Gfinity plc

Annual Report and
Financial Statements
30 June 2024

Company number 08232509

Contents

Strategic Report

Directors, Secretary and Advisors

The Board of Directors	Neville Upton (Non-Executive Chairman)
	David Halley (Chief Executive Officer)
	Hugo Drayton (Non-Executive Director)
Company Secretary	Richard Croft
Registered Office	128 City Road London EC1V 2NX
Nominated Adviser and Broker	Beaumont Cornish Limited Building 3 566 Chiswick High Road London W4 5YA
Independent Auditor	Gravita Audit Limited Aldgate Tower 2 Leman Street London E1 8FA
Legal Advisers	*Corporate* Fladgate LLP 16 Great Queen Street London WC2B 5DG
	Commercial Onside Law 642A Kings Road Fulham London SW6 2DU
Registrars	Link Group 6th Floor 65 Gresham Street London EC2 7NQ
Registered Number	08232509

Strategic Report

Period highlights

The Company has completed the restructuring of Digital Media to significantly lower costs and completed the divestiture of Athlos.

Financial results included:

- Gain on disposal of the Athlos business of £0.26m
- Gfinity Digital Media ("GDM") revenue of £1.90m
- Impairment charges of £284k to reflect the lower the value of the media assets.

New financial and operational structure

The Board believes the business is in a stronger position having reduced monthly cost base to £70k and stabilised the monthly revenue. The business' growth plans are already taking shape with a reduction in Sessions being compensated by a large decrease in operational costs. The business has adopted a much leaner and adaptable business model under new management.

- Cash at year-end was £23k.
- The company raised £150k in September 2024 through equity and a loan note.

Continuing operations of the business represents GDM, our website business focussed on gaming and technology. Revenue and gross profit for this part of the business was as follows for the past two years

	2024	**2023**
Revenue	£1.9m	£2.2m
Gross Profit	£1.05m	£1.2m

Impairment and reduction in net asset costs

The Group incurred costs of £284k in impairment and write down of assets. This included a re-evaluation of all the media assets that have been acquired over the past 4 years.

Post-period highlights

- Raised £150,000 through an equity and loan note placement
- Signed a non-binding MOU to license ConnectedIQ AI technology

Strategic Report

Gfinity's Market

Based on Newzoo Global Games Market Report published October 2023. The global market is:

- 3.3bn gamers
- $184bn game revenues projected to be $206bn by 2026

Gfinity is a leading digital media publishing group focusing on gamers, trading card Game enthusiasts and entertainment news.

Gfinity is a recognised brand in the gaming sector and our websites cover several niches in the genre. We have proven our ability to connect directly with a global community of over 3.3 billion gamers, which have created a gaming market worth an estimated $184 billion.

Within this market, Gfinity specialises in building highly engaged communities of gamers, that can be scaled and monetised.

A network of Gfinity owned and operated websites create monetisation opportunities through advertising, brand partnerships and eCommerce activities, including related social platforms, these allow Gfinity to reach more than 2.5m gamers per month.

Strategic Report

Chairman's Report

I have pleasure in presenting our annual accounts for the financial year ended 30 June 2024.

It has been a difficult year for the Company as we completed the transition from esports solutions and software development to a pure play digital media company. By focussing on cost reduction and a quality product, we have been able to navigate a very difficult period where many Digital Publishers struggled, and AI solutions complicated the search market for websites.

The restructuring has led to a reduction in revenue to £1.9m, a decrease of 14% YOY, with a loss of £594k. Within this loss, we were able to complete the full restructuring of the business so that we enter the new financial year in a much stronger position.

In November 2023, we completed the exit the majority of Athlos Game Technologies Ltd ("Athlos"), providing valuable funds to complete the restructuring of the Company.

The economics of the business has become much more flexible and thus lower risk, after we completed a full top-down review of the Company and removed the majority of senior staff. Moving forward, Digital Media businesses need to adapt to a new ecosystem with more competition to Google and a plethora if AI search products in the market negating the use of some traditional features.

In addition, we were able to sign a non-binding MOU in November 2024, to license the technology of 0M Technology Solutions Limited, with the option to buy it within the next period. This MOU highlights our management team's ability to adapt and utilise our commercial operations in ways which take advantage of new secular trends in the market.

Our operating cost base has been streamlined, with the combined operating costs of both continued and discontinued operations for FY2024, down 70% year-on-year when compared to our current annualised cost base of £845k.

These changes by no means limit the opportunity of the Company, as we are now operated by a leaner team, with known M&A experience in a market with many opportunities. Our customer base of hard-to-reach gamers is one of the most coveted by brands and advertisers, and gaming is a sector continuing to grow year-on-year.

In summary, I would like to say thank you to the Gfinity team, who have supported us through a challenging year of transition.They are dedicated writers and developers, and have a clear passion for gaming. I would also like to thank all our clients and partners that choose to work with Gfinity together with our shareholders. Their continued support is never taken for granted and we can now look forward to growing together.

Neville Upton
Chairman
10 January 2025

Strategic Report

Chief Executive Officer's Report

When appointed CEO in August 2023, I set out to quickly bring the economics of our business under control after a long period of loss-making business decisions trying to build long term value.

There would be an obvious transition period, where we could ascertain which team members and technologies to retain, whilst also taking into account the cost of being a publicly traded company. This was made much more complicated in a year that Google also decided to transition their search business to a newer model, ensuring that unlike previous years of 1 or 2 updates of their product, there are now monthly updates.

For the year, Gfinity Digital Media recorded 97,992,773 sessions across all websites, versus 180,833,842 which was recorded in the prior year. This represented a 45% drop and was due to general market reductions, as users experienced more choice through platforms such as Twitch, and also the algorithms at Google affecting smaller publishers.

The focus has been consistent, in that it was now time for Gfinity to become a profitable company. As such our operating costs for the Digital Media group are now exceptionally low, as we embrace a flexible low-cost freelance model and have cut out a huge layer of technology which is no longer required now that companies such as Google provide the services for free.

When I came into the Company, it was with a view to embrace the new secular trend in Artificial Intelligence ("AI"), with Large Language Models potentially changing the way businesses operate. But how many companies actually really embrace AI? This is a focus of the Company moving forward, in that we are yet to see a large-scale deployment of these tools and thus there is an enormous opportunity in the market.

In November 2024, I signed a non-binding MOU for the licensing of Connected IQ. As a strategy, this takes advantage of our market position and commercial operations as it is focused on monetization and advertising. The AI models behind the Connected IQ are market leading, and I believe that this is a huge opportunity to move into the growth market of connected TV and online video.

We are also building new tools in our sites to engage with the Trading Card community, which is a very strong area for Gfinity based on the success of www.mtgrocks.com.

This has been a difficult year for Gfinity. At the end of the June monthly sessions across all sites were circa 10 million and combined with our social media channels we reached more than 2.5 million gamers in November.

We have now built a stronger foundation for future growth and will work opportunistically through the next year to find additive transactions to grow the network and company.

Financial Highlights:

The company operated in FY 2024 with 2 loss-making business divisions.

While both presented opportunities to create shareholder value, Athlos required more capital in order to achieve a completed product.

Athlos is a groundbreaking product but needed significant funding. Gfinity sold the remaining 27.5% of Athlos in November 2023. This division was significantly loss-making each month as it invested in further feature development and needed to invest heavily in the go-to-market plan.

GDM witnessed significant headwinds with numerous changes to the google algorithms and a well-publicised decline in the ad rates seen across all digital media. This required a new approach to running the business. A lower cost base, leaner management team and bigger focus on quality content and improved User Experience was needed.

- Completed a significant cost reduction programme
- Moved to a more freelance focused model for content creation
- Improved site structure and completed the migration of all sites to one operating system

Chief Executive Officer's Report (continued)

Growth

Having stabilised the business with a lower cost base and stronger operating foundations, we are now embarking on a growth plan. In November 2024, we signed an MOU with 0M Technology Solutions Limited to license their market leading AI advertising business for Connected TV and video. In 2025, we expect this business to significantly add to the Company's revenue.

GDM's competitive advantage is technology and our deep industry knowledge and connections.

We have;

- a small young team who understands the future of digital communications and media
- a technology platform that allows us to scale the content suite
- an ad tech capability to increase our revenues
- a sales team to exploit the need for brands to reach the difficult to reach Gen Z community

Our dedicated team

The progress we are making across the business is a direct consequence of the passion and spirit shown by the team. Our team members are stepping up, innovating, selling ideas, building networks, impressing partners with the quality of their work, and making things happen in a challenging economic environment. Gfinity is benefiting from having leaders across the business driven by their desire to build something special.

