Registration number: 129405

TEAM plc

Annual Report and Consolidated Financial Statements

for the year ended 30 September 2021

Contents

Company Information

Directors
Mr J M Clubb
Mr M C Moore
Mr M M Gray
Mr D J K Turnbull
Mr L P C Taylor

Company Secretary
Mr M C Moore

Registered office
6 Caledonia Place
St Helier
Jersey
JE2 3NG

Banker
Butterfield Bank (Jersey) Ltd
St Paul's Gate
New Street
St Helier
Jersey
JE4 5PU

Auditor
Grant Thornton Limited
Kensington Chambers
46/50 Kensington Place
St Helier
Jersey
JE1 1ET

Nominated Adviser, and sole broker
Canaccord Genuity Limited
88 Wood Street
London
EC2V 7QR

Financial Adviser to the Group
H&P Advisory Limited
2 Park Street
London
W1K 2HX

Company number
129405

About TEAM plc

TEAM plc has two principal activities, Investment Management and Treasury Services.

Investment Management (through Theta Enhanced Asset Management Limited) provides discretionary investment management services, and fund management services via fixed income and equity fund vehicles.

Total assets managed are £295m (2020: £291m).

JCAP Limited (“JCAP”) was acquired by the Company in July 2021 and provides treasury advisory services, with £1.6 billion of client assets under advice.

The Group’s income is predominantly derived from activities conducted in Jersey, Channel Islands, with a number of high net worth, family office, sovereign, institutional and corporate clients.

At the year end, the Group had 16 staff (2020: 9), with 1 in the UK and 15 in Jersey.

Chairman’s Statement

Progress

I am pleased to be presenting the inaugural results of TEAM plc (the “Company”) and its subsidiaries, together, ‘the Group’ as a public company following our listing in March 2021 at which time we set out our ambition to become a leading wealth and asset management business. I am delighted to confirm that we have made significant progress towards this goal notwithstanding the challenges presented by the Covid pandemic.

In July we completed the acquisition of Jersey based treasury advisory business JCAP and today we announced the exchange of contracts to acquire a Jersey based IFA, Omega Financial Services (Jersey) Limited (“Omega”). These two businesses, together with the organic growth achieved, and the further development of our pipeline of potential transactions demonstrate we have delivered on our early plans and clearly signals the future potential of the Group.

Our financial results for the period demonstrate a significant improvement in our revenues, and, while this has taken investment, we expect it to pay off in future periods. Our revenues rose from £701k in the previous period to £1,469k, while our operating loss extended to £1,742k (£415k). The underlying loss, excluding the costs associated with the IPO and acquisitions, increased to £1,052k from £275k. The group total net assets increased to £7.4 million, up from £1.4 million, and cash balances at the year end were £4.9 million (2020: £0.3 million). Financially we are well positioned to continue with our growth plans.

Ambition

TEAM is building a new wealth, asset management and complementary financial services group. With a focus on the UK, Crown Dependencies and International Finance Centres, the strategy is to build local businesses of scale around TEAM’s core skill of providing investment management services. Growth will be achieved via targeted and opportunistic acquisitions, through team and individual hires, through collaboration with suitable partners, and organic growth and expansion.

The acquisitions of both JCAP and Omega have expanded our range of products and services, together with extending the scale of our addressable market.

Omega extends TEAM into wider financial advice, including pensions and mortgage advice. Typically, one of the best ways for retail clients to invest is via pensions and with increasing focus on self-reliance this will continue to be a growth market. We will look to grow our adviser presence organically, by recruitment and by selective acquisitions. Omega has a first-class growth record, is most ably managed and is a foundation for our ambitions in this sector.

Platform

We are headquartered in Jersey but focused more broadly. We have clients residing in many different parts of the world. Our platform is particularly applicable for the British “ex pat” communities benefitting from overseas pension schemes such as QROPS, QNUPS and International Savings Schemes all of which necessitate “offshore” custody and management.

We believe having Jersey as a base is an advantage - it is a highly regarded international financial centre in a tax-neutral environment with strong connectivity, stable regulatory authorities and an established marketplace for investment services.

Our initial acquisitions have been in Jersey and these are forming the base for the Company. As we progress, we will look to acquire businesses and attract individuals and teams from outside of the Channel Islands.

Client assets and investment performance

A key indicator for our business is AUM and client satisfaction. Clients and client service, together with investment performance are our priorities. I am pleased to report we have grown AUM from the start of the year to £295 million and with the acquisition of JCAP we now have cash assets under advice of £1.6 billion. Omega will bring a further £77 million of AUA, giving total managed assets of £372 million.

I believe, like many, that we are closer to UK interest rates rising than we have been for some time. Higher rates will place greater scrutiny on client cash holdings and should encourage clients both existing and new to consider a JCAP management solution, which includes diversity of deposits, often "preferred rates" together with CASS reporting for those who require it. The JCAP acquisition may prove to be very timely.

Part of AUM growth is investment performance for managed assets. Much work and development has been completed on the TEAM Multi Asset Portfolio. We now have three models, Balanced, Growth and Diversified Income, all of which have performed creditably year to date. Importantly, we can truly display a differentiated, well-articulated investment process that is being well received in the market.

To prepare for a future that may not resemble the past, TEAM has developed a clearly defined two-stage investment process:

1) A strategic macro-overlay that reflects our view of the world and governs how, and where, we invest capital and risk.

2) A quantitative asset allocation model to execute this view and deliver what we consider to be the most attractive asset class mix on a medium-to-long term time horizon.

Within the building blocks of our asset management menu are our in-house managed Funds.

At the beginning of June, we established the TEAM International Equity UCITS Fund (Dublin registered). The Fund is a "mega cap" global equities portfolio. Performance has started well.

Our Fixed Interest capabilities include the three KEOX funds. These have had a satisfactory performance in what has been a very difficult part of the investment world over the last twelve months, and funds managed have increased from £84 million to £95 million over the year.

Transactions and pipeline

Both acquisitions announced in 2021 are significantly earnings enhancing and are expected to move the Group towards profitability in 2023. As I have written, both acquisitions extend the range of TEAM's investment services, bring in capable senior personnel to the Group and have the potential to be expanded organically and by further acquisition. Looking into 2022, we have an exciting pipeline of complementary financial services businesses as potential acquisition targets which we continue to develop.

I remain positive on the prospect of potential team or individual recruitment. The easing of Covid restrictions is resulting in new approaches. I would add that being a listed company has enhanced enquiry levels. The ability to reward and incentivise with listed shares has a strong appeal to the entrepreneurial candidate.

Internal organisation

Since acquiring TEAM Asset Management, Jersey, in January 2020, the business has undergone substantial change, with focus on upgrading operational procedures and service providers alongside the introduction of online access to their accounts for all clients.

The pandemic placed many challenges in front of us, all of which we have successfully met. I have to thank all those involved and would particularly like to mention Matthew Boxall and Managing Director Tony Wilshin, who have been invaluable. Tony's deep and long operational experience stands us in very good stead for our future growth.

The past is the past and we are now about the future, a future we can be optimistic about with a business we can all be proud of. A business with an inclusive and merit-based culture. A business with good governance, ethics and a long-term investment philosophy.

We are transparent and accountable, we now have an effective structure which enables the management to be singularly focused on providing the best investment advice, and by outsourcing the back office to a leading administrator, the support and the digital interface with clients is market leading. Providing an effective structure is also about Regulators, particularly our local Jersey Financial Services Commission (JFSC). We have and will continue to invest in this critical area.

We are embarking on the greatest inter-generational transfer of wealth, following years of asset price inflation, especially in real estate, which has concentrated wealth amongst the older generations. As this wealth filters down, creating a new class of private clients, there are opportunities for a modern wealth and asset manager to make significant inroads. I believe we are modern, contemporary and highly relevant. That includes ESG considerations in investment as well as the management of the Group.

Without the support of our shareholders, we would not have been able to have achieved the progress that we have and their support allows us to plan for the long term. In return, our aim is to reward them and, ultimately, that is how we will be judged. I do not take this lightly and as a meaningful shareholder myself, I look for us to grow in a considered and transparent manner.

I would also like to thank our staff both senior and junior, new and old, the vast majority of whom are shareholders too. In this regard I consider them my partners.

Mr J M Clubb
Executive Chair
30 November 2021

Strategic Report

Overview

The Directors' aim is to provide long term capital appreciation for Shareholders by building a profitable and sustainable business. Growth will be sought through winning new clients and targeted acquisitions, underpinned by investment in the support infrastructure.

The Group's overall strategy is to promote the continued development of the Group into a leading wealth and asset management business. It is expected that the Group's growth will be achieved through:

- an acquisition driven strategy to consolidate the offshore and onshore wealth and asset management market.
- a focus on delivering revenue and cost synergies, leveraging our increasing scale and breadth of services to gain a greater share of client wallet and economies of scale for clients and the Group.
- identifying complementary services such as specialist funds, cash management, and corporate services.
- the expansion into complementary locations – onshore UK, Crown Dependencies, other International Finance Centres, and
- AUM growth through team lifts, selective hires and targeted business development in Jersey and other locations.

The Directors believe that the successful execution of a buy and build strategy to acquire incremental scale is likely to have the most meaningful impact on the future value of the Group. The Directors believe that there are a number of asset managers who are significantly underperforming due to a variety of factors including poor management, increased regulatory and technology requirements, lack of capital and strategic vision.

The Listing

On 8 March 2021, TEAM plc was admitted to trading on the AIM market of the London Stock Exchange.

The net proceeds of the fundraising receivable by the Company were approximately £6.4 million. The net proceeds were applied principally as follows:

- to fund the general working capital requirements of the Group.
- to repay the loans provided by Mr J M Clubb; and
- to finance acquisition opportunities that may arise from time to time.

The Directors are of the opinion that Admission will be beneficial to the Group for the following reasons:

- it will raise the profile of the Group.
- the Group will be better positioned to attract, recruit and retain key employees.
- it will provide the Group with flexibility for further organic and acquired growth, specifically by providing access to capital from institutional investors. The Company will also be able to issue new shares in a liquid asset as consideration in connection with acquisition opportunities, a differentiator to the many private equity backed business in the sector.

