medical India Private Limited is fully consolidated in the consolidated group accounts of Feedback plc. The statutory year end for Feedback Medical India Private Limited is 31 March.

Each of the other subsidiary's registered office address is 201 Temple Chambers, 3-7 Temple Avenue, London, England, United Kingdom, EC4Y 0DT.

In accordance with section 394A of the Companies Act 2006, a company is exempt from preparing individual accounts for a financial year. This section 394A of the Companies Act 2006 applies to Brickshield Limited (company registration number 06514313) and Bleepa Limited (company registration number 12118570).

13. Property, plant and equipment

Group	**Computer Equipment £**	**Total £**

Cost		
At 31 May 2021	46,505	46,505
Additions	5,450	5,450
At 31 May 2022	51,955	51,955
Additions	19,083	19,083
As 31 May 2023	71,038	71,038
Depreciation		
At 31 May 2021	32,732	32,732
Charge for the year	10,856	10,856
At 31 May 2022	43,588	43,588
Charge for the year	12,541	12,541
At 31 May 2023	56,129	56,129
Net Book Value		
At 31 May 2023	14,909	14,909
At 31 May 2022	8,367	8,367

14. Intangible assets

	Software development	Customer relationships	Intellectual Property	Goodwill	Total
	£	£	£	£	£
Cost					
At 31 May 2021	3,269,673	100,000	218,239	271,415	3,859,327
Additions	1,135,400	-	13,846	-	1,149,246
Disposal of fully amortised assets	-	-	(34,233)	-	(34,233)
At 31 May 2022	4,405,073	100,000	197,852	271,415	4,974,340
Additions	1,225,619	-	-	-	1,225,619
At 31 May 2023	5,630,692	100,000	197,852	271,415	6,199,959
Amortisation and impairment					
At 31 May 2021	645,516	100,000	160,755	271,415	1,177,686
Amortisation charge for year	525,213	-	16,863	-	542,076
Disposal of fully amortised assets	-	-	(34,233)	-	(34,233)
At 31 May 2022	1,170,729	100,000	143,385	271,415	1,685,529
Amortisation charge for year	781,394	-	15,395	-	796,789
Impairment	-		6,695		6,695
At 31 May 2023	1,952,123	100,000	165,475	271,415	2,489,013
Net Book Value					
At 31 May 2023	3,678,569	-	32,377	-	3,710,946
At 31 May 2022	3,234,344	-	54,467	-	3,288,811

The impairment of £6,695 in 2023 relates to intellectual property held by Texrad Limited being written down to nil as the group is now focused on selling Bleepa such that Texrad is a legacy product which is no longer being actively marketed.

15. Trade and other receivables

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Amounts falling due within one year				
Trade receivables	130,824	225,700	-	-
Other receivables	12,795	12,866	12,563	12,778
Prepayments	81,683	69,727	44,601	36,985
	225,302	308,293	57,164	49,763

16. Trade and other payables

	Group		Company	
	2023	2022	**2023**	2022
	£	£	£	£
Amounts falling due within one year				

Trade payables	63,670	167,240	17,494	17,681
Other payables	18,073	15,262	-	-
Other taxes and social security	146,745	65,815	17,011	15,797
Accruals	185,913	142,135	53,275	40,522
Contract liabilities	441,048	203,674	-	-
	855,449	594,126	87,780	74,000

Neither the Group or the Company have any borrowings and so there are no changes in liabilities arising from external financing
activities.

17. Financial instruments

The Group's overall risk management programme seeks to minimise potential adverse effects on the Group's financial performance.
The Group's financial instruments comprise cash and cash equivalents and various items such as trade payables and receivables that arise directly from its operations. The Group is exposed through its operations to the following financial risks:

- Credit risk
- Foreign currency risk
- Liquidity risk
- Cash flow interest rate risk
- Reliance on one major customer

Fair value Hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The share options and warrants issued by the group during prior years were valued under level three above as noted in note 18 below.

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks and consequently the objectives, policies and processes are unchanged from the previous period.

The Board has overall responsibility for the determination of the Group's risk management policies. The objective of the Board is to set policies that seek to reduce the risk as far as possible without unduly affecting the Group's competitiveness and effectiveness. Further details of these policies are set out below:

Credit risk

The Group is exposed to credit risk primarily on its trade receivables, which are spread over a range of countries, a factor that helps to dilute the concentration of the risk. Group policy, implemented locally, is to assess the credit risk of each new customer before entering into binding contracts. Each customer account is then reviewed on an ongoing basis (at least once a year) based on available information and payment history.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables. The provision for credit losses on trade receivables is based on an expected credit loss model that calculates the expected loss applicable to the receivable balance over its lifetime.

Expected credit losses are calculated in accordance with the simplified approach permitted by IFRS 9, using a provision matrix applying lifetime historical credit loss experience to the trade receivables. An additional provision for credit loss of £15,401 has been recognised during the year (2022: £1,500) for trade receivables measured at an amount equal to lifetime expected credit losses.

The Group holds no collateral. It has a minimal risk policy with funds held following fund raises so it holds the vast majority of its cash with mainstream UK banks.