Outlook

The strategic focus on GDM gives us greater control over our destiny. It allows us to become a leader in one discipline while also navigating the economic headwinds. We have seen a nervousness from publishers to commit investment and advertising rates have been impacted across the whole of digital media. It is crucial that we continue to manage our cost base zealously while being innovative and adopting to the new technological opportunities. The team will remain agile, flexible, and entrepreneurial, continually adopting to new opportunities and providing compelling engagement to the gaming community.

Chief Executive Officer's Report (continued)

Conclusion

The first stage of the transformation of Gfinity' s business model is now completed, and we are now confidently moving into the new year with a business plan designed to create profitability and share price growth. I would like to thank the Gfinity team, our business partners and our clients for their continued hard work and support.

David Halley
Chief Executive Officer
10 January 2025

SECTION 172(1) STATEMENT

The directors are well aware of their duty under Section 172(1) of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- The likely consequences of any decision in the long term;
- The interests of the Company's employees;
- The need to foster the Company's business relationships with suppliers, customers and others;
- The impact of the Company's operations on the community and the environment;
- The desirability of the Company maintaining a reputation for high standards of business conduct, and
- The need to act fairly as between members of the Company (the "Section 172(1) Matters").

Induction materials provided on appointment include an explanation of directors' duties, and the board is regularly reminded of the Section 172(1) Matters, including as a rolling agenda item at every main board meeting.

Further information on how the directors have had regard to the Section 172(1) Matters is below.

Section 172(1) Companies Act 2006
The board takes decisions with the long term in mind, and collectively and individually aims to uphold the highest standards of conduct. Similarly, the board understands that the Company can only prosper over the long term if it understands and respects the views and needs of its customers, distributors, employees, suppliers and the wider community in which it operates.

A firm understanding of investor needs is also vital to the Company's success along with a sustainable and environmentally responsible culture. The directors are fully aware of their responsibilities to promote the success of the Company in accordance with Section 172(1) of the Companies Act 2006. The text of Section 172(1) of the Companies Act 2006 has been sent out to each main board director.

Relations with Shareholders
The Company's principal means of communication with shareholders is through the Annual Report and Financial Statements, the full-year and half-year announcements and the AGM. The board recognises that the AGM is an important opportunity to meet private shareholders. Each substantially separate issue is the subject of a separate resolution at the AGM and all shareholders have the opportunity to put questions to the board. All board directors endeavour to attend AGMs and answer questions put to them which may be relevant to their responsibilities. In addition, the directors are available to listen informally to the views of shareholders immediately following the AGM. For each vote, the number of proxy votes received for, against and withheld is announced at the meeting. The results of the AGM are published on the Company's corporate website.

The board receives updates on the views of shareholders through briefings and reports from the executive directors and the Company's brokers. The Chief Executive Officer, the Chairman and the other directors make presentations to shareholders and participate in investor road shows during the year. Not every officer participates in every investor presentation. The Chairman will participate in these presentations where appropriate and is always available to speak with shareholders.

Dialogue with individual institutional shareholders also takes place in order to understand and work with these investors to seek to comply with their investor principles where practicable.

Investor queries may be addressed to the Company Secretary at ir@gfinity.net. A range of corporate information (including all Company announcements) is also available to shareholders, investors and public on the Company's corporate website https://www.gfinityplc.com/investors/corporate-governance/

Section 172(1) Companies Act 2006 (continued)

The board ensures that the requirements are met, and the interests of stakeholders are considered as referred to elsewhere in this report and through a combination of the following:

- A rolling agenda of matters to be considered by the board through the year, which includes an annual strategy review meeting, where the strategic plan for the following year is developed;
- Standing agenda points and papers presented at each future board meeting, which will report on customers, employees and other colleagues, health and safety matters and investors;
- A review of certain of these topics through the Audit Committee and the Remuneration Committee agenda items referred to in this report;
- Detailed consideration is given to of any of these factors where they are relevant to any major decisions taken by the board during the year;
- Monitoring Key Performance Indicators ("KPIs") such as Sessions, Revenue per Mille (RPM) and direct sales pipeline

Principal Risks and Uncertainties

Introduction:

Gfinity's long-term success will depend in large part on its ability to manage the key risks affecting the Company. Gfinity is an innovative business in a rapidly developing sector. In that context, the risks facing Gfinity can change quickly, and the board recognises the importance of identifying key risks and ensuring that the right mitigation strategies are in place for managing them.

Ultimate responsibility for managing risk lies with the board. Executive responsibility for retaining the register of risks and reporting on these to the board lies with the Chief Executive Officer.

Gfinity distinguishes between strategic risks and operating risks. Strategic risks represent macro level matters, which may impact on the strategy of the Company. Operating risks reflect the ongoing challenges that the business may face in delivering on that strategy.

On a day-to-day basis, responsibility for managing strategic risks lies with the Chief Executive Officer. Mitigation strategies and the emergence of new strategic risks are considered through the monthly senior leadership team meetings, which is chaired by the Chief Executive Officer and the board meetings chaired by the Chairman.

Operational risks are the responsibility of the Chief Executive Officer and are considered both at the senior leadership team meetings through weekly performance management update sessions.

KPIs of the business are measured weekly by the leadership team. These are circulated to the board weekly and discussed at regular board meetings. The KPIs for the business are:

- Sessions
- Revenue Per Mille (RPM)*
- Direct sales pipeline

*Revenue per 1,000 sessions

In assessing its attitude to risk, the Board aims to strike a balance between ensuring comprehensive processes and monitoring frameworks are in place, as would be expected of a publicly listed Company, while retaining the dynamism and innovation required to grow quickly within a rapidly developing and changing sector.

The directors believe the principal risks currently affecting the business are as outlined below:

Strategic Report

Strategic Risks

Risk	Description	Mitigating Actions
Economic Uncertainty	Inflationary pressure in the UK and globally has resulted in a cost-of-living challenge for many families. This is likely to be coupled with a continuing period of high interest rates and higher taxation as the government and Bank of England attempt to control inflation and borrowing. This has created a danger of a sustained period of economic downturn and increased difficulty raising finance. This could create pressure on both Gfinity's cost base and potential revenue growth.	Over the last year, Gfinity has reduced its overhead cost base significantly, moving to a variable cost model, with lower fixed infrastructure costs and a globally dispersed workforce, primarily freelancers, further enhancing cost effectiveness. Gfinity has decided to focus on the digital media division which has a proven business model and which the board believes can achieve cashflow break-even if not encumbered by financing the platform and solutions business. This gives Gfinity the flexibility to move the cost base up or down more quickly in line with peaks and troughs in demand across the respective sectors of the business. It also means that Gfinity is less exposed to movements in UK labour market costs or energy prices than would previously have been the case. Gfinity had no debt funding at the end of the reporting period, however we entered into a convertible loan note in September at a low fixed interest rate, and so we are not directly exposed to variable interest rates.
Perception of video gaming	Some people view video gaming negatively, as something that promotes an unhealthy lifestyle and lack of social interaction. There is a risk that this perception will provide a barrier to entry to commercial partners and broadcasters, presenting a risk to Gfinity’s business model.	Gfinity always promotes a balanced approach to gaming, as part of a healthy lifestyle. Video gaming continues to grow as the biggest form of entertainment ahead of movies and music. The are many genres of video games and many of them are proven to provide social and educational benefits. Gfinity is aware of some of the pejorative perceptions and will emphasise the role that fitness and nutrition plays in the performance of top esports performers within Gfinity operated programmes and also the role that gaming can help young people form social relationships in the digital age.

Competition Risk	GDM operates in a competitive field, with multiple outlets chasing the audience looking for gaming news and content.	Our loyal and established audience ensures that Gfinity continues to retain a competitive advantage over new entrants to the market. Gfinity is now focusing on its digital media business - the business that can deliver profitability while retaining its ability to leverage off the future prospects of the industry by having a continued relationship with the Athlos and the esports solutions business in providing amalgamated skill sets.