Operational Strategy

TEAM has put in place an operating infrastructure, resulting in efficient and effective regulatory compliance that has scalability to meet the organic growth ambitions of the Directors. TEAM Asset Management clients are well informed through regular communications via website publications, face to face meetings or presentations. The Directors believe that TEAM Asset Management is focused on customer service, operational efficiency, independent risk control and compliance supervision and that the business model and operating systems are scalable.

Acquisition of JCAP Limited

On 5 July 2021 TEAM plc acquired the entire share capital of JCAP Limited, a leading Jersey based provider of cash management services, focused on improving the return and mitigating the risks associated with the management of cash for institutions, professional advisers, trustees and high net worth individuals.

Highlights

- JCAP is a well-established and profitable Jersey business, and has been known to Mr J M Clubb, Executive Chair of TEAM, since its establishment in 2010.
- JCAP provides a range of cash management services to institutions, professional advisers, trustees and high net worth individuals.
- It has long-term partnerships established with leading global providers of treasury management and foreign exchange services, providing diversification of income sources, and significant opportunities for high profit margin growth.
- In the unaudited accounts for the year to 31 December 2020 JCAP generated revenues of £1.0 million and made a post-tax profit of £0.4 million. Net assets at that date were £0.9 million.
- The total net consideration is up to £2.95 million, of which £2.2m will be paid in cash and the remainder in new shares. The net tangible current assets of JCAP are acquired on a pound for pound basis.

The acquisition has a compelling strategic rationale:

- fits with TEAM's strategy to acquire wealth, asset management and complementary financial services business.
- clear synergistic revenue growth opportunities through providing cash management services to the TEAM client base, and through the potential to launch cash management products through the regulated fund business of TEAM.
- builds scale in the home market of Jersey.

Material financial benefits expected from the acquisition:

- a significant increase in the revenues of the Group, with the addition of over £1.6 billion in assets under advice, and a significant step for TEAM towards becoming cashflow positive.
- a combination of expected revenue and cost synergies, through client referral, co-locating in TEAM's offices, and through using TEAM's governance and control infrastructure.
- the net consideration represents a P/E multiple of 7.9 times the 2020 earnings.

Acquisition of Omega Financial Services (Jersey) Limited

Today we announced that we had exchanged contracts to acquire, subject to regulatory approval, a Jersey based IFA, Omega Financial Services (Jersey) Limited, a specialist in retirement planning, mortgage advice, life assurance and bespoke investment advisory services.

The acquisition has a compelling strategic rationale:

- TEAM was established to become a leading independent wealth and asset management business, via (amongst other paths) acquiring offshore wealth management businesses which add to scale and breadth of services.

- Omega is a successful Jersey based IFA providing financial and investment advice to 500+ discretionary only clients, with assets under management of £77 million (as at 30 Sept 2021) and a solid track record of profitability.
- on completion of the transaction, TEAM will have assets under management (“AUM”) of £372 million and assets under advice (“AUA”) of £1.6 billion.
- the acquisition is a strong fit with TEAM’s existing businesses and investment expertise, expanding the Jersey based client base and AUM as well as introducing IFA expertise into the Group.

Financial Highlights

- In the 12 months to 31 December 2020, Omega generated revenues of £1.1 million and made a net profit before directors’ payments of £0.85 million.
- Omega generates a run-rate EBITDA of approximately £0.7 million, which on a pro forma basis is expected to be a significant step for TEAM towards becoming cashflow positive;
- The payment at completion will be £1.98 million in cash and £0.02 million in new TEAM shares. The deferred component is split over two equal payments, payable subject to certain performance conditions being met, made up of £0.785 million in cash and £0.215 million in shares, for a total net consideration of up to £4.0 million. The net tangible current assets of Omega, less the regulatory capital required in the business, will be acquired on a pound for pound basis.
- The upfront cash consideration will be funded from TEAM’s existing cash resources, and the deferred payments from existing cash resources, and earnings from Omega.

Mr M C Moore
CFO and COO
30 November 2021

Financial Overview

A summary of the Group's performance for the financial year is set out below:

	Year to 30 Sep 2021 £'000	Period to 30 Sep 2020 £'000
Revenues	**1,469**	701
Cost of sales	**(267)**	(69)
Operating expenses	**(2,944)**	(1,047)
Operating loss	**(1,742)**	**(415)**
Operating loss before exceptional items	***(1,052)***	*(275)*
Exceptional items	***(690)***	*(140)*
Operating loss after exceptional item	**(1,742)**	**(415)**
Other income and charges	**(9)**	(52)
Loss before tax	**(1,751)**	**(467)**
Tax	**45**	5
Loss after tax	**(1,706)**	**(462)**

Adjusted EBITDA, excluding exceptional items, is set out below:

	Year to 30 Sep 2021 £'000	Period to 30 Sep 2020 £'000
Loss after tax	**(1,706)**	**(462)**
Interest	**9**	52
Tax	**(45)**	(5)
Depreciation	**60**	43
Amortisation of intangible assets	**194**	70
EBITDA	**(1,488)**	**(302)**
IPO related expenses*	**449**	140
Acquisition related expenses**	**241**	25
Adjusted EBITDA	**(798)**	**(137)**

Notes:

*On 8 March 2021 TEAM plc was admitted to AIM, costs relating to this exercise are treated as exceptional.

** These are third party charges relating to the acquisition of Theta, JCAP and Omega and the potential offer for Tavistock plc.

Financial analysis

The results for the period to 30 September 2021 when compared to the prior period are as follows:

Revenue: TEAM Asset Management's fees are directly linked to its clients' AUM, and so the market turbulence around March of 2020 had a negative impact on revenues earned. By September 2020 global equity markets had broadly recovered to their pre-pandemic highs, and the past 12 months has seen a steady bull market in equities. New clients have continued to be attracted to TEAM Asset Managements' offering, while the sizeable gains made through the recruitment of teams from peers in Jersey were not seen this year. Some client losses were experienced as was expected with the change in staff. The business has started a fee review programme, and the benefits of moving clients to our new standard tariffs are expected to show in the coming periods.

	Discretionary £'m	**Treasury Advisory*** £'m	**Total** £'m
As at 30 Sept 2020	291	-	291
As at 5 July 2021	-	1,343	1,343
New clients	12	-	12
Lost clients	(29)	-	(29)
Other including market performance	21	257	278
Total AUM at 30 Sept 2021	**295**	**1,600**	**1,895**

Notes:

* Treasury clients are predominantly charged at fixed or capped fees per client

The acquisition of JCAP on 5 July 2021 made its first contribution to the Group. Its revenues are steady over the year, and since the acquisition performance has been on plan.

	Year to 30 Sep 2021 £'000	Period to 30 Sep 2020 £'000
Investment Management fees	**1,066**	541
Commissions	**207**	160
Other	**20**	-
Treasury services	**176**	-
Total	**1,469**	**701**

Expenses: TEAM Asset Management has invested in its infrastructure, moving into larger premises in St Helier to accommodate the greater staff and client demands, and partnering with Pershing to provide an up to date custody and administration service for clients. This, along with the recruitment of head office staff in finance, compliance and operations, a full year of costs for the plc directors recruited at the time of the IPO, as well as further recruitment of investment professionals, has led to a significant increase in the cost base of the business.

	Year to 30 Sep 2021 £'000	Period to 30 Sep 2020 £'000
Cost of sales	**267**	69
Staff costs	**1,335**	536
Non-staff costs	**2,299**	676
Adjusted total costs	**3,901**	**1,281**
IPO related expenses	**(449)**	(140)
Acquisition related expenses	**(241)**	(25)
Total	**3,211**	**1,116**

Exceptional Items: The costs associated with the professional advice required for a successful IPO were largely accounted for in the year to September 2021 £449,000, (period ended 30 September 2020: £140,000). Costs relating to acquisitions in the year totalled £241,000 (period ended 30 September 2020: £25,000).

Statement of Financial Position: Total Equity as at 30 September 2021 of £7.4m (2020: £1.4m) saw a significant increase following the subscription and placing of 8.8 million new shares in the IPO, and the subsequent issue of £0.6m of shares to part fund the acquisition of JCAP.

Cash Flows: Cash increased to £4.9m (2020: £0.3m) primarily through the issue of new shares for £7.2m, which was used to fund the losses incurred in the period, and the cash element of the initial consideration for the acquisition of JCAP.

Key Performance Indicators

The key targets for the Directors are to:

- improve the operating performance of the Group to a cashflow positive position;
- build the business to scale within Jersey, which we define as AUM of over £500m and an operating surplus;
- integrate and deliver the cost and revenue synergies identified in the acquired businesses, and
- build and convert our pipeline of acquisition opportunities. This will enable the Directors to reapproach the shareholder base for further funding to continue the inorganic growth plans of the Group. A necessary part of further acquisitions will be raising additional financing, and this is expected to be required for further acquisitions following Omega, which used a substantial portion of the free cash within the Group.

Dividends: The Board does not propose to pay a dividend in respect of the financial year (period ended 30 September 2020: £nil).

Statement of Financial Position and Capital Structure: Total net assets were £7.4m (2020: £1.4m) and net current assets £3.5m (2020: £0.2m). Cash balances at year-end were £4.9m (2020: £0.3m). The calculated expenditure requirement for TEAM Asset Management for the year ended 30 September 2021, the only regulated entity in the Group, is £403,000.

Risks and uncertainties: Risk appetite is established, reviewed, and monitored by the Board. The Group, through the operation of its committee structure, considers all relevant risks and advises the Board as necessary. The Group maintains a comprehensive risk register as part of its risk management framework encouraging a risk-based approach to the internal controls and management of the Group.
The Group seeks to ensure that its risk management framework and control environment is continuously evolving which the Board monitor on an ongoing basis

Liquidity and capital risk: The Group's focus is on bringing the business to a positive cash flow position, whilst implementing its growth strategy. Before this goal is reached, the availability of sufficient liquid resources to meet the operating requirements of the business, and any deferred payments due to vendors of businesses to the Group, are closely monitored and a key element of any investment decisions taken.