The Group's customers were primarily the NHS in 2023, for which the risk of default has been assessed to be immaterial.

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

	Group		**Company**	
	2023	**2022**	**2023**	**2022**
	£	**£**	**£**	**£**
Trade and other receivables	225,302	308,293	57,164	49,763
Loans to subsidiary companies	-	-	393,170	4,933,648
Cash and cash equivalents	7,317,534	10,305,577	6,974,028	10,143,762
	7,542,836	10,613,870	7,424,362	15,127,173

Analysis of trade receivables

	Total	**Current**	**30 days past due**	**60 days past due**	**90 days past due**
	£	**£**	**£**	**£**	**£**
Group					
2023	130,824	2,640		128,184	
2022	225,700	102,377	-	123,323	-
Company					
2022	-	-	-	-	-
2021	-	-	-	-	-

Foreign currency risk

Foreign exchange transaction risk arises when the Group enters into transactions denominated in a currency other than the functional currency.

Foreign currency amounts generated from trading are converted back to sterling and required foreign currency amounts for suppliers will be converted from sterling and the use of forward currency contracts is considered. However, the Group does not currently use any forward contracts.

The Group's main foreign currency risk is the short-term risk associated with accounts receivable and payable denominated in currencies that are not the subsidiaries' functional currency. The risk arises on the difference in the exchange rate between the time invoices were raised/received and the time invoices were settled/paid.

The following table shows the net assets, stated in pounds sterling, exposed to exchange rate risk that the Group and Company had at 31 May 2023.

	2023	**2022**	**2023**	**2022**
	£	**£**	**£**	**£**
Trade Receivables	-	102,377	-	-

As at 31 May 2023 £Nil (2022: £102,377) of Feedback Medical's net trade receivables are denominated in foreign currency. A 5% increase/fall in exchange rates would lead to a profit/loss of £Nil (2022: £4,875). The Directors do generally consider it necessary to enter into derivative financial instruments to manage the exchange risk arising from its operations.

However, from time to time where the Directors consider foreign currencies are weak and it is known that there would be a requirement to purchase those currencies, forward arrangements may be entered into. There were no outstanding forward currency arrangements as at 31 May 2023 or as at 31 May 2022.

Liquidity risk

Cash flow forecasting is performed for both the Group and in the operating entities of the Group. Rolling forecasts of the Group's liquidity requirements are monitored to ensure it has sufficient cash to meet operational needs.

Financial liabilities measured at amortised cost

	Group		Company	
	2023	**2022**	**2023**	**2022**
	£	**£**		
Trade and other payables	81,743	182,502	17,494	17,681

The following are maturities of financial liabilities, including estimated contracted interest payments.

	Carrying amount £	Contractual cash flow £	6 months or less £
Group			
2023	81,743	81,743	81,743
2022	182,502	182,502	182,502
Company			
2023	17,494	17,494	17,494
2022	17,681	17,681	17,681

Cash flow interest rate risk

The Group presently has no substantial interest rate risk exposure.

Capital under management

The Group considers its capital to comprise its ordinary share capital, share premium, capital reserve, and accumulated retained earnings.

The Group's objectives when managing the capital are:

- To safeguard the Group's ability to remain a going concern.
- To maximise returns for shareholders in order to meet capital requirements and appropriately adjust the capital structure, the Group may issue new shares, dispose of assets to pay down debt, return capital to shareholders and vary dividend payments.

There have been no changes to the group's capital management objectives in the year, and there have been no changes to the group's exposure to financial instrument risk in the year.

18. Share capital and reserves

Allotted, called up and fully paid ordinary shares:

	Number	Number
As at start of period (01 June)	2,666,931,677	1,066,931,686
Issued during year	-	1,599,999,991
200:1 share consolidation (see note below)	(2,653,597,018)	-
As at end of period (31 May)	13,334,659	2,666,931,677

During 2023, a 200:1 share consolidation occurred whereby the existing ordinary shares of £0.0025 nominal value each were consolidated into new ordinary shares of £0.50 nominal value each.

Share Options

Share options are granted to directors and employees. Options are conditional on the employee completing a specific length of service (the vesting period). The options are exercisable from the end of the vesting period and lapse after ten years after the grant date. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

In the table below, the number of options as at 31 May 2022 have been restated on a proforma basis following the 200:1 share consolidation which occurred in 2023 such that the number of options have been divided by a factor of 200 and the exercise prices have been multiplied by a factor of 200.