Operational Risks

Risk	Description	Mitigating Actions
Liquidity Risk	Gfinity was a loss-making company in FY24 and as such, the Board must ensure that it has sufficient working capital available to deliver on its strategy.	Gfinity maintains a core group of investors and has also sought, over recent fundraises, to broaden its shareholder base. The business has cut its cost base and is focusing on the business that will reach profitability most quickly. In addition, the Company has Director support, if required.
Access to Key Skills	Publishing is a competitive sector, and as such, there is strong competition for skilled employees	Gfinity places a high importance on succession planning within the business, ensuring that skills are not vested in a single individual. This is built through development of existing staff, recruitment of certain key personnel and where appropriate through targeted acquisitions. Senior individuals are also incentivised through an employee share option scheme, driving loyalty to the business.
Data Security Risk	Increasing levels of data protection regulation, including GDPR legislation, and ongoing cyber security risks, make it imperative that any data gathered through these platforms is collected, handled and protected in accordance with all relevant regulations. Any failure to do so would significantly erode trust, both among the esports community and prospective commercial partners.	Gfinity has undertaken an in-depth review of its data policies and procedures, in conjunction with lawyers and data protection experts in response to recent data protection legislation. All user data held is in a secure and encrypted manner and is only used in compliance with all relevant legislation.

Technological Changes	The fast development of AI and increasing number of channels creates a risk to Gfinity's business model. Additionally, any changes to the Google algorithm, may affect the number of site sessions negatively.	Gfinity is abreast of all the changes and believes that while it is a possible threat, it also represents an opportunity. We believe that we can harness these developments to disrupt the market and provide our communities with more exciting content and engagement. We also maintain site health in accordance with Google data on Google Search Console, to ensure maximum compliance with Google's algorithm.

Strategic Report

This strategic report was approved by the board and signed on its behalf.

Neville Upton
Chairman
10 January 2025

Governance

Corporate Governance Report

Chairman's Statement on Corporate Governance:

The Directors recognise the fundamental importance of good corporate governance in providing an efficient, effective and dynamic management framework to ensure that the Company is managed in the right way for the benefit of all shareholders over the medium to long-term. In view of this, the board of Gfinity plc has chosen to apply the QCA Corporate Governance Code (the 'QCA Code') published by Quoted Companies Alliance. The QCA Code is a pragmatic and practical tool, which adopts a principles-based approach to corporate governance, which the directors of Gfinity believe is correct for Gfinity in its current stage of growth. Further information can also be found on our investor website www.gfinityplc.com.

Neville Upton, Chairman

Board of directors:

The Board is responsible for:

- Setting the strategy across all Gfinity group companies;
- Defining the business model and the financial framework within which the business must operate;
- Setting and ensuring the implementation of the culture, to deliver success;
- Designing and implementing controls and the risk management framework;
- Ensuring communication with key stakeholders, including staff, shareholders, suppliers and customers;
- Appointing a senior Executive Team, capable of delivering on the defined strategy;
- Monitoring performance against the above areas and taking remedial actions as appropriate;
- Ensuring availability of capital to deliver on the chosen strategy.

The board retains overall responsibility for ensuring strong corporate governance and is supported by the Audit, Nominations and Remuneration Committees. This section provides further detail on the composition and conduct of business of the board and its respective committees, together with information on how they discharge their responsibilities.

Governance

Board of Directors:

Neville Upton, Non-Executive Chairman	*Appointed: 15 January 2014*
After graduating at the London School of Economics, Neville joined Coopers & Lybrand where he qualified as a Chartered Accountant. Neville's formative years were at Euromoney where he gained experience in finance, M&A and various commercial projects. After a brief spell at The Decisions Group as Finance and Operations Director, in 1998 he established a call centre business, The Listening Company, which specialised in multichannel communication applications and high-quality customer service solutions. The business was sold in 2011 to Serco for a sum in excess of £60 million, at which time it had a turnover of £82 million and employed 4,000 people. Neville co-founded Gfinity in 2012 and assumed the role of Chairman in March 2020.	
David Halley, Chief Executive Officer	*Appointed: 23 August 2023*
David is an experienced entrepreneur and business executive having worked in the financial markets for 27 years. Prior to joining Gfinity, David was Director and Founder of Capstone Insurance Brokers Limited, a Hong Kong based company specialising in complex insurances, with a particular focus on cryptocurrency exchanges, which was exited to a UK based insurance company. Previously he had founded and exited Capstone Financial, a Hong Kong based asset manager, and prior to that had experience in the City with Flemings, JP Morgan and Man-Vector, a Mayfair based hedge fund. He joined Gfinity in August 2023 as CEO and Director.	
Hugo Drayton, Independent Non-Executive Director	*Appointed: 21 May 2021*
Hugo has spent the past 30 years in publishing and media, as a pioneer in digital media, including planning and launching the UK's first online newspaper – Electronic Telegraph, in 1994. He led Inskin Media, as CEO, for 10 years until 2020, growing it from start-up to a global, brand advertising business. Previously, he spent 10 years at The Telegraph Group, latterly as Group Managing Director. Hugo led Advertising.com, Europe, for 2 years, and was launch CEO of behavioural marketing company, Phorm. Hugo is a non-executive director on the board of FTSE250 Future plc and is an investor/advisor to several media and ad-tech businesses. He serves as a Trustee of the Felix Byam Shaw (Felix Project) and British Skin Foundation charities. His early career was spent overseas, in Europe and South America, with Coats Viyella, and launching automated telephony services across Europe with Reed Telemedia.	

Governance

Board Composition and Performance

The composition of the Gfinity board is structured to contain the range of skills and personal qualities required to effectively discharge its duties. The board recognises that as Gfinity develops, within a rapidly growing sector the precise composition required shall change from time to time. Responsibility for reviewing the composition of the board and making recommendations for appointment and removal of directors rests with the Nominations Committee. Further details of this are provided below. Any such recommendations are subject to formal approval of the full board.

The board recognises the importance of diversity of skills and approach in effectively conducting its duties, and as such, has sought to appoint high calibre individuals from a wide range of backgrounds and sectors.

Role of Chair

The primary responsibility of the Chair is to lead the board effectively and to oversee the adoption, delivery and communication of the Company's corporate governance model. As Chairman, Neville Upton also retains responsibility for oversight of the development and delivery of the Company's strategy, supported by the Executive Director.

The Chair ensures that the board considers the key issues affecting the Group, both operationally and financially, and together with the Company Secretary ensures the correct information flows between the board, its respective committees and between the Independent Directors and senior management.

Role of Company Secretary

The Company Secretary acts as an adviser to the Chair and the board and plays a vital role in relation to both legal and regulatory compliance. The Company Secretary supports the work of the respective board committees and also acts as a confidential sounding board to the chairs of those committees.

Board Conduct of Business

Full board meetings are held quarterly, meaning a minimum of four meetings per annum to conduct the regular business of the board. Further full board meetings shall be held as required to provide approval on specific matters, including major corporate transactions and the allotment of new shares.

The quorum for a board meeting to be considered valid is two.

Attendance record:

Director	Number of Meetings Attended	Total Meetings in Period in Office
Neville Upton	4	4
David Halley	4	4
Hugo Drayton	4	4

Board Review and Performance

The board monitors its performance and composition on an ongoing basis and recognises that as the Company grows in a rapidly developing sector, the mix of skills required to best discharge its duties may change from time to time. Now that the business has decided to focus on its media division, it has reduced its board to a smaller team of Non-executive Chairman, Chief Executive and an additional Non-Executive Director

Governance

Performance of the board is assessed on an annual basis. This process is led by the Chair of the board, supported by the Chief Executive Officer, and assesses the board's performance against its stated terms of reference, both in terms of the process by which business is conducted and the results achieved.

Audit Committee

The role of the Audit Committee is to provide confidence to shareholders on the integrity of the financial results of the Company, expressed in this annual report and accounts, and other relevant public announcements made by the Company. The Audit Committee also has a key role in the oversight of the effectiveness of the risk management and internal control systems of the Company, and to make recommendations to the board for improvements in this regard.

The Audit Committee comprises:

Neville Upton (Chair)
Hugo Drayton

The committee met informally as required during the year.

Nominations Committee

The Nominations Committee ensures there is a robust process for the appointment of new board directors. The committee works closely with the board and the Chair to identify the skills, experience, personal qualities and capabilities required for the next stage in the Company's development, linking the Company's strategy to future changes on the board. Only the Nominations Committee is able to formally submit a recommendation to the board for the appointment of a new director. All such recommendations are still subject to the approval of the board.

The Nominations Committee comprises:

Hugo Drayton (Chair)
Neville Upton

The committee met informally as required during the year.