Operational risk: Operational risk is the risk of loss to the Group resulting from inadequate or failed internal processes, people, and systems, or from external events.

Business continuity risk: The risk that serious damage or disruption may be caused as a result of a breakdown or interruption, from either internal or external sources, to the business of the Group. This risk is mitigated in part by the Group having business continuity and disaster recovery arrangements.

Credit risk: The Board takes active steps to minimise credit losses including formal new business approval, and the close supervision of credit limits and exposures and the proactive management of any overdue accounts. Additionally, risk assessments are performed on an ongoing basis on all deposit taking banks and custodians and our outsourced relationships.

Non-compliance with laws and regulations risk: The Group has Compliance and Operations functions resourced with appropriately qualified and experienced individuals. The Directors monitor changes and developments in the regulatory environment and ensure that sufficient resources are available for the Group to implement any required changes.

Mr M C Moore
CFO and COO
30 November 2021

Corporate Governance

The Board recognises the importance of sound corporate governance and has adopted the Corporate Governance Guidelines for Smaller Quoted Companies published in 2018 by the Quoted Companies Alliance (the "QCA Code"). The Directors anticipate that whilst the Company will continue to comply with the QCA Code, given the Group's size and plans for the future, it will also endeavour to have regard to the provisions of the UK Corporate Governance Code as best practice guidance to the extent appropriate for a company of its size and nature.

Below are the 10 key governance principles as defined in the QCA Code and details of how TEAM plc addresses each of these principles.

1. *Establish a strategy and business model which promotes long-term value for shareholders*

How it should be applied:
The board must be able to express a shared view of the company's purpose, business model and strategy. It should go beyond the simple description of products and corporate structures and set out how the company intends to deliver shareholder value in the medium to long-term. It should demonstrate that the delivery of long-term growth is underpinned by a clear set of values aimed at protecting the company from unnecessary risk and securing its long-term future.

How the Company applies it:
The Board is responsible for the Group's strategy. The operation of the Board is documented in a formal schedule of matters reserved for its approval which is reviewed annually. This includes the Group's strategic aims and objectives. Further, the Group's strategy is explained fully within our Strategic Report.

2. *Seek to understand and meet shareholder needs and expectations*

How it should be applied:
Directors must develop a good understanding of the needs and expectations of all elements of the company's shareholder base.

The Board must manage shareholders' expectations and should seek to understand the motivations behind shareholder voting decisions.

How the Company applies it:
The Board is committed to regular shareholder dialogue with both its institutional and retail shareholders.

The principal opportunity for the board to meet shareholders is at the Company's AGM, to which shareholders are encouraged to attend.

The Company also has a dedicated email address which investors can use to contact the company. The CEO is responsible for reviewing all communications received from shareholders and determining the most appropriate response.

3. *Take into account wider stakeholder and social responsibilities and their implications for long-term success*

How it should be applied:
Long-term success relies upon good relations with a range of different stakeholder groups both internal (workforce) and external (suppliers, customers, regulators and others). The board needs to identify the company's stakeholders and understand their needs, interests and expectations.

Where matters that relate to the company's impact on society, the communities within which it operates or the environment have the potential to affect the company's ability to deliver shareholder value over the medium to long-term, then those matters must be integrated into the company's strategy and business model.

Feedback is an essential part of all control mechanisms. Systems need to be in place to solicit, consider and act on feedback from all stakeholder groups.

How the Company applies it:
The Directors believe that, in addition to its shareholders, the main stakeholders of the Company are its clients, its employees, the communities in which it operates and its two regulatory bodies (the London Stock Exchange, and the Jersey Financial Services Commission).

The Company acts with integrity, focuses on creating results and importantly values people – from its members of staff to those who form the communities it engages with.

The Company dedicates significant time to understanding and acting on the needs and requirements of each of these Groups by way of meetings dedicated to obtained feedback.

The Directors are available to discuss any matter stakeholders might wish to raise.

4. *Embed effective risk management, considering both opportunities and threats, throughout the organisation*

How it should be applied
The board needs to ensure that the company's risk management framework identifies and addresses all relevant risks in order to execute and deliver strategy; companies need to consider their extended business, including the company's supply chain, from key suppliers to end-customer.
Setting strategy includes determining the extent of exposure to the identified risks that the company is able to bear and willing to take (risk tolerance and risk appetite).

How the Company applies it
The Board is responsible for determining the nature and extent of significant risks that may have an impact on the Group's operations, and for maintaining a risk management framework. The Board is responsible for the management of risk and regularly carries out a robust assessment of the principal risks and uncertainties affecting the Group's business, discussed how these could affect operations, performance and solvency and what mitigating actions, if any, can be taken. There is an annual review of the business risk assessments.

5. *Maintain the board as a well-functioning, balanced team led by the chair*

How it should be applied
The board members have a collective responsibility and legal obligation to promote the interests of the company and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the board.
The board (and any committees) should be provided with high quality information in a timely manner to facilitate proper assessment of the matters requiring a decision or insight.

The board should have an appropriate balance between executive and Non-executive directors and should have at least two independent non- executive directors. Independence is a board judgement.

The board should be supported by committees (e.g. audit, remuneration, nomination) that have the necessary skills and knowledge to discharge their duties and responsibilities effectively.

How the Company applies it
The Board is be responsible for the overall management of the Group including the formulation and approval of the Group's long-term objectives and strategy, the approval of budgets, the oversight of Group operations, the maintenance of sound internal control and risk management systems and the implementation of Group strategy, policies and plans. While the Board delegates specific responsibilities, there is a formal schedule of matters specifically reserved for decision by the Board. Such reserved matters include, amongst other things, approval of significant capital expenditure, material business contracts and major corporate transactions. The Board meets regularly to review performance.

The QCA Code recommends at least two members of the Board comprise Non-executive directors determined by the Board to be independent. The Board comprises of five directors, of whom two are executive and three are non-executive. The Board considers all three of the Non-executives, to be independent and, as such, the Company will comply with the requirements of the QCA Code in this regard.

The Board recognises that the QCA states that save in exceptional circumstances, a chairman should not also fulfil the role of chief executive. The Company does not have a chief executive, but rely on Mr J M Clubb as Executive Chair and Mr M C Moore as Chief Financial Officer and Chief Operating Officer to fulfil the duties of a chief executive. The Board believes this is appropriate due to the Company having limited financial and operational scale at Admission. The role and responsibilities of Mr J M Clubb and Mr M C Moore are supported by Shareholders. The Board however intends to appoint a chief executive in the future, at the appropriate moment, and the role of Mr J M Clubb as an executive director will be reviewed. The Company is committed to having a majority of independent directors at all times.

With effect from Admission, the Board has established an audit and risk committee (the "Audit and Risk Committee"), a nomination committee (the "Nomination Committee") and a remuneration committee (the "Remuneration Committee") with formally delegated responsibilities.

6. *Ensure that between them the directors have the necessary up-to-date experience, skills, and capabilities*

How it should be applied
The board must have an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of personal qualities and capabilities. The board should understand and challenge its own diversity, including gender balance, as part of its composition.

The board should not be dominated by one person or a group of people. Strong personal bonds can be important but can also divide a board.

As companies evolve, the mix of skills and experience required on the board will change, and board composition will need to evolve to reflect this change.

How the Company applies it
The experience and knowledge of each of the Directors gives them the ability to constructively challenge strategy and to scrutinise performance.

Mr J M Clubb brings leadership, sector expertise and experience of substantially growing small businesses. Mr M C Moore brings sector expertise, financial and operational leadership, and experience of acquisition led growth strategies. Mr L P C Taylor, Mr M M Gray and Mr D J K Turnbull bring additional strategic, regulatory, commercial, transaction and leadership experience which will be invaluable as the Board pursues the Company's growth strategy and continues to develop the Group.

Directors are expected to attend all meetings of the Board, which will all be held in Jersey, and the committees on which they sit, and to devote sufficient time to the Group's affairs to enable them to fulfil their duties as Directors. In the event that Directors are unable to attend a meeting, their comments on papers to be considered at the meeting will be discussed in advance with the Chairman so that their contribution can be included in the wider Board/committee discussion.

The Company Secretary ensures that all Directors are kept abreast of changes in relevant legislation and regulations, with the assistance of the Company's advisers where appropriate. The Executive Directors are subject to the Company's performance development review process through which their performance against predetermined objectives is reviewed and their personal and professional development needs considered. The Directors are encouraged to raise any personal development or training needs with the Chairman

7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

How it should be applied

The board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and the individual directors.

The board performance review may be carried out internally or, ideally, externally facilitated from time to time.

The review should identify development or mentoring needs of individual directors or the wider senior management team.

It is healthy for membership of the board to be periodically refreshed. Succession planning is a vital task for boards. No member of the board should become indispensable.

How the Company applies it

A process of formal annual Board evaluation will take place for each period going forward. In addition, the Non-executive Directors will meet, without the Chairman present, and will evaluate his performance.

The Nomination Committee is required to give recommendations to the Directors where there are vacancies or where it is felt that additional directors should be appointed. For new appointments the search for candidates is conducted, and appointments are made, on merit, against objective criteria and with due regard for the benefits of diversity on the Board.

8. Promote a corporate culture that is based on ethical values and behaviours

How it should be applied

The board should embody and promote a corporate culture that is based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage.

The policy set by the board should be visible in the actions and decisions of the chief executive and the rest of the management team. Corporate values should guide the objectives and strategy of the company.

The culture should be visible in every aspect of the business, including recruitment, nominations, training and engagement. The performance and reward system should endorse the desired ethical behaviours across all levels of the company.

The corporate culture should be recognisable throughout the disclosures in the annual report, website and any other statements issued by the company.

How the Company applies it
The Board monitors and promotes a healthy corporate culture and has considered how that culture is consistent with the Company's objectives, strategy and business model and with the description of principal risks and uncertainties.