During the year, the Company had the following share options in issue:

Grant Date	No. options as at 31 May 2022	Granted in year	Lapsed in year	No. options as at 31 May 2023	Exercise price (pence)	Exercisable period
21 May 14(1)	12,000	-	-	12,000	250	21 May 15 - 19 May 24
21 May 14(1)	20,000	-	-	20,000	600	21 May 15 - 19 May 24
21 May 14(1)	20,000	-	-	20,000	1000	21 May 15 - 19 May 24
26 June 18(3)	28,000	-	14,000	14,000	372	01 March 19 - 26 June 28

09 April 19(2)	46,660	-	-	46,660	218	09 April 19 - 09 April 29
23 April 20(4)	82,500	-	7,500	75,000	240	01 June 20 - 24 April 30
06 August 20(5)	67,493	-	-	67,493	240	06 August 20 - 06 August 30
23 February 22(6)	726,184	-	-	726,184	140	31 May 22 - 31 May 30
23 February 22(7)	83,859	-	-	83,859	140	23 February 23 - 23 February 32
	1,086,696	**-**	**21,500**	**1,065,196**		

1. *Options vest in full on the anniversary of the date of grant*
2. *Options vest immediately upon date of grant.*
3. *Options vest in full on 01 March 19.*
4. *Options vest over three years as to one-third on 01 June 20, one-third on 01 June 21, and one-third on 01 June 22*
5. *Options vest over three years as to one-third on 06 August 20, one-third on 06 August 21, and one-third on 06 August 22*
6. *Options vest based on share price performance conditions as to one- third when the 60 day weighted average share price reaches 240p at any time during the period from 31 May 2022 to 31 May 2025, one- third when the 60 day weighted average share price reaches 372p at any time during the period from 31 May 2023 to 31 May 2025, and one- third when the 60 day weighted average share price reaches 600p at any time during the period from 31 May 2024 to 31 May 2025*
7. *Options vest over three years as to one-third on the first anniversary of the date of grant, one-third on the second anniversary of the date of grant, and one-third on the third anniversary of the date of grant*

For the options granted on 23 February 2022 with no performance conditions, the following assumptions were made for valuation purposes using the Black-Scholes option pricing model:

- Risk-free rate: 1.31% based on the five-year UK gilt
- Expected volatility: 50% based on Medical Services sector as published in the Risk Measurement Service, London Business School manual, Vol 44 No 1 January - March 2022
- Expected life: Four years
- Estimated fair value of each option at measurement date: £0.0027 (equivalent to £0.54 rebased for the 200:1 share consolidation in period)

For the options granted on 23 February 2022 with share price performance conditions, the following assumptions were made for valuation purposes using the Monte Carlo option Pricing Model:

- Risk-free rate: 1.31% based on the five-year UK gilt
- Expected volatility: 50% based on Medical Services sector as published in the Risk Measurement Service, London Business School manual, Vol 44 No 1 January - March 2022
- Expected life: Five years
- Estimated fair value of each option at measurement date: £0.0014 (equivalent to £0.28 rebased for the 200:1 share consolidation in period)

The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

	Number		**Weighted average exercise price**	
	2023	**2022**	**2023**	**2022**
			Pence	**Pence**
Outstanding at 01 June	1,086,696	294,153	189	331
Granted in year	-	810,043	-	140
Lapsed in year	21,500	17,500	326	334
Outstanding at 31 May	1,065,196	1,086,696	186	189

Following the 200:1 share consolidation during 2023, the above share options have been restated on a proforma basis such that the number of options have been divided by a factor of 200 and the weighted average exercise prices have been multiplied by a factor of 200.

Warrants

Warrants were issued to the vendors of TexRAD Limited at the time of acquisition. The warrants are exercisable from the end of the vesting period and lapse ten years after the grant date. The Group has no legal or constructive obligation to repurchase or settle the warrants in cash.

Number of warrants					
At 31 May 2022	**Granted**	**Exercised**	**At 31 May 2023**	**Exercise price (pence)**	**Exercisable period**

21,000	-	-	21,000	250	19/05/16 to 19/05/24
91,000	-	-	91,000	600	19/05/17 to 19/05/24
112,000	-	-	112,000		

Following the 200:1 share consolidation during 2023, the above warrants have been restated on a proforma basis such that the number of options have been divided by a factor of 200 and the weighted average exercise prices have been multiplied by a factor of 200.

Reserves

The nature and purpose of each reserve within equity is as follows:

Share premium	• Amount subscribed for share capital in excess of nominal value
Capital reserve	• Reserve on consolidation of subsidiaries
Translation reserve	• Gains and losses on the translation of overseas operations into GBP
Retained earnings	• All other net gains and losses and transactions with owners not recognised elsewhere
Share Option Reserve	• Fair value of share options issued

19. Pensions

The Company operated a defined contribution scheme during the year and the assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost represents contributions payable and amounted to £179,160 (2022: £144,308). A balance of £17,084 (2022: £13,084) was payable at the year end.

20. Related party transactions

Key management personnel

Details of Directors' remuneration for the year ended 31 May 2023 and the prior year ended 31 May 2022 are set out in the Remuneration Committee report.

Management fee from Company to subsidiaries

Feedback Plc invoiced Feedback Medical Limited £359,716 for the management fee related to 2023 (2022: £340,694), with a balance of £413,566 being receivable as at the year end. Feedback Plc invoiced Texrad Limited £34,806 for the management fee related to 2023 (2022: £34,192), with a balance of £38,764 being receivable as at the year end.

The Directors interests in shares of the Company are contained in the Directors' Report.

21. Post balance sheet events

There are no post balance sheet events to report.

22. Ultimate controlling party

There is no ultimate controlling party.

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