Remuneration Committee

The Remuneration Committee is responsible for outlining the principles of remuneration strategy to be applied across the Gfinity Group. It also directly approves the remuneration of all directors, together with the grant of any option over shares in Gfinity plc.

Compensation is based on an expectation that the director will spend a minimum of 30 days a year on work for the Company. This will include attendance at a minimum of four Board meetings per annum, each general meeting, plus other activities as agreed with the Executive team from time to time, including membership of board committees.

Non-Executive Directors may support additional projects over and above their role as Non-Executive Directors and may be remunerated at or below market rate for those services. The extent of such services must not, however, compromise their status as Non-Executives, independent of the Executive team.

The Remuneration Committee comprises:

Hugo Drayton (Chair)
Neville Upton.

The committee met informally as required during the year.

Governance

Directors' Remuneration Report

As the Company is AIM listed, the directors are not required, under Section 420(1) of the Companies Act 2006, to prepare a directors' remuneration report for each financial year of the Company and the following disclosures are not intended to, and do not, comply with the requirements of the Companies Act 2006.

The Remuneration Committee is responsible for recommending the remuneration and other terms of employment for the Executive Directors of Gfinity plc. In determining remuneration for the year, the committee has given consideration to the requirements of the QCA Corporate Governance Code. Full details of the company's corporate governance review are on https://www.gfinityplc.com/investors/corporate-governance/

Remuneration policy

The remuneration of Executive Directors is determined by the committee and the remuneration of Non- Executive Directors is approved by the full board of directors. The remuneration of the Chairman is determined by the Independent Non-Executive Director.

The remuneration packages of Executive Directors comprise the following elements:

Basic salary and benefits

Basic salaries for Executive Directors are reviewed annually and take into account individual performance, market practice and the financial position of the Company. The Executive Directors are currently towards the low end of the market rate for their respective roles and relative to the experience of the individuals in question. Executive Directors are eligible for pension contributions and participation in the Company's health insurance and life assurance schemes.

The Executive Directors waived their right to any cash entitlement for the year.

Annual bonuses

Bonuses awarded to Executive Directors are included in the Directors' Emoluments table in the Direct Remuneration Report below. Bonuses form part of the overall remuneration of Executive Directors and are aligned to the achievement of financial and strategic milestones which are designed to promote long-term value for all shareholders.

No bonuses were offered for the year.

Share options

The Company believes that share ownership by Executive Directors and employees strengthens the link between their personal interests and those of the Company and the shareholders.

The Company has an executive share option scheme, which is designed to promote long-term improvement in the performance of the Company, sustained increase in shareholder value, and clear linkage between executive reward and the Company's performance.

All directors hold either shares or share options in the company. The board of Gfinity believes offering Non- Executive Directors share options in the Company at a price and level that aligns them with the interests of the wider shareholder base is in interests of all shareholders. The Board also believes it is an essential part of attracting high calibre individuals to the Board.

Service contracts

All Directors have Service Contracts.

All Executive directors' appointments are subject to six months' notice on either side.

Governance

All directors are subject to pre and post-termination restrictive covenants with the Company, including those relating to non-competition and non-solicitation of customers and staff.

No compensation is payable for loss of office and all appointments may be terminated immediately if, among other things, a director is found to be in material breach of the terms of the appointment.

Directors' interests in shares

The interests of the Directors at 30 June 2024 in the shares of the Company (including family members) were:

	Number of Ordinary Shares	Percentage of issued share capital
Neville Upton	28,210,574	0.83%
David Halley	81,346,667	2.39%
Hugo Charles Drayton	8,266,666	0.24%
	117,823,907	**3.47%**

Share Options

Directors' interests in options over the ordinary shares in the company were as follows:

	As at 30 June 2023	Options Granted	Options Lapsed	As at 30 June 2024
Neville Upton	5,000,000	91,773,808	-	96,773,808
David Halley	-	271,922,393	-	271,922,393
Hugo Charles Drayton	4,000,000	44,187,389	-	48,187,389
Jonathan Hall	9,000,000	-	9,000,000	-
	18,000,000	**407,883,590**	**9,000,000**	**416,883,590**

The range of exercise prices for options held as directors are 0.06p to 1p for N Upton, 0.06p for D Halley and 0.06 to 5p for H Drayton.

Warrants

Directors' warrants over the ordinary shares in the company were as follows. All warrants held by directors (including close family members) were granted in respect of investments made into the business as part of the fundraise in March and April 2022 and were granted on the same terms as those granted to other investors. All director warrants have an exercise price of 0.225p.

	As at 30 June 2023	Warrants acquired	Warrants Lapsed	As at 30 June 2024
Neville Upton	13,333,329	-	-	13,333,329
David Halley	-	-	-	-
Hugo Charles Drayton	6,666,666	-	-	6,666,666
	19,999,995	**-**	**-**	**19,999,995**

Governance

Directors' emoluments

Emoluments of the directors for the year ended 30 June 2024 are shown below.

	Year to 30 June 2024					Year to 30 June 2023
	Salary & Fees	**Bonus**	**Pension**	**Benefits**	**Total Remuneration**	**Total Remuneration**
Neville Upton	-	-	-	3,445	3,445	91,669
David Halley	-	-	-	-	-	-
Hugo Drayton	-	-	-	-	-	84,000
Jonathan Hall	-	-	-	-	-	161,483
Leonard Rinaldi	-	-	-	-	-	35,000
John Clarke	-	-	-	-	-	223,627
	-	-	-	3,445	3,445	595,779

Neville Upton and Hugo Drayton waived their contractual entitlement to director fees in the year.
Leonard Rinaldi and John Clarke retired as directors in the year to 30 June 2023.

The total share option vesting charges in the year in respect of directors was £57,635.
Benefits relate to medical insurance benefit.

Significant shareholders over 3% notified to the company as at 30th June 2024 were:

- Robert Keith – 25.43%

Board changes

The following Board changes occurred:

- Jon Hall resigned from the board on 09 August 2023
- David Halley appointed to the board on 23 August 2023

This report was approved by the board and signed on its behalf.

Neville Upton
Chairman
10 January 2025

Governance

Directors' Report

The directors present their annual report on the affairs of the Group and Company, together with the financial statements and auditor's report, for the year ended 30 June 2024.

Principal activities

Gfinity is a leading media business operating in the digital media sector.

Gfinity Digital Media is a network of owned websites and related social platforms, delivering news and content relevant to gamers and their lifestyles.

Future development

Our development objectives for 2023–24 and beyond are disclosed in the Strategic Report.

Capital structure

The capital structure is intended to ensure and maintain strong credit ratings and healthy capital ratios, to support the Company's business and maximise shareholder value. It includes the monitoring of cash balances, available bank facilities and cash flows.

No changes were made to these objectives, policies or processes during the year ended 30 June 2024.

Results and dividends

The consolidated income statement is set out on page 31.

The Group's loss after taxation amounted to £594k (2023: loss of £10.3m).

The directors do not recommend the payment of a dividend for the year ended 30 June 2024.

Events since the balance sheet date

The Company has signed a non-binding MOU to license Connected IQ.
The Company completed £150,000 raise through an equity and loan note placement.
Further information is provided in Note 26

Research and development

The Company undertakes development activities which involve a planned investment in the building and enhancement of Gfinity products. Development expenditure is capitalised as an intangible asset if the development costs can be measured reliably, and it is anticipated that the product being built will be completed and will generate future economic benefits in the form of cash flows to the Company. Further information on development activities are provided in the Strategic Report.

Political Donations

The group did not make any political donations during the year. (2023: nil)

Payment Practices

The group's policy in relation to suppliers is to fix terms of payment when agreeing contracts and to abide by those agreed terms. The group does not follow and code or statement on payment policy.

Governance

Financial Instruments

Details of the group's use of financial instruments and policies for managing risks arising from that use are given in note 21.

Share issues and treasury shares

Details of shares issued in the year are in note 19. The company has not acquired any of its own shares in that period.

Greenhouse Gas emissions

The company has no physical operations or premises. Consequently, it consumed less than 40,000 kWh of energy during the year and so a detailed reports on emissions is not presented.

Risk Management

Information on Gfinity's approach to risk management is provided within the Principal Risks and Uncertainties section of this report.

Directors

The following directors held office as indicated below for the year ended 30 June 2024 and up to the date of signing the consolidated financial statements except where otherwise shown.