The Board has considered and assessed the culture as being inclusive, transparent and collaborative with appropriate behaviours. The Group has a Code of Conduct, an Anti-bribery and Corruption Policy, and policies and procedures relating to whistleblowing stating the Company's commitment to conducting its business with honesty and integrity, its expectation that staff will maintain high standards, and encouraging prompt disclosure of any suspected wrongdoing. All such policies are available to view in the staff handbook.

The terms of reference of the Audit Committee include reviewing the adequacy and security of the Company's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters and keeping under review the Company's procedures.

9. *Maintain governance structures and processes that are fit for purpose and support good decision-making by the board*

How it should be applied
The company should maintain governance structures and processes in line with its corporate culture and appropriate to its:

- size and complexity; and
- capacity, appetite, and tolerance for risk.

The governance structures should evolve over time in parallel with its objectives, strategy, and business model to reflect the development of the company.

How the Company applies it
The Board has an established Audit, Remuneration, Risk and Nomination Committees which meet regularly in accordance with their terms of reference. The details of these committees, including their terms of reference and composition, are set out in our website. This detail also includes the roles and responsibilities of each of the Directors.

The matters reserved for the board, are set out in the Board Terms of Reference, and can be summarised as follows:

- Reviewing, approving, and guiding corporate strategy, major plans of action, risk appetite and policies, annual budgets and business plans; setting performance objectives; monitoring, implementation and corporate performance; and overseeing major capital expenditures, acquisitions and disposals.
- Monitoring the effectiveness of the Company's governance arrangements and practices, making changes as needed to ensure the alignment of the Company's governance framework with current best practices.
- Ensuring that appointments to the Board or its Committees are effected in accordance with the appropriate governance process.
- Monitoring and managing potential conflicts of interest of management, Board members, shareholders, external advisors, and other service providers, including misuse of corporate assets and abuse in related party transactions; and overseeing the process of external disclosure and communications.
- The Board is also responsible for all other matters of such importance as to be of significance to the Group as a whole because of their strategic, financial, or reputational implications or consequences.

At this stage the board believes that the governance framework is appropriate for a Company of its size, but it continues to keep this under review.

10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

How it should be applied

A healthy dialogue should exist between the board and all of its stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the company.

In particular, appropriate communication and reporting structures should exist between the board and all constituent parts of its shareholder base. This will assist:

- the communication of shareholders' views to the board; and
- the shareholders' understanding of the unique circumstances and constraints faced by the company.

It should be clear where these communication practices are described (annual report or website).

How the Company applies it

The Company is committed to open dialogue with all its stakeholders. The Executive Chair liaises with the Company's principal shareholders, regulators and, where appropriate, clients and relays their views to the wider Board.

On the Company's website ('www.teamplc.co.uk') shareholders can find all historical regulatory announcements, Interim Reports and Annual Reports. Annual Reports and Annual General Meeting Circulars are posted directly to all registered shareholders or nominees and results of Annual General Meeting votes are also published on the Company's website. As described earlier, the Company also maintains email and phone contacts which shareholders can use to make enquiries or requests.

The Non-executive Directors are available to discuss any matter stakeholders might wish to raise, and the Executive Chair and Non-executive Directors will attend meetings with investors and analysts as required.

Following the Company's AGM, the results of all votes will be made available on the website.

By order of the Board

Mr M C Moore

CFO and COO

30 November 2021

The Board and its Committees

The Board is responsible for the overall management of the Group including the formulation and approval of the Group's long-term objectives and strategy, the approval of budgets, the oversight of Group operations, the maintenance of sound internal control and risk management systems and the implementation of Group strategy, policies and plans. While the Board may delegate specific responsibilities, there will be a formal schedule of matters specifically reserved for decision by the Board. Such reserved matters will include, amongst other things, approval of significant capital expenditure, material business contracts and major corporate transactions. The Board meets regularly to review performance.

The QCA Code recommends at least two members of the Board comprise Non-executive directors determined by the Board to be independent. From Admission, the Board is comprised of five directors, of whom two are executive and three are non-executive. The Board considers all three of the Non-executive directors to be independent and, as such, the Company complies with the requirements of the QCA Code in this regard.

The Board recognises that the QCA states that save in exceptional circumstances, a Chairman should not also fulfil the role of Chief Executive. The Company does not have a Chief Executive but relies on Mr J M Clubb as Executive Chairman and Mr M C Moore as Chief Financial Officer and Chief Operating Officer to fulfil the duties of a Chief Executive. The Board believes this is appropriate due to the Company having limited financial and operational scale at Admission. The roles and responsibilities of Mr J M Clubb and Mr M C Moore are supported by Shareholders. The Board, however, intends to appoint a Chief Executive in the future, at the appropriate moment, and the role of Mr J M Clubb as an executive director will be reviewed. The Company is committed to having a majority of independent directors at all times.

Since Admission, the Board has established an audit and risk committee (the "Audit and Risk Committee"), a nomination committee (the "Nomination Committee") and a remuneration committee (the "Remuneration Committee") with formally delegated responsibilities. The reports of the chairs of these committees are as follows:

The Audit and Risk Committee

The Audit and Risk Committee is chaired by Mr L P C Taylor. Its other members are Mr M M Gray and Mr D J K Turnbull, with Mr M C Moore in attendance.

The Committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported on.

The Committee receives and reviews reports from the Company's management and auditor relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group. Further, the Committee advises the Board on the Group's overall risk appetite and strategy, the risk assessment processes, including in relation to remuneration and compliance functions, and assisting in overseeing implementation of the adopted strategy.

The Committee meets at least three times a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required. The Committee has unrestricted access to the Company's auditor.

The principal areas of focus during the year included the following items:

1. Review of internal controls and compliance procedures.
2. Review of the Annual Report and financial statements.
3. Approval of the management representation letter.
4. Review of the independence of the auditors, their fees and engagement letter

The Committee met with the external auditors to review their Audit Plan, their report and significant findings arising during the audit.

Role of the external auditors

The Committee monitored the relationship with the external auditors, Grant Thornton Channel Islands, to ensure their independence and objectivity. Based on that assessment the Committee recommended to the Board the re-appointment of Grant Thornton Channel Islands. In assessing independence and objectivity, the Committee considered the level and nature of services provided by Grant Thornton Channel Islands as well as confirmation from them that they have remained independent within the meaning of the Auditing Practice Board Ethical Standards of Auditors.

The auditors did not carry out any non-audit services during the year.

Audit process

The external auditors prepared an Audit Plan for their review and audit of the full year financial statements. The audit plan set out the scope of the audit, areas of risk and audit timetable. Following their audit, the auditors presented their findings to the Audit Committee.

Internal audit

The Group assessed the need for an internal audit function and considered that in the light of the existing control environment within the business, there is currently no requirement for a separate internal audit function.

Mr L P C Taylor
Chairman of the Audit & Risk Committee
30 November 2021

Nomination Report

The Nomination Committee is chaired by Mr D J K Turnbull and its other members are Mr L P C Taylor, Mr M M Gray and Mr J M Clubb. Mr M C Moore acts as its Secretary.

The Committee meets twice a year and otherwise as required.

The Nomination Committee assists the Board in discharging its responsibilities relating to the composition of the Board. It is responsible for, and evaluates on a regular basis, the balance of skills, experience, independence and knowledge of the Board, its size, structure and composition, retirements, and appointments of additional and replacement directors and will make appropriate recommendations to the Board on such matters. The Nomination Committee also considers succession planning, taking into account the skills and expertise that will be needed on and beneficial to the Board in the future.

In October 2021 the Committee met for the first since TEAM plc listed on AIM and since the current board was appointed.

The Committee assessed and confirmed the individual and collective suitability of Board members – the balance of skills, experience, independence and knowledge of the board as well as its composition. The Chairman stated that his assessment of all Directors was that they were performing well and The Committee agreed. Collectively, it was agreed that the Board had operated effectively, that The Executive had performed well in the context of COVID-19 and executing TEAM's strategy and that Non-Executives had provided appropriate challenge and guidance.

It was agreed that the size of the Board is commensurate with the current size of the business and that the composition provides TEAM with a balanced, experienced, knowledgeable and informed group of directors who bring strategic experience, foresight and challenge to the Executive. It was agreed that overall it operates effectively and, as such, no changes were necessary at this time to its membership. The Committee noted that it takes into account the diversity or otherwise of the Board and will continue to do so.

The Committee reviewed succession planning and agreed that a sensible plan was in place.

Mr D J K Turnbull
Chairman of the Nomination Committee
30 November 2021

Remuneration Report

The Directors present the Directors' Remuneration Report (the "Remuneration Report") for the financial year ended 30 September 2021.

Composition and Role of the Remuneration Committee

As detailed within the Corporate Governance report, the Board has established a Remuneration Committee which currently consists of all the Non-Executive Directors, chaired by Mr M M Gray.

The committee determines and agrees with the Board the framework and policy of Executive remuneration and the associated costs to the Group and is responsible for the implementation of that policy. The committee determines the specific remuneration packages for each of the Executive Directors and no Director or Senior Executive is involved in any decisions as to their own remuneration. The committee has access to information and advice provided by the Executive Chairman and the CFO and has access to independent advice where it considers it appropriate.

This report explains how the Group has applied its policy on remuneration paid to Executive Directors.

Framework and Policy on Executive Directors' Remuneration

The Group's remuneration policy is designed to provide competitive rewards for its Executive Directors, taking into account the performance of the Group and the individual Executives, together with comparisons to pay conditions throughout the markets in which the Group operates. It is the aim of the committee to attract, retain and motivate high calibre individuals with a competitive remuneration package. It is common practice in the industry for total remuneration to be significantly influenced by bonuses.

The remuneration packages are constructed to provide a balance between fixed and variable rewards. Therefore, remuneration packages for Executive Directors normally include basic salary, bonuses, benefits in kind and share based rewards. In agreeing the level of basic salaries and annual bonuses the committee takes into consideration the total remuneration that Executives could receive.

Basic Salary

Basic salaries are reviewed on an annual basis or following a significant change in responsibilities. The committee seeks to establish a basic salary for each Executive determined by individual responsibilities and performance, taking into account comparable salaries for similar positions in companies of a similar size in the same market.

Incentive Arrangements

Bonuses

These are designed to reflect the Group's performance, taking into account the performance of its peers, the market in which the Group operates and the Executive's contribution to that performance.

Performance related contractual incentive scheme

These are designed to reward performance by the Executive Directors.

Share based rewards

As referred to in the Directors' Report, the Group does not have any option nor an Employee Share Ownership Trust (ESOT).

Other Employee Benefits

Depending on the terms of their contract the Executive Directors and are entitled to a range of benefits, including contributions to individual personal pension plans, private medical insurance and life assurance.

Service Contracts and Notice Periods

The Executive Directors are employed on rolling contracts subject to six months' notice from either the Executive or the Group, given at any time.

Service contracts do not provide explicitly for termination payments or damages, but the Group may make payments in lieu of notice. For this purpose, pay in lieu of notice would consist of basic salary and other relevant emoluments for the relevant notice period excluding any bonus.

External Appointments undertaken by Executive Directors

In the committee's opinion, experience of other companies' practices and challenges is valuable for the personal development of the Group's Executive Directors and for the Company. It is therefore the Group's policy to allow Executive Directors to accept Non-Executive Directorships at other companies, provided the time commitment does not interfere with the Executive Directors' responsibilities within the Group. Fees are retained by the individual Executive Director.

Non-Executive Directors

All Non-Executive Directors have a letter of appointment for an initial period of twelve months and thereafter on a rolling basis subject to three months' notice by either the Non-Executive Director or the Group, given at any time.

In the event of termination of their appointment they are not entitled to any compensation.

Non-Executive Directors' fees are determined by the Executive Directors having regard to the need to attract high calibre individuals with the right experience, the time and responsibilities entailed, and comparative fees paid in the market in which the Group operates. They are not eligible for pensions.

Management Incentive Plan

On 6th January 2021, the Company established TEAM Midco Limited in order to grant share awards under the Management Incentive Plan ("MIP"). On that date, share awards within TEAM Midco Limited were made to participants of the MIP. These were Mr J M Clubb 375 A Ordinary Shares in TEAM Midco Limited (the "A Ords") 2021 Shares, Mr M C Moore 438 A Ords and J Jones Series 125 A Ords. The shares were issued at market value with total subscription price of the shares being £3,001.60. The Company cancelled these share awards on 30 November 2021 and bought back the A Ords as their grant was not in line with disclosure contained within the Company's AIM Admission Document dated 2 March 2021. As set out in the AIM Admission Document, awards will be made to the management team of the Company to ensure all employees are well motivated and identify closely with the success of the Group.

Directors' Emoluments

The remuneration of each Director as listed on page 47, in the Company Information section, during the year ended 30 September 2021 is set out below:

	Salary £	Benefits £	Bonus £	**Year ended 30 Sept 2021 £**	Period ended 30 Sept 2020 £	**Pension Contribution year ended 30 Sept 2021 £**	Pension Contribution Period ended 30 Sept 2020 £
Executive							
J M Clubb	67,498	1,938	20,000	**89,436**	58,086	**4,667**	-
M C Moore ***	93,331	4,939	40,000	**138,270**	-	**7,467**	-
Non-Executive							
L P C Taylor ***	14,581	-	-	**14,581**	-	-	-
M M Gray ***	14,581	-	-	**14,581**	-	-	-
D J K Turnbull ***	14,581	-	-	**14,581**	-		-
L Smith *	3,750	-	-	**3,750**	6,000	-	-
L Trevellyan **	4,166	-	-	**4,166**	6,610	-	-
A Stanton *	2,085	-	-	**2,085**	3,333	-	-
	214,573	**6,877**	**60,000**	**281,450**	**74,029**	**12,134**	**-**

Notes:

* resigned 1 March 2021

** resigned 27 January 2021

*** appointed 1 March 2021

The highest paid Director for 2021 was Mr M C Moore receiving emoluments of £138,270 (2020: J M Clubb £58,086).

Mr J M Clubb has a salary of £200,000, of which he has elected to waive half, ahead of the Group generating a positive cash flow.

Directors' Interests in Management Incentive Plan shares

Director	**Total 30 Sept 2021 No.**	Total 30-Sep-20 No.
J M Clubb	375	-
M C Moore	438	-
	813	**-**

The management incentive plan does not qualify as an employee share option scheme as the shares were purchased at fair value. There are no voting rights attached to these shares.

Director's Report for the year ended 30 September 2021

The directors present their report and the consolidated financial statements for TEAM plc (the **"Company"**) and its subsidiaries (the “**Group**”) for the period ended 30 September 2021.

Change of Company name

The company changed its name from Ponterrin Holdings Limited to TEAM plc effective from 12 October 2020.

Incorporation

The Company was incorporated on 4 July 2019. The Company is a registered public company limited by share capital and was incorporated and registered in Jersey, Channel Islands. The Company registration number is 129405.

Directors of the Company

The Directors who held office during the year and their interest in the shares of the Company were as follows:

	Appointed	Resigned	**30 Sept 2021 Number of shares**	30 Sept 2020 Number of shares
A Stanton	3 Feb 2020	1 March 2021	-	-
L Trevellyan	3 Feb 2020	27 Jan 2021	-	-
J L G Smith	3 Feb 2020	1 March 2021	-	-
J M Clubb	4 July 2019		3,432,500	37,011
M C Moore	1 March 2021		-	-
M M Gray	1 March 2021		22,727	-
D J K Turnbull	1 March 2021		17,045	-
L P C Taylor	1 March 2021		17,045	-

Further details of Directors’ service contracts, remuneration, share interests and interests in options over the Company’s shares can be found in the Remuneration Report on page 27.

Major Shareholdings

At the date of publication of this report, the Company had been notified of the following shareholdings of 3% or more of the share capital:

	Ordinary shares	%
Pershing (CI) Nominees	6,439,033	37.0%
Chase Nominees Limited	1,653,409	9.6%
HSBC Global Custody Nominees	1,363,636	7.9%
Lance Trevellyan	839,844	4.9%
Metropolitan Guarantee Limited	763,502	4.4%
Pershing Nominees Limited	568,181	3.3%
Prima Investment Limited	568,181	3.3%

Political Contributions

The Group and Company did not make any political donations or incur any political expenditure during the year (2020: nil)

Going concern

After making enquiries, the Directors have formed a judgement, at the time of approving the financial information, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing the financial information.

Certain activities of the Group are regulated by the Jersey Financial Services Commission, the statutory regulator for financial services business in Jersey which has responsibility for policy, monitoring and discipline for the financial services industry. The JFSC requires the regulated entities' capital resources to be adequate; that is sufficient in terms of quantity, quality and availability, in relation to its regulated activities. The Directors monitor the regulatory capital resources on a monthly basis, and they have developed appropriate scenario tests and corrective management plans which they are prepared to implement to address any potential deficit as required. Further actions open to the Directors include incremental cost reductions, or further capital raising.

In March 2020, the World Health Organization declared the outbreak of novel coronavirus disease ("COVID-19") as a pandemic. At its peak, the pandemic caused unpredicted losses in national economies globally, however, its impact is currently in decline due to major medical advances in vaccination programs and governments and businesses have been moving back to normality.

The Directors have adjusted certain aspects of Group's operations to protect employees while still meeting customers' needs for their services. The Directors will continue to monitor the situation closely and it is possible that we will implement further measures. The Directors have considered the impact of COVID-19 on the Group and are of the view that it remains a going concern after revising forecasts for the period to September 2023 and reviewing the impact of COVID-19 on the working capital of the Group.

Events after the Reporting Period

On 29 November 2021, TEAM exchanged contracts with the shareholders of Omega Financial Services (Jersey) Limited to acquire 100% of the issued and to be issued share capital of the business. For further details refer to page 10 and the section on Omega in the Strategic Report.

Annual General Meeting (AGM)

The resolutions being proposed at the AGM include usual resolutions dealing with the ordinary business of the AGM. A description of all the resolutions is set out within the Notice of AGM document.

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the annual report and the consolidated financial statements in accordance with applicable law and regulations.

Companies (Jersey) Law 1991 requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with the requirements of International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB'). Under Companies (Jersey) Law 1991 the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and group and of the profit or loss of the company and group for that period. In preparing these financial statements, the directors are required to:

• select suitable accounting policies and apply them consistently;

• make judgements and accounting estimates that are reasonable and prudent;

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

• prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditors

Each of the persons who are directors at the time that this Directors' Report is approved has confirmed that:

• so far as that director is aware, there is no relevant audit information of which the company's and group's auditor is unaware, and

• that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant information and to establish that the company's and group's auditor is aware of that information.

This report was approved by the Board on 30 November 2021 and signed on its behalf by:

Mr J M Clubb	**Mr M C Moore**
Executive Chair	CFO and COO

Independent Auditor's Report

To the members of TEAM Plc

Opinion

We have audited the consolidated financial statements of TEAM Plc (the "Company") and its subsidiaries (the "Group"), which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows for the year then ended and Notes to the consolidated financial statements, including a summary of significant accounting policies. The consolidated financial statements framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as issued by the International Standards Board (IASB).

In our opinion, the consolidated financial statements:

- give a true and fair view of the state of the Group's affairs as at 30 September 2021 and of the Group's loss for the year then ended;
- are in accordance with IFRSs as issued by the International Standards Board (IASB); and
- comply with the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Jersey, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our approach to the audit

Overview

	Materiality Overall materiality was £389,977, which represents 5% of the Group's net assets (2020: 7% of the Group's net assets, £92,000).
	Audit scope • We conducted our audit of the consolidated financial statements based on information provided by the appointed service providers to the Group to whom the directors have delegated the provision of certain functions, including bookkeeping and financial statements preparation. • Our audit opinion covers the consolidated financial statements of the Group only. We have not been engaged to provide individual statutory opinions on the financial statements of the Company. The Company is a Jersey-incorporated company which is listed on AIM.
	Key audit matter • There is a risk that the purchase of the subsidiary was not in accordance with the requirements of IFRS 3, Business Combinations.