Neville Upton – Chairman
David Halley – Chief Executive Officer (appointed on 23 August 2023)
Hugo Drayton – Independent Non-Executive Director
Jonathan Hall – Chief Finance and Operations Officer (resigned 9 August 2023)

Directors' indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its directors, which were made during the year and remain in force at the date of this report.

Governance

Going Concern

As explained in the Chairman's Report and the Chief Executive Officer's Report, it has been a difficult year for the Group and Company as it transitioned away from esports solutions and software development to a pure play Digital Media company.

At year end the Group held cash balances of £23,155 (2023: £270,476) and reported net current assets of £53,610 (2023: net current liabilities £384,065)

At the time of issuing these Financial Statements, this restructuring is largely complete, and the Group and Company has reduced its overhead base to support and develop its Digital Media assets and the Directors firmly believe that the steps taken will lead to profitability in the short term. In support of this, no cash remuneration was paid to Directors in the year since all cash entitlements were waived.

The Directors have prepared a base case cashflow forecast through to 31 January 2026, which assumes certain growth targets are met.

The Directors believe that the growth targets are reasonable and attainable, and in view of this, the Directors are confident that the Group and Company have adequate resources to continue to operate for at least twelve months from the date of approval of these Financial Statements and have, therefore, continued to adopt the going concern basis in preparing the Directors' Report and Financial Statements.

However, the Directors recognise that achievement of the growth targets are subject to external factors outside of their control and so they have also prepared a severe but plausible cashflow projection to assess cashflows in such a scenario. Should the forecast growth of the Group and Company be not forthcoming or be slower than anticipated, the Group and Company will need to secure additional funding in the period to 31 January 2026.

The Group is exposed to any unexpected short term cash requirements or liquidity issues if trading revenues are lower than forecast. The Group notes a letter of support issued by a Director, which, although there is no expectation in the base case model for it to be called up, the Board considers it to be sufficient to address any plausible cash shortfall in the review period.

The Group and Company continues to enjoy the support of its major shareholders, and should further funding be necessary, the Directors believe that this support will continue. On this basis, the Directors consider that it is appropriate that the going concern basis is applied in the preparation of these Financial Statements.

However, whilst the Directors are confident of continuing to raise additional funds as needed to finance the business in accordance with its Digital Media and Connected IQ strategy, they nevertheless recognise that a material uncertainty exists which might cast doubt over the Group and Company's ability to continue to realise its assets and discharge its liabilities as they fall due in the normal course of the business and therefore its ability to continue to operate as a going concern.

Governance

Statement of Directors' Responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare company financial statements in accordance with UK-adopted International Financial Reporting Standards ("IFRSs").

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the period. The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM. In preparing these financial statements, the directors are required to:

- present fairly the financial position, financial performance and cashflows of the Company;
- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRSs 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 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 Act 2006.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for ensuring the annual report and the financial statements are made available on the corporate website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Auditors
Each of the persons who is a director at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Gravita Audit Limited has expressed its willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the board:

Neville Upton

Chairman
10 January 2025

Independent Auditor's Report to the Members of Gfinity Plc

Opinion

We have audited the financial statements of Gfinity Plc ('the Company') and its subsidiaries (together 'the Group') for the year ended 30 June 2024 which comprise the Group Statement of Profit or Loss, the Group Statement of Comprehensive Income, the Group Statement of Financial Position, the Company Statement of Financial Position, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows, the Company Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted International Accounting Standards.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 30 June 2024 and of the Group's loss for the year then ended;

- the Group financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards (IFRS);

- the Company financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards (IFRS) as applied in accordance with the Companies Act 2006; and

- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to Note 2 of the financial statements, which indicates that the Board have concluded that a material uncertainty exists in respect of the going concern status of the business. Whilst the Board have prepared a base case cash flow forecast under which the business requires no additional funding in the period to 31 January 2026, the Board recognise that the attainment of the business plan is subject to factors outside their control and that in a severe but plausible scenario the Group and Company will need to seek additional external funding to continue to meet liabilities as they fall due. Whilst management are confident of securing such funding, there is inherent uncertainty until such time as such funding is secured. As stated in Note 2, these events or conditions, along with other matters set out in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group and Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

We identified going concern as a key audit matter based on our assessment of the significance of the risk and effect on our audit strategy.

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

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

- obtaining and reviewing the directors' base case cash flow forecasts to 31 January 2026 against our understanding of the business, including considering the uncertainties associated with a projection of the Group's current and future trading prospects;

- assessing of the reliability of forecasts by reference to historic budgeting and verifying the actual cash balance as a starting point;
- testing the clerical accuracy of management's forecast;
- challenging management's key forecast assumptions and inputs including reviewing the forecast website traffic and key revenue metrics;
- reviewing the latest management accounts to gauge recent financial performance;
- performing sensitivity analysis on the cash flow forecasts prepared by the directors to assess potential cash requirements in a range of scenarios;
- comparing recent expenses in the management accounts to the forecast to assess the reasonableness of the expected cash requirement;
- reviewing a support letter issued by a director along with evidence of the ability to provide support if required;
- considering the Group's historic ability to raise funds and other sources of funding which might realistically be available to the Group if required; and
- considering the appropriateness of disclosures in relation to going concern in the financial statements.

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

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgments, 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 management override of internal controls, including evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed sufficient audit work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group, its accounting processes, its internal controls and the industry in which it operates. We performed a full scope audit of the Company and targeted procedures on certain subsidiaries.

Key audit matters

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

In addition to the matter described in the "Material uncertainty related to going concern" section above, we have determined the matters below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment of goodwill and intangible assets At 30 June 2024, the Group held goodwill with a carrying value of £310,943 (2023: £495,288) and other intangible assets of £nil (2023: £415,155) arising from acquisitions of businesses in earlier accounting periods. In line with IAS 36, management performed an annual impairment test on goodwill to identify the recoverable amount. The recoverable amount was assessed by reference to a revenue multiple which management believe to reflect the market assessment of value in the digital media sector. Management test goodwill at the Cash Generating Unit ("CGU") level which is considered to be at the level of each acquired businesses, since these all continue to create separately identifiable cash flows. As a result of the impairment tests, a total impairment expense of £284,410 was recognised in the year. We identified the impairment of goodwill and intangibles as a key audit matter because these assets are material to the Group and the estimation of the recoverable amount involves a significant degree of management judgement and therefore is subject to an inherent risk of material error.	Our audit procedures included: • assessing the appropriateness of the revenue multiple used by management by reference to external sources, recent transactions in the industry and observable ratios of similar listed companies; • reviewing the resulting net assets against the market capitalisation of the company; • reviewing the associated disclosures for accuracy and completeness; • considering the sensitivity of the revenue multiple applied; • considering the appropriateness of the revenue figures to which the multiple was applied; • evaluating the consistency appropriateness of management's identification of CGUs; and • reviewing the allocation of impairments between goodwill and intangible assets within a single CGU for compliance with IAS 36. Based on the procedures performed, we noted no material misstatement in the carrying value of goodwill or intangible assets or material deficiency in the disclosures provided.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole. Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

	Group	**Company**
Overall materiality	£47,000	£36,000
How we determined it	Based on 2.5% of revenue.	
Rationale for benchmark applied	We consider revenue to be the key metric reviewed by users of the financial statements to understand and assess the performance of the business.	

We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. Performance materiality was set at £35,000 for the Group and £27,000 for the Company.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit for the Group and Company above £2,000 as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on pages 24, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and 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 the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Group and Company through discussions with the Directors and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group and Company, including Companies Act 2006 and taxation legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 of the financial statements were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and the Group's legal advisors.

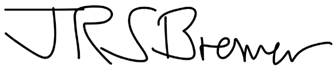
There are inherent limitations in our audit procedures described above. The more removed the laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Group’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 Group and the Group's members as a body, for our audit work, for this report, or for the opinions we have formed.