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of the Directors override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated financial statements as a whole.

Overall group materiality	£389,977 (2020: £92,000)
How we determined it	5% (2020: 7%) of the Group's net assets
Rationale for the materiality benchmark	We believe that net assets is a primary measure used by the shareholders in assessing the performance of the Group. It is also a generally accepted measure used for companies in this industry.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	**How the matter was addressed in our audit**
There is a risk that the purchase of the subsidiary was not in accordance with the requirements of IFRS 3, Business Combinations.	We reviewed the sale purchase agreement and assessed valuation workings. We traced the cash consideration paid to bank statements and tested accuracy of the acquired assets and liabilities fair value assessment by referencing to JCAP Limited's accounting records and subsequent transactions. We assessed the reasonableness of management's inputs, assumptions and estimates regarding the intangible asset valuation calculations. We have reviewed the

The key audit matter	How the matter was addressed in our audit
	reasonableness of the excess earning model used in the calculation by comparing it with the actual amounts incurred in the current period. We reviewed the transaction-related disclosures in the financial statements in accordance with IFRS 3, Business Combinations and other relevant standards. **Key Observations** We have not identified any issues on the calculation, accounting treatment and disclosures relating to the acquisition of subsidiary during the year.

Other information in the Annual Report

The Directors are responsible for the other information. The other information comprises the information included in the 'Annual Report and Consolidated Financial Statements', other than the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law, 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Group; or
- the Group financial statements are not in agreement with the accounting records; or
- we have not received proper returns adequate for our audit from branches not visited by us; or

we have not obtained all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of the directors for the consolidated financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 30, the Directors are responsible for the preparation of the consolidated financial statements which give a true and fair view in accordance with IFRSs as issued by the International Standards Board (IASB), and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jason Richard Lees-Baker
For and on behalf of Grant Thornton Limited
Chartered Accountants
St Helier
Jersey

Date: 30 November 2021

Consolidated Statement of Comprehensive Income

	Note	**Year to 30 Sept 2021 £'000**	Period to 30 Sept 2020 £'000
Revenues	3	**1,469**	701
Cost of sales		**(267)**	(69)
Operating expenses	4,5	**(2,944)**	(1,047)
Operating loss		**(1,742)**	**(415)**
Operating loss before exceptional items		***(1,052)***	*(275)*
Exceptional items		**(690)**	*(140)*
Operating loss after exceptional item		**(1,742)**	**(415)**
Other income and charges	7	**(9)**	(52)
Loss on ordinary activities before tax		**(1,751)**	**(467)**
Taxation	8	**45**	5
Loss for the year/ period and total comprehensive loss		**(1,706)**	**(462)**
Loss per share (basic and diluted)	20	**(0.15)**	(8.13)

Consolidated Statement of Financial Position

	Note	**30 Sep 2021 £'000**	30 Sep 2020 £'000
Non-current assets			
Intangible assets	9	**3,745**	989
Property, plant & equipment	10	**528**	44
Deferred tax	8	**89**	43
Long term deposit	12	**50**	50
		4,412	1,126
Current assets			
Trade, other receivables and prepayments	13	**561**	307
Cash and cash equivalents		**4,921**	253
		5,482	560
Trade and other payables: amounts falling due within one year	14	**(2,032)**	(316)
Net current assets		**3,450**	244
Total assets less current liabilities		**7,862**	1,370
Trade and other payables: amounts falling due after one year		**(424)**	-
Net assets		**7,438**	1,370
Equity			
Stated Capital	16	**9,606**	9
Share premium reserves		**-**	1,823
Retained loss		**(2,168)**	(462)
Total Equity		**7,438**	1,370

The consolidated financial statements on pages 36 to 59 were approved and authorised for issue by the Board of Directors on the 30 November 2021 and were signed on its behalf by:

Mr J M Clubb

Executive Chair

Mr M C Moore

CFO and COO

Consolidated Statement of Changes in Equity

	Share capital £'000	Share premium £'000	Stated capital £'000	Retained loss £'000	Total £'000
At 1 October 2020	9	1,823	-	(462)	1,370
New share Capital	-	163	553	-	716
Cost of shares issued through IPO	-	(443)	-	-	(443)
Conversion of shares	(9)	(1,543)	1,552	-	-
Share premium received from IPO	-	-	7,501	-	7,501
Loss for the year	-	-	-	(1,706)	(1,706)
At 30 September 2021	-	-	9,606	(2,168)	7,438

	Share capital £'000	Share premium £'000	Stated capital £'000	Retained loss £'000	Total £'000
At 4 July 2019	-	-	-	-	-
New share Capital	9	1,823	-	-	1,832
Loss for the year	-	-	-	(462)	(462)
At 30 September 2020	9	1,823	-	(462)	1,370

Consolidated Statement of Cash Flows

	Note	**Year to 30 Sept 2021 £'000**	Period to 30 Sept 2020 £'000
Cash flows from operating activities			
Loss for the year before tax		**(1,751)**	(467)
Adjustments to cash flows from non-cash items:			
Depreciation and amortisation	6	**254**	113
Finance costs		**9**	52
Trade and other receivables (net of effects from acquisition of subsidiaries)		**(107)**	(289)
Trade and other payables (net of effects from acquisition of subsidiaries)		**139**	228
Net cash outflow from operating activities		**(1,456)**	(363)
Cash flows from investing activities			
Acquisition of subsidiary net of cash acquired		**(1,659)**	(772)
Acquisition of property, plant and equipment		**(53)**	(11)
Net cash outflow from investing activities		**(1,712)**	(783)
Cash flows from financing activities			
Lease liability paid		**(57)**	(36)
Issue of share capital		**7,221**	9
Share premium on issue of shares		**-**	1,426
Net cash flow from financing activities		**7,164**	1,399
Net increase in cash and cash equivalents		**3,996**	253
Cash and cash equivalents at beginning of year/ period		**253**	-
Cash and cash equivalents from subsidiaries at acquisition		**672**	-
Cash and cash equivalents at end of year/ period		**4,921**	253

The consolidated statement of cash flow of the Group for the year ended 30 September 2021 is set out above. The only changes in liabilities other than from financing cash flows are in respect of leases, details of additions and disposals of which are given in note 10.

Non-cash items:

During the period, a subsidiary was acquired for a total consideration of £3,706,227, which comprised of cash consideration of £2,968,727 (£1,309,351 payable post yearend) and share capital exchange of £737,500. The cash flow of acquisition of subsidiary above is netted off by the cash acquired of £671,650.

Notes to the Consolidated Financial Statements

1. General information

TEAM plc (the "Company") is a Registered Public Company limited by share capital incorporated and registered in Jersey, Channel Islands on 4 July 2019. The registered Company number is 129405. The principal place of business is 6 Caledonia Place, St Helier, Jersey, JE2 3NG.

The principal activity of the Group is the provision of investment management services.

These financial statements are presented in Pound Sterling (£), rounded to the nearest thousand (£'000), which is the currency of the primary economic environment in which the Group operates.

2. Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These consolidated financial statements have been prepared in accordance with the requirements of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the requirements of the Companies (Jersey) Law 1991. The Group's consolidated financial statements have been prepared under the historical cost convention, with the exception of financial instruments, which are stated in accordance with IFRS 9 Financial Instruments: recognition and measurement.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires The Directors to exercise judgement in applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements are disclosed in more detail under the critical accounting judgements policy.

Consolidated financial statements

The consolidated financial statements incorporate the financial statements of the Company and subsidiary entities controlled by the Company made up to 30 September 2021 (2020: period from 4 July 2019 to 30 September 2020). Control is achieved where the Company is exposed, or has rights, to variable returns from its involvement with an investee company and has the ability to affect those returns through its power over the other entity; power generally arises from holding a majority of voting rights.

New standards and interpretations not yet adopted

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2022:

- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and
- References to Conceptual Framework (Amendments to IFRS 3).

The Group does not believe that the standards not yet effective, will have a material impact on the consolidated financial statements.

For annual reporting periods beginning on or after 1 January 2020, the following are newly effective requirements:

- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- IFRS 3 Business Combinations (Amendment – Definition of Business);
- Conceptual Framework for Financial Reporting (Revised);
- Covid-19-Related Rent Concessions – Amendment to IFRS 16.

Going concern

After making enquiries, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors continue to adopt the going concern basis in preparing the financial statements.

The Directors have adjusted certain aspects of Group's operations to protect employees while still meeting customers' needs for their services. The Directors will continue to monitor the situation closely and it is possible that we will implement further measures. The Directors have considered the impact of COVID-19 on the Group and are of the view that it remains a going concern after revising forecasts for the period to September 2023 and reviewing the impact of COVID-19 on the working capital of the Group.

Critical accounting estimates and judgements

The Group makes certain estimates and assumptions in the preparation of financial statements. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable that best reflects the conditions and circumstances that exist at the reporting date.

The principal estimates and judgements that could have an effect upon the Group's financial results are the useful economic lives of property, plant and equipment, the impairment of trade receivables and intangible assets and the provision for income and deferred taxes. Further details of these estimates and judgements are set out in the related accounting policies for these items.

Revenue recognition

The Group has applied IFRS15 – Revenue from Contracts with Customers. IFRS 15 establishes the principles that an entity applies when reporting information about the nature, amount, timing and uncertainty of revenue and cash flows from a contract with a customer. Applying IFRS 15, an entity recognises revenue to depict the transfer of promised services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services.

The Group recognises revenue on the transfer of services in accordance with the contractual terms entered into with clients. Fees and commissions are received on a variety of different payment terms.

- Commission: Trading and foreign exchange commission income is recognised on a trade date basis
- Management Fees: Portfolio and investment management, introductory and sponsor fees are recognised on an accrual basis over time.
- Treasury services: Treasury fees are recognised on an accrual basis over time.

Segment reporting

IFRS 8 requires that an entity disclose financial and descriptive information about its reportable segments, which are operating segments or aggregations of operating segments. Operating segments are identified on the basis of internal reports that are regularly reviewed by the Board to allocate resources and to assess performance. Using the Group's internal management reporting as a starting point the single reporting segment set out in note 3 has been identified.

Foreign currency transactions and balances

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items are included in statement of total comprehensive income in operating expenses.

Tax

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

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally 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.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Property, plant and equipment

Property, plant and equipment are stated in the Statement of Financial Position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of items.

Fully depreciated assets are retained in the cost and the related accumulated depreciation until they are removed from service. In the case of disposals, assets and related depreciation are removed from the financial statements at the net amount less proceeds from disposal are charged or credited to the statement of income.

Depreciation

Depreciation is charged so as to write off the cost or valuation of assets over their useful economic lives, using the straight-line method

Asset class	Depreciation rate
Computer hardware	5 years
Equipment	4 years
Computer software	3 years
Right of use assets	Over the term of the lease

Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date.

Intangible assets

The value of the customer relationships has been calculated using the excess earnings approach discounted using the Group's incremental borrowing rate. The average life of a customer relationship has been set based on the customer base and represents both the period over which the value of such relationships have been calculated and the amortisation period of the intangible asset arising. The Group amortises intangible assets over the following periods:

Customer relationships	5 -10 years

At each reporting date, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. Such investments are those with original maturities of three months or less.

Trade receivables

Trade and other receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

A provision for the impairment of trade receivables is based on the lifetime expected credit loss, based on past and forward-looking information.

Payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Trade and other payables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method

Leases

Under IFRS 16, the Group recognises right-of-use assets and liabilities for significant leases.

The Group has elected and applied the exemption not to recognise right-of-use assets and lease liabilities for short-term leases of equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

At inception of a contract under IFRS 16, the Group assesses whether a contract is, or contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-to-use asset and lease liability at the lease commencement date.

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate.

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

The Group presents right-of-use assets in property, plant and equipment and lease liabilities in loans and borrowings in the Statement of Financial Position.

Financial instruments

The Group has adopted IFRS 9 in respect of financial instruments.

Financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for lifetime expected credit losses based on past and forward-looking information. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Stated capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Share premium reserves

Share premium reserves represents the excess of the value received for shares issued over their nominal value less transaction costs and amounts used to fund bonus issues.

Retained losses

Retained losses represent the cumulative earnings or losses of the Group, less any dividends declared.

3. Operating Segments

IFRS 8 operating segments are to be identified on the basis of internal reports about components of Group that are regularly reviewed by management, including the Chief Finance Officer and the Chief Operating Officer, to allocate resources to the segments and to assess their performance. The Group continues to identify a single reportable segment and within this single reportable segment, total revenue for the year from continuing operations is as follows;

	Year to 30 Sep 2021 £'000	Period to 30 Sep 2020 £'000
Revenue		
Fees	**1,066**	541
Commissions	**207**	160
Cash and risk management	**176**	-
Other revenue	**20**	-
	1,469	701

4. Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	Year to 30 Sep 2021 £'000	Period to 30 Sep 2020 £'000
Wages and salaries	**1,335**	536
	1,335	536

The average number of employees (including directors) during the year was 14 (2020: 9).

5. Directors' remuneration

The Directors' remuneration for the year was as follows:

	Year to 30 Sep 2021 £'000	Period to 30 Sep 2020 £'000
Executive		
J M Clubb	**89**	58
M C Moore ***	**138**	-
Non-Executive		
L P C Taylor ***	**15**	-
M M Gray ***	**15**	-
D J K Turnbull ***	**15**	-
L Smith *	**4**	6
L Trevellyan **	**4**	7
A Stanton *	**2**	3
	281	**74**

* resigned 1 March 2021

** resigned 27 January 2021

*** appointed 1 March 2021

Directors' Interests in Management Incentive Plan shares

Director	**Total 30 Sept 2021 No.**	Total 30-Sep-20 No.
J M Clubb	375	-
M C Moore	438	-
	813	**-**

6. Operating loss

Arrived at after charging:

	Year to 30 Sep 2021 £'000	Period to 30 Sep 2020 £'000
Auditors' remuneration - audit fees	**27**	17
Auditors' remuneration - other services	**-**	21
Costs relating to the admission of the shares	**449**	140
Amortisation of intangibles	**194**	70
Depreciation of property, plant and equipment	**10**	6
Depreciation of right of use asset	**50**	37
Interest on right of use asset	**5**	2

7. Interest payable and similar expenditure

	Year to 30 Sep 2021 £'000	Period to 30 Sep 2020 £'000
Interest payable - Right of use asset	**5**	2
Pershing deposit - Fair value	**2**	50
Other interest payable	**2**	-
	9	52

8. Taxation

	Year to 30 Sep 2021 £'000	Period to 30 Sep 2020 £'000
Deferred tax		
Deferred tax charge	**(45)**	(5)
	(45)	(5)

The differences are reconciled below

	Year to 30 Sep 2021 £'000	Period to 30 Sep 2020 £'000
Loss before tax applicable to financial service companies from date of acquisition to year end	**(458)**	(96)
Tax for financial service companies at 10%	**(45)**	(10)
Effect of permanent expense not deductible in determining taxable profit (tax loss)	**9**	5
Effect of temporary expense not deductible in determining taxable profit (tax loss)	**1**	1
Tax increase from effect of unrelieved tax losses carried forward	**35**	4
Total tax decrease	**-**	-

Deferred tax assets and liabilities

	Year to 30 Sep 2021 £'000	Period to 30 Sep 2020 £'000
Losses carried forward	**86**	40
Capital allowances	**3**	3
	89	43

9. Intangible assets

The value of the customer relationships for TEAM Limited has been calculated using the excess earnings approach discounted using the incremental borrowing rate of 10.26%. The average life of a customer relationship has been set at ten years and represents both the period over which the value of such relationships have been calculated and the amortisation period of the intangible asset arising. Based on management's assessment, the intangible assets recoverable value is higher than its carrying amount as at 30 September 2021, hence the intangible asset is not impaired.

On 5 July 2021 TEAM plc acquired the entire share capital of JCAP Limited ("JCAP"), a company incorporated and registered in Jersey, Channel Islands which provides treasury services. The total consideration paid for JCAP was £3,706,227 which comprises of cash of £2,968,727 and shares amounting to £737,500. Included in the Statement of Comprehensive Income are £29,007 in transaction costs relating to this acquisition. The primary reason for the acquisition was to enable the Group to provide a cash management service to its clients and is part of the strategy of the Group.

The value of the customer relationships for JCAP Limited has been calculated using the excess earnings approach discounted using the weighted average cost of capital of 14% based on management review. The average life of a customer relationship has been set at five years and represents both the period over which the value of such relationships have been calculated and the amortisation period of the intangible asset arising. Based on management's assessment, the intangible assets recoverable value is higher than its carrying amount as at 30 September 2021, hence the intangible asset is not impaired.

Since being acquired at 5 July 2021, JCAP Limited, has earned a profit of £80,617 for the three-month period ended 30 September 2021.

Any goodwill arising through business combinations is allocated to individual assets of its subsidiaries including identified intangible assets. A summary of the fair values of each major class of consideration in relation to JCAP Limited is listed in the next table

	As at 30 June 2021 £'000
Categorisation of assets: JCAP Limited	
Intangible asset: customer contracts	**1,759**
Goodwill	**1,191**
Cash and cash equivalents	**672**
Trade and other receivables	**147**
Trade and other payables	**(63)**
	3,706

	TEAM Limited £'000	JCAP Limited £'000	**Total customer relationships £'000**	**Goodwill £'000**	**Total intangible assets £'000**
Cost					
At 1 October 2020	1,059	-	1,059	-	**1,059**
Acquired through business combinations	-	1,759	1,759	1,191	**2,950**
At 30 September 2021	**1,059**	**1,759**	**2,818**	**1,191**	**4,009**
Amortisation					
At 1 October 2020	70	-	70	-	**70**
Charge for the year	106	88	194	-	**194**
At 30 September 2021	**176**	**88**	**264**	**-**	**264**
Carrying Amount					
At 30 September 2021	**883**	**1,671**	**2,554**	**1,191**	**3,745**
At 30 September 2020	989	-	989	-	989

10. Property, plant and equipment

	Right of use assets £'000	**Equipment and fixtures £'000**	**Computer hardware £'000**	**Computer software £'000**	**Total £'000**
Cost					
At 1 October 2020	166	6	26	5	**203**
Additions	491	33	20	-	**544**
Disposals	(166)	(2)	(1)	(5)	**(174)**
At 30 September 2021	**491**	**37**	**45**	**-**	**573**
Depreciation					
At 1 October 2020	138	5	12	4	**159**
Disposals	(166)	(2)	(1)	(5)	**(174)**
Transfer category	-	(3)	3	-	**0**
Charge for the year	50	4	5	1	**60**
At 30 September 2021	**22**	**4**	**19**	**-**	**45**
Carrying Amount					
At 30 September 2021	469	33	**26**	**-**	**528**
At 30 September 2020	28	1	14	1	44

The right-to-use asset is in relation to the property, 6 Caledonia Place, St Helier, Jersey, JE2 3NG which it currently occupies. The lease term ends on 30 April 2030. The previous lease at Royal Court Chambers, 10 Hill Street, St Helier, Jersey, JE2 4UA ceased on 30 April 2021.