Joseph Brewer
(Senior Statutory Auditor)

For and on behalf of
Gravita Audit Limited (Statutory Auditor)

Aldgate Tower
2 Leman Street
London
E1 8FA

10 January 2025

Group Statement of Profit or Loss
For the ended 30 June 2024

	Notes	Year to 30 June 2024	Year to 30 June 2023
Continuing Operations		**£**	**£**
Revenue	4	1,895,029	2,190,216
Cost of Sales		(844,951)	(953,905)
Gross profit		1,050,078	1,236,311
Administration expenses	6	(2,054,057)	(3,788,329)
Operating Loss from trading activities *		(1,003,979)	(2,552,018)
Impairment charge		(284,408)	(5,984,171)
Re-assessment of Deferred Consideration		24,541	931,311
Loss arising on loss of control of a subsidiary	5	-	(548,761)
Gain on disposal of Athlos and Esports division	5	275,011	-
Net finance costs	8	(438)	(25,976)
Loss on ordinary activities before taxation		(989,273)	(8,179,615)
Taxation	9	394,831	974,876
Loss from continuing operations		(594,442)	(7,204,739)
Loss on discontinued operations, net of tax	10	-	(3,050,097)
Loss for the year		**(594,442)**	**(10,254,836)**
Earnings per share – Continuing operations (Pence – Basic and Diluted)	11	(0.02)	(0.42)

* Operating Loss from trading activities is the Operating Loss for the year before impairment, movements on deferred consideration, and loss on the loss of control of a subsidiary

Group Statement of Comprehensive Income

	Year to 30 June 2024	Year to 30 June 2023
	£	**£**
Loss for the Period	**(594,442)**	**(10,254,836)**
Items that may subsequently be reclassified to profit or loss		
Foreign exchange profit / (loss) on retranslation of foreign subsidiaries	8,916	-
Other Comprehensive Income for the period	8,916	-
Loss and total comprehensive income for the period	**(585,526)**	**(10,254,836)**

Group Statement of Financial Position
As at June 2024

	Notes	30-Jun-24	30-Jun-23
		£	**£**
NON-CURRENT ASSETS			
Property, plant and equipment	12	400	14,757
Goodwill	13	310,943	495,288
Intangible fixed assets	14	-	415,155
		311,343	**925,200**
CURRENT ASSETS			
Trade and other receivables	16	363,484	644,540
Cash and cash equivalents	17	23,155	270,476
		386,640	915,016
TOTAL ASSETS		**697,983**	**1,840,216**
EQUITY AND LIABILITIES			
Equity			
Share capital	19	2,724,030	2,649,030
Share premium account		55,661,077	55,367,959
Other reserves		398,895	423,613
Retained earnings		(58,419,049)	(57,989,529)
Non-controlling interest		-	3
Total equity		**364,953**	**451,076**
NON-CURRENT LIABILITIES			
Other Payables	20	-	17,669
Deferred Tax Liabilities	18	-	72,390
CURRENT LIABILITIES			
Trade and other payables	20	240,390	1,060,794
Provisions	25	92,640	238,287
Total liabilities		**333,030**	**1,389,140**
TOTAL EQUITY AND LIABILITIES		**697,983**	**1,840,216**

Group Statement of Financial Position
as at 30 June 2024

The notes on pages 41 to 66 form an integral part of these financial statements.

Registered number: 08232509

Signed on behalf of the board on 10 January 2025:

David Halley Chief Executive Officer	Neville Upton Non-Executive Chairman

Company Statement of Financial Position

As at 30 June 2024

	Notes	30-Jun-24	30-Jun-23
		£	£
NON-CURRENT ASSETS			
Property, plant and equipment	12	-	13,162
Goodwill	13	310,943	495,289
Intangible fixed assets	14	-	125,594
Investment in subsidiaries	15	-	139,146
Investment in associate	5	15	5
TOTAL NON-CURRENT ASSETS		**310,958**	**773,196**
CURRENT ASSETS			
Trade and other receivables	16	346,841	531,365
Cash and cash equivalents	17	13,742	71,255
TOTAL CURRENT ASSETS		**360,583**	**602,620**
TOTAL ASSETS		**671,541**	**1,375,816**
EQUITY AND LIABILITIES			
Equity			
Share capital	19	2,724,030	2,649,030
Share premium account		55,661,077	55,367,959
Other reserves		411,937	423,613
Retained earnings		(59,028,996)	(58,779,718)
Total equity		**(231,952)**	**(339,116)**
NON-CURRENT LIABILITIES			
Other payables	21	-	17,669
Deferred tax liabilities	19	-	-
CURRENT LIABILITIES			
Trade and other payables	21	810,852	1,459,026
Provisions	26	92,640	238,237
Total liabilities		**903,492**	**1,714,932**
TOTAL EQUITY AND LIABILITIES		**671,541**	**1,375,816**

Company Statement of Financial Position (continued)

As at 30 June 2024

The notes on pages 41 to 66 form an integral part of these financial statements.

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the Company is not presented as part of these financial statements. The parent Company’s loss for the year amounts to £392,242 (2023: £11,569,812).

Registered number: 08232509

Signed on behalf of the board on 10 January 2025:

David Halley	Neville Upton
Chief Executive Officer	Non-Executive Chairman

Group Statement of Changes in Equity
As at 30 June 2024

	Ordinary shares	Share premium	Share option reserve	Retained earnings	NCI	Forex	Total equity
	£	£	£	£	£	£	£
At 30 June 2022	1,315,697	54,858,008	3,728,622	(51,113,657)	3	(21,958)	8,766,715
Loss for the period	-	-	-	(10,254,836)	-	-	(10,254,836)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	(10,254,836)	-	-	(10,254,836)
Proceeds of shares issued	1,333,333	666,667	-	-	-	-	2,000,000
Share Issue Costs	-	(156,716)	44,010	-	-	-	(112,706)
Share options expensed	-	-	51,903	-	-	-	51,903
Release to Retained Earnings	-	-	(3,400,992)	3,400,992	-	-	-
Total transactions with owners, recognised directly in equity	1,333,333	509,951	(3,305,079)	(6,853,844)	-	-	8,315,639
At June 2023	2,649,030	55,367,959	423,543	(57,967,501)	3	(21,958)	451,076
Loss for the period	-	-	-	(594,442)	-	-	(594,442)
Other comprehensive income	-	-	-	-	-	8,916	8,916
Total comprehensive income	-	-	-	(594,442)	-	8,916	(585,526)
Proceeds of shares issued	75,000	375,000	-	-	-	-	450,000
Share Issue Costs	-	(81,882)	60,488	-	-	-	(21,394)
Share options expensed	-	-	70,800	-	-	-	70,800
Disposal of NCI	-	-	-	-	(3)	-	(3)
Release to Retained Earnings	-	-	(142,894)	142,894	-	-	-
Total transactions with owners, recognised directly in equity	75,000	293,118	(11,606)	(451,548)	(3)	8,916	86,123
At 30 June 2024	2,724,030	55,661,077	411,937	(58,419,049)	-	(13,042)	364,953

"Ordinary shares" represents the nominal value of issued share capital.
"Share premium" represents the proceeds on issue of shares in excess of nominal value, less directly attributable issue costs.
"Share option reserve" represents the fair value of share based payments that are in issue at the reporting date.
"Retained earnings" represents the cumulative profits and losses of the business.
"NCI" represents the cumulative profit and losses attributable to minority shareholders of subsidiaries
"Forex" represents the cumulative effect of retranslating the results of foreign operations into the presentation currency.

Company Statement of Changes in Equity
As at 30 June 2024

	Ordinary shares	Share premium	Share option reserve	Accumulated Deficit	Total equity
	£	£	£	£	£
At 30 June 2022 - restated	1,315,697	54,858,008	3,728,622	(50,588,868)	9,313,459
Loss for the period	-	-	-	(11,569,814)	(11,569,814)
Other Comprehensive Income	-	-	-	-	-
Total comprehensive income	-	-	-	(11,569,814)	(11,569,814)
Proceeds of Shares Issued	1,333,333	666,667	-	-	2,000,000
Share issue costs	-	(156,716)	44,010	-	(112,706)
Share options expensed	-	-	29,945	-	29,945
Release to Retained Earnings	-	-	(3,378,964)	3,378,964	-
Total transactions with owners, recognised directly in equity	1,333,333	509,951	(3,305,009)	3,378,964	1,917,239
At 30 June 2023	2,649,030	55,367,959	423,613	(58,779,718)	(339,116)
Loss for the period	-	-	-	(392,242)	(392,242)
Other Comprehensive Income	-	-	-	-	-
Total comprehensive income	-	-	-	(392,242)	(392,242)
Proceeds of Shares Issued	75,000	375,000	-	-	450,000
Share issue costs	-	(81,882)	60,488	-	(21,394)
Share options expensed	-	-	70,800	-	70,800
Release to Retained Earnings	-	-	(142,964)	142,964	-
Total transactions with owners, recognised directly in equity	75,000	293,118	(11,676)	(249,278)	107,164
At 30 June 2024	2,724,030	55,661,077	411,937	(59,028,996)	(231,952)