11. Subsidiary undertakings

Undertakings	Country of incorporation	Holding	Proportion held by Group 30 Sep 2021	Proportion held by Subsidiary 30 Sep 2021	Proportion held by Group 30 Sep 2020	Proportion held by Subsidiary 30 Sep 2020
TEAM Midco Limited	Jersey	Ordinary	**100%**	**0%**	0%	0%
JCAP Limited	Jersey	Ordinary	**100%**	**100%**	0%	0%
TEAM Limited	Jersey	Ordinary	**100%**	**100%**	100%	0%
TEAM (UK) Management Services Limited	U.K.	Ordinary	**100%**	**100%**	0%	0%
TEAM Nominees Limited	Jersey	Ordinary	**100%**	**100%**	100%	100%

TEAM Midco Limited was incorporated on 11 December 2020 and the loss for the period ended 30 September 2021 was £55,978. The net assets at the 30 September 2021 were £4,495,774. The JCAP profit from 5 July 2021 (‘date of acquisition’) to 30 September 2021 was £81,392 and the net assets at the 30 September 2021 were £837,618.

TEAM Limited loss for the year ended 30 September 2021 was £412,319 (Period ended 30 September 2020: loss £95,793) and its net asset position as at 30 September 2021 were £854,164 (2020: £544,875).

TEAM (UK) Management Services Limited was incorporated on 18 November 2020 and the profit for the period ended 30 September 2021 was £nil. The net assets at the 30 September 2021 were £1.

TEAM Nominees Limited acts as a nominee company, holding client assets in safe custody on behalf of its parent company. TEAM Nominees Limited does not trade and its net assets at the 30 September 2021 amounted to £2 (2020: £2).

12. Long-term deposit

On 6 August 2020, the Company entered into a client agreement with Pershing (Channel Islands) Limited ("Pershing"), whereby Pershing is to provide the company with the following services:

- clearing and settlement services in relation to permitted investments;
- execution of transactions to permitted investments and foreign exchange transactions in connection with executed trades; and
- custody and nominee services.

The total amount held by Pershing on a deposit account, on behalf of the company during the year was £100,000 (2020: £100,000). The client agreement shall be binding for a period of 7 years from the 6 August 2020 and may be terminated by way of writing notice of not less than 180 days following the end of the 7 years' period.

The company has opted to classify its Pershing deposit under the amortised cost, given that there isn't a fair value methodology to determine the market value of the deposit.

The present value of the deposit at the 30 September 2021 was £49,490 (2020: £50,227) based on a discount rate of 14% (2020: 10.26%). The discount rate of 14% is based on the Group's weighted average cost of capital (2020: based on borrowing rate).

13. Trade and other receivables

	30 Sep 2021 £'000	30 Sep 2020 £'000
Due within one year		
Trade receivables	**330**	249
Accrued income	**156**	-
Prepayments	**75**	58
	561	**307**

Impairment of receivables

	30 Sep 2021 £'000	30 Sep 2020 £'000
Trade receivables	**-**	-

At the year ended 30 September 2021 the value of invoices that were past due was £nil (period ended 30 September 2020: £nil).

14. Trade and other payables

	Note	**30 Sep 2021 £'000**	30 Sep 2020 £'000
Due within one year			
Lease liability	15	**43**	34
Payables		**158**	251
Social security and other taxes		**39**	31
Other Payables		**1,494**	-
Accruals		**298**	-
		2,032	**316**
Due greater than one year			
Lease liability	15	**424**	-
		424	-

Included in other payables is £1,493,726 of deferred consideration in relation to the purchase of JCAP Limited (period ended 30 September 2020: £nil).

15. Lease liabilities

The amount of interest on the lease liabilities recognised as an expense during the period was £5,400 (2020: £2,099). TEAM moved premises during the year and now occupies a property 6 Caledonia Place, St Helier, Jersey, JE2 3NG. The lease repayments are £70,000 per annum. The lease term ends on 30 April 2030.

	30 Sep 2021 £'000	30 Sep 2020 £'000
Maturity analysis		
Not later than one year	**43**	34
Between one and five years	**145**	-
Greater than 5 years	**279**	-
	467	**34**

16. Stated capital

	30 Sep 2021 No.	30 Sep 2020 No.
Allotted, called and fully paid shares		
Ordinary shares	**17,299,795**	93,000

	30 Sep 2021 £'000	30 Sep 2020 £'000
Allotted, called and fully paid share capital		
Opening balance	**9**	-
Ordinary share capital of £0.10 each	**-**	9
Transferred	**(9)**	-
	-	9

	30 Sep 2021 £'000	30 Sep 2020 £'000
Share Premium		
Opening balance	**1,823**	-
Premium in year	**163**	1,823
Cost of shares issued through IPO	**(443)**	-
Transferred	**(1,543)**	-
	-	1,823

	30 Sep 2021 £'000	30 Sep 2020 £'000
Stated capital		
Opening balance	**-**	-
Transferred	**1,552**	-
Share premium received from IPO	**7,501**	-
New Capital subscribed	**553**	-
	9,606	-

On 8 March 2021 TEAM plc listed on the AIM and at this date the share capital and share premium was transferred to stated capital. A the date of admission there were 16,559,334 shares issued of no par value.

17. Related party transactions

Key management personnel are the same as the Directors. Remuneration of the Directors is disclosed in note 5 to the financial statements.

18. Financial instruments

	30 Sep 2021 £'000	30 Sept 2020 £'000
Categorisation of financial instruments		
Financial assets measured at amortised cost:		
Trade receivables	**330**	249
Cash and cash equivalents	**4,921**	253
	5,251	502
Financial liabilities measured at amortised cost:		
Trade payables	**(158)**	(251)
Other payables	**(1,494)**	-
Lease liability	**(467)**	(31)
	(2,119)	(282)

19. Capital management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

In addition, the Company's subsidiary TEAM Limited is a regulated entity in Jersey, subject to certain capital requirements which the Company needs to manage. There is a requirement for TEAM Limited to maintain a minimum of £25,000 paid up share capital and a surplus of adjusted net liquid asset (ANLA) over the expenditure requirement in a ratio of 110%. The ANLA is reviewed monthly by management. TEAM Limited has not breached the capital and ANLA requirement in the current period.

Credit risk management

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above. Revenue is generated daily and cash is received in arrears, typically within 30 days from the quarter end. The Group does not believe there is significant credit risk. In addition, the financial assets are neither past due or impaired.

Foreign currency risk management

The Group is exposed to immaterial assets which are denominated in foreign exchange currency, hence the Group is not significantly exposed to foreign exchange currency risk.

Market risk management

The Group is mainly exposed to market risk in respect of variations in customer asset values and therefore the management fees that the Group receives. There has been no material change to the Group's exposure to market risks or the manner in which it manages and measures the risks.

Interest risk management

The Group has no borrowings exposed to variable interest rates and is therefore not exposed to interest rate risk in that respect.

Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring the capital requirements of the Group. As at 30 September 2021, the surplus of financial assets over financial liabilities was £3,132,000 (2020: £220,000).

Remaining maturities of financial liabilities:

	Less than one year	**Between 2-5 years**	**Greater than 5 years**	**Total**
	£'000	**£'000**	**£'000**	**£'000**
Trade payables	158	-	-	**158**
Other payables	1,494	-	-	**1,494**
Lease liabilities	43	145	279	**467**
At 30 September 2021	**1,695**	**145**	**279**	**2,119**

	Less than one year	**Between 2-5 years**	**Greater than 5 years**	**Total**
	£'000	**£'000**	**£'000**	**£'000**
Trade payables	251	-	-	**251**
Other payables	-	-	-	**-**
Lease liabilities	31	-	-	**31**
At 30 September 2020	**282**	**-**	**-**	**282**

20. Earnings per share

The Group has calculated the weighted-average number of outstanding ordinary shares for the period as follows:

	Date	Number of shares	Time weighting	Weighted average number of shares
Weighted Average Number of Shares 2021				
Balance brought forward	01-Oct-20	93,000	12/12	**93,000**
Shares issued	19-Oct-20	3,600	12/12	**3,600**
Shares issued	06-Jan-21	900	9/12	**675**
Bonus issue of 82 for 1	06-Jan-21	7,897,500	9/12	**5,923,125**
Shares issued	06-Jan-21	41,000	9/12	**30,750**
Initial Public Offering	08-Mar-21	8,523,334	7/12	**4,971,945**
Shares issued	02-Jul-21	740,461	3/12	**185,15**
		17,299,795	**12 months**	**11,208,210**

	Date	Number of shares	Time weighting	Weighted average number of shares
Weighted Average Number of Shares 2020				
Balance brought forward	04-Jul-19	-		**-**
Shares issued	04-Jul-19	100	15/15	**100**
Shares issued	19-Dec-19	45,800	10/15	**30,533**
Shares issued	01-Jan-20	41,400	9/15	**24,840**
Shares issued	01-Jun-20	4,464	4/15	**1,190**
Shares issued	01-Jul-20	1,236	3/15	**247**
		93,000	**15 months**	**56,910**

Loss per share

	30 Sep 2021 £'000	30 Sep 2020 £'000
Loss per share		
Loss for the financial period and total comprehensive loss	**(1,706,309)**	(461,998)
Weighted average number of shares	**11,208,210**	56,910
	(0.15)	(8.13)

The Parent Company does not have any contingent issuable shares as at year end, hence diluted loss per share is the same as the basic loss per share

Adjusted Loss per share

	Year to 30 Sep 2021 £'000	Period to 30 Sept 2020 £'000
Loss after tax	**(1,706)**	**(462)**
Interest	**9**	52
Tax	**(45)**	(5)
Depreciation	**60**	43
Amortisation of intangible assets	**194**	70
EBITDA	**(1,488)**	**(302)**
IPO related expenses	**449**	140
Acquisition related expenses	**241**	**25**
Adjusted EBITDA	**(798)**	**(137)**

	30 Sep 2021 £'000	30 Sep 2020 £'000
Adjusted loss per share		
Adjusted EBITDA	**(798,000)**	(137,000)
Weighted average number of shares	**11,208,210**	56,910
	(0.07)	(2.42)

21. Ultimate controlling party

In the opinion of the Directors, there is no single ultimate controlling party.

22. Events after the statement of financial position date

On 30 November 2021, TEAM exchanged contracts with the shareholders of Omega Financial Services (Jersey) Limited to acquire 100% of the issued and to be issued share capital of the business. For further details refer to page 10 and the section on Omega in the Strategic Report.