Gfinity Plc

Group Statement of Cash Flows
As at 30 June 2024

	2024	2023
Operating	£	£
Loss for the year	(585,525)	(10,254,837)
Adjustments for:		
Depreciation	14,357	33,254
Amortisation	315,091	1,846,164
Impairment of assets	284,408	5,984,171
Gain on disposal of fixed assets	-	(112,808)
Gain on disposal of associate and eSports division	(275,000)	-
Finance income	(153)	(885)
Finance costs	591	77,691
Share based payments	70,800	29,945
Increase/(Decrease) in credit loss provision	(48,000)	51,494
Re-evaluation of contingent consideration	(24,541)	(931,311)
Loss on loss of control of subsidiary	-	548,761
Increase/(Decrease) in provisions	(145,647)	238,287
Current and deferred tax credit	(211,390)	(974,876)
Total	(605,008)	(3,464,950)
Decrease in receivables	233,055	1,324,353
Decrease in payables excluding contingent consideration	(813,518)	(907,062)
Tax credit recovered	139,000	109,732
Net operating outflow	(950,471)	(2,937,927)
Investing		
Interest received	152	885
PPE additions	-	(3,498)
Intangible additions	(15)	-
Payment of deferred/contingent consideration	-	(1,031,307)
Proceeds on disposal of associate and eSports division	275,000	-
Net proceeds on disposal of assets	-	213,668
Cash generated by/(used in) investing activities	275,137	(820,252)
Financing		
Interest paid	(591)	-
Net proceeds on issue of shares	428,604	1,887,294
Cash generated by financing activities	428,013	1,887,294
Net decrease in cash	**(247,321)**	**(1,870,885)**
Cash at the start of the year	270,476	2,141,361
Cash at the end of the year	23,155	270,476
Net decrease in cash	**(247,321)**	**(1,870,885)**

There were no investing or financing cash flows for discontinued operations. The net cash outflow on operating activities for discontinued operations was £nil (2023: £2,166,061).

Gfinity Plc

Company Statement of Cash Flows
As at 30 June 2024

	2024	2023
	£	£
Operating		
Loss for the year	(392,242)	(11,569,814)
Adjustments for:		
Depreciation	13,162	34,657
Amortisation	125,594	378,515
Impairment of assets	323,484	7,716,918
Gain on disposal of fixed assets	-	(112,808)
Gain on disposal of associate and eSports division	(275,002)	-
Finance income	-	(885)
Finance costs	591	77,691
Share based payments	70,800	29,945
Increase in credit loss provision	(48,000)	187,815
Re-evaluation of contingent consideration	(24,541)	(931,311)
Loss on disposal of intangible asset	-	548,761
Increase in provisions	(145,597)	238,287
Current and deferred tax credit	(139,000)	234
Total	(490,751)	(3,401,995)
Decrease in receivables	232,524	1,349,466
Decrease in payables excluding contingent consideration	(517,842)	(597,442)
Tax credit recovered	139,000	109,732
Net operating outflow	(637,069)	(2,540,239)
Investing		
Interest received	3	885
PPE additions	-	(3,498)
Payment of deferred/contingent consideration	-	(495,416)
Proceeds on disposal of associate and eSports division	275,000	-
Net proceeds on disposal of assets	-	213,668
Net amounts advanced to subsidiaries	(123,460)	(352,718)
Cash generated by/ (used in) investing activities	151,543	(637,079)
Financing		
Interest paid	(591)	-
Net proceeds on issue of shares	428,604	1,887,294
Cash generated by financing activities	428,013	1,887,294
Net decrease in cash	**(57,513)**	**(1,290,024)**
Cash at the start of the year	71,255	1,361,279
Cash at the end of the year	13,742	71,255
Net decrease in cash	**(57,513)**	**(1,290,024)**

Notes to the Financial Statements

1. GENERAL INFORMATION

Gfinity plc ("the Company") is a public company limited by shares incorporated in the United Kingdom under the Companies Act 2006, registered and domiciled in England and Wales and is AIM listed. The address of the registered office is given on page 1. The registered number of the company is 08232509.

The functional and presentational currency is £ sterling because that is the currency of the primary economic environment in which the group operates. Foreign operations are included in accordance with the policies set out in note 2. Principal activities are discussed in the Strategic report.

2. ACCOUNTING POLICIES

Basis of preparation

The Company has prepared the accounts on the basis of all applicable UK-adopted International Financial Reporting Standards (IFRS), including all International Accounting Standards (IAS), Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC) interpretations issued by the International Accounting Standards Board (IASB), together with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The accounts have been prepared on the historical cost basis, unless otherwise stated below. The principal accounting policies, which have been consistently applied throughout the period presented, are set out below.

The preparation of financial statements in conformity with IFRS requires the use of certain estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Estimates and judgements are continually reviewed and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

New and amended accounting standards effective during the year

The following amended standards and interpretations were newly effective during the year:

- Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of accounting policies
- Amendments to IAS 8: Definition of accounting estimates
- Amendments to IAS 12: Deferred Tax related to assets and liabilities arising from a single transaction

The adoption of the standards and interpretations has not led to any changes to the Group's accounting policies or had any other material impact on the financial position or performance of the Group.

New standards, interpretations and amendments issued but not yet effective

The following new accounting standards, amendments and interpretations to accounting standards have been issued but these are not mandatory for 30 June 2024 and they have not been adopted early by the Group:

- Amendments to IAS 1: Classification of liabilities as current and non-current
- Amendments to IAS 1: Amendment to Non-current liabilities with covenants
- IFRS 18: Presentation and Disclosure in Financial Statements

The Directors anticipate that the adoption of planned standards and interpretations in future periods will not have a material impact on the Group Financial Statements.

Going Concern

As explained in the Chairman's Report and the Chief Executive Officer's Report, it has been a difficult year for the Group and Company as it transitioned away from esports solutions and software development to a pure play Digital Media company.

At year end the Group held cash balances of £23,155 (2023: £270,476) and net current assets of £53,610 (2023: net current liabilities £384,065).

At the time of issuing these Financial Statements, this restructuring is largely complete, and the Group and Company has reduced its overhead base to support and develop its Digital Media assets and the Directors firmly believe that the steps taken will lead to profitability in the short term. In support of this, no cash remuneration was paid to Directors in the year since all cash entitlements were waived.

The Directors have prepared a base case cashflow forecast through to 31 January 2026, which assumes certain growth targets are met.

The Directors believe that the growth targets are reasonable and attainable, and in view of this, the Directors are confident that the Group and Company have adequate resources to continue to operate for at least twelve months from the date of approval of these Financial Statements and have, therefore, continued to adopt the going concern basis in preparing the Directors' Report and Financial Statements.

However, the Directors recognise that achievement of the growth targets are subject to external factors outside of their control and so they have also prepared a severe but plausible cashflow projection to assess cashflows in such a scenario. Should the forecast growth of the Group and Company be not forthcoming or be slower than anticipated, the Group and Company will need to secure additional funding in the period to 31 January 2026.

The Group is exposed to any unexpected short term cash requirements or liquidity issues if trading revenues are lower than forecast. The Group notes a letter of support issued by a Director, which, although there is no expectation in the base case model for it to be called up, the Board considers it to be sufficient to address any plausible cash shortfall in the review period.

The Group and Company continues to enjoy the support of its major shareholders, and should further funding be necessary, the Directors believe that this support will continue. On this basis, the Directors consider that it is appropriate that the going concern basis is applied in the preparation of these Financial Statements.

However, whilst the Directors are confident of continuing to raise additional funds as needed to finance the business in accordance with its Digital Media and Connected IQ strategy, they nevertheless recognise that a material uncertainty exists which might cast doubt over the Group and Company's ability to continue to realise its assets and discharge its liabilities as they fall due in the normal course of the business and therefore its ability to continue to operate as a going concern.

Basis of consolidation

The Group accounts consolidate the results of the Company and all of its subsidiary undertakings drawn up to 30 June each year. Subsidiary undertakings are those entities over which the Group has the control, which is where the Group has power over the investee, is exposed to variable returns from its involvement with the investee and where the Group has the ability to use its power over the investee to affect the amount of returns. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisition method.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

Where the Group assesses that it has significant influence over an investee, but not control, the investment is accounted for as an associate. Associates are not consolidated but are equity accounted, and the group records its share of the associate's loss to the extent the cost less impairment of the investment in greater than nil.

All intra group balances, transactions, income and expenses and profit and losses on transactions between the Company and its subsidiaries and between subsidiaries are eliminated.

Goodwill

Goodwill is initially recognised and measured as set out above.

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

Investment in subsidiaries

Investments in subsidiaries are held in the Company balance sheet at cost and reviewed annually for impairment. Where the Company acquires subsidiaries with contingent or deferred consideration, the initial estimate of the present value of future payments is included in the cost of the investment and any subsequent changes recorded through profit or loss.

Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the normal course of the Group's activities. Revenue is shown net of value added tax.

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer.
2. Identifying the performance obligations
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations.
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue comprises:

- Partner programme delivery fees: Revenue recognised in line with the date at which work is performed.

- Advertising revenues: Fees are earned based on the number of sessions where ads are displayed on the website. Revenue is recognised on a Revenue per mille (RPM) basis.

- Consultancy Fees: Revenue is recognised in line with the profile of resources dedicated to the programme across the assignment duration. Such revenue is recognised over time based on an estimate of total costs incurred.

Foreign currencies

Transactions in foreign currencies are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet 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 the income statement for the year.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period. Exchange differences arising from the translation of the Group's foreign operations are recognised in other comprehensive income.

Taxation

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

The charge for current tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

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

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. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or any discount on acquisition) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that the directors do not have a high degree of certainty that sufficient taxable profits will be available in the medium-term to allow all or part of the asset to be recovered.

Credits in respect of Research and Development activities are recognised upon receipt of payment from HMRC.

Share based payments

The Company provides equity-settled share-based payments in the form of share options and warrants. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the date of grant is expensed on a straight line basis over the vesting period, based on the Company's estimate of shares which will eventually vest and adjusted for the effect of non-market based vesting conditions. The Company uses an appropriate valuation model utilising a Black-Scholes model in order to arrive at a fair value at the date share options are granted.
In instances when shares are used as consideration for goods or services the shares are valued at the fair value of the goods or services provided. The expense to the company is recognised at the point the goods or services are received.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and that the cost of the item can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation is calculated using the straight-line method to allocate the cost or revalued amounts of tangible fixed assets to their residual values over their useful economic lives, as follows:

Office equipment	3 years straight line
Computer equipment	3 years straight line
Production equipment	3 years straight line
Leasehold improvements	Over the period of the lease or, where management have reasonable grounds to believe the property will be occupied beyond the terms of the lease, 3 years straight line

The residual values and useful economic lives of the assets are reviewed, and adjusted if appropriate, at each balance sheet date. The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount is greater than its estimated recoverable value. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other gains or losses in the income statement.

Intangible fixed assets

Intangible assets other than goodwill are recognised where the purchase or internal development of such assets are expected to directly contribute towards the company's ability to generate revenues .

Intangible fixed assets are stated at historical cost less accumulated amortisation and impairment, if any. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Where the cost is not clearly identifiable discounted cash flows are utilised to estimate either the cost to develop the resource or, where there are already profits attributable the asset, to estimate future cash inflows. Historical cost includes expenditure that is directly attributable to the acquisition or development of the items. Subsequent costs are included in the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and that the cost of the item can be measured reliably.

Amortisation is charged on a straight-line basis over the estimated useful economic life of the asset as follows:

Web Platforms	3-5 years
Other Intangible assets	3-5 years

Amortisation expense is included within administrative expenses in the profit or loss account.

Research and development costs

Development expenditure is capitalised as an intangible asset, only if the development costs can be measured reliably and it is anticipated that the product being built will be completed and will generate future economic benefits in the form of cash flows to the Group or cost savings.

Research expenditure that does not meet this criteria is recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. These are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Financial liabilities and equity

Financial liabilities are obligations to pay cash or other financial instruments and are recognised when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into. All interest-related charges are recognised as an expense in the income statement.

Trade and other payables are not interest bearing and are recorded initially at fair value net of transactions costs and thereafter at amortised cost using the effective interest rate method.

An equity instrument is any contract that evidence a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Contingent consideration arising in a business combination is held at fair value at each reporting date. After the initial accounting for the business combination, any changes in the estimated or actual consideration payable are taken to profit or loss. Future expected payments are held at their present value where the effect of discounting is material. The unwinding of contingent consideration is recognised as a finance cost in profit or loss.

Financial assets

Financial assets are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instrument and are recognised in the balance sheet at the lower of cost and net realisable value.

Provision is made for diminution in value where appropriate.

Income and expenditure arising on financial instruments is recognised on the accruals basis and credited or charged to the statement of comprehensive income in the financial period to which it relates.

Trade receivables do not carry any interest and are initially recognised at fair value, subsequently reduced by appropriate allowances for estimated irrecoverable amounts.

Warrants

Warrants are in respect of call options granted to investors by the group and are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The fair value of warrants is determined at the date of grant and is recognised in equity. When the warrants are exercised, the group transfers the appropriate amount of shares to the investor, and the proceeds received net of any directly attributable transaction costs are credited directly to equity.

The group uses an appropriate valuation model utilising a Black-Scholes model in order to arrive at a fair value at the date warrants are granted.

3. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires the use of certain estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Estimates and judgements are continually reviewed and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

Judgements and estimates: Impairment of goodwill and intangible assets, and estimation of the fair value of contingent consideration

The Group holds goodwill and intangible assets arising from business combinations. Judgement is applied in determining the recoverable amount of acquired assets.

On an annual basis, the Group reviews relevant classes of assets, including investments, intangible assets and goodwill for indications of impairment. Where such indications exist, a full impairment test is performed. In light of the loss reported in the year, the Board determined that a full impairment test should be performed on all intangible assets. Goodwill must be tested for impairment annually. Where goodwill arises in a business combination, management determined that each acquired website brand is a separate cash generating unit with separately identifiable cash flows, and so any the goodwill arising from that acquisition is associated with the acquired brand. No goodwill is allocated across multiple Cash Generating Units.

For the purpose of impairment testing at 30 June 2024, management have determined that the appropriate method to apply is a fair value less costs to dispose approach. Management consider that a revenue based multiple is an appropriate estimation tool for the recoverable amount of its intangible assets.

Therefore, all impairment tests have been performed using a fair value method on the basis of a multiple of revenue achieved for the respective brand in the year ended 30 June 2024.

Management undertook a careful assessment of the appropriate revenue multiple and determined that 1x reported revenue represents their best estimate of the recoverable amount of each brand. This fair value estimation technique is a Level 2 valuation technique in the Fair Value Hierarchy as there is no directly observable market valuation of each brand, but management have identified the valuation of similar assets through the relevant trading multiples of similar businesses in similar sectors, through the observed implied multiples in recent transactions involving similar assets and through industry and other benchmarks.

Further detail of the results of impairment tests of each material Cash Generating Unit are summarised below. All of Megit, Siege.gg, RealSport and EpicStream are within the Gfinity Digital Media operating segment. In each case, 'costs to sell' are considered to be immaterial as there are no physical assets in any case. Impairment expenses have been separately identified in the statement of profit or loss. No previous impairments were reversed during the year.

Megit

The Group acquired the entire issued share capital of Megit Limited in September 2021. Megit owns and operates the StockInformer website which enables gamers to locate and find the best pricing and availability of tech and other products.

At 30 June 2024 the Group held goodwill of nil and intangible assets of £289,561 in respect of Megit prior to the impairment test. Amortisation of intangible assets in the year was £189,497 and so the net book value tested was £100,064.

The impairment test concluded that the recoverable amount was nil and therefore an impairment charge of £100,064 was recorded against the intangible asset.

The factors giving rise to the impairment were the well-publicised challenges arising from changes to the algorithms applied by Google and other traffic sources in the period.

At 30 June 2024, management have also applied judgement in their assessment of any remaining contingent consideration based on revenue-based earnouts in the acquisition agreement. Management's estimate of the undiscounted future payment is £59,270 based on projected cash flows of the business and this has been reflected in current liabilities. The figure is not discounted as it is expected to be settled within a year. Contingent consideration is therefore based on a Level 3 basis of the Fair Value Hierarchy as the inputs are not directly or indirectly observable.

Due to the challenging trading environment, amounts payable under the contingent consideration arrangements were significantly lower than initially forecast and therefore £17,398 of the contingent consideration liability was released to profit or loss in the year in respect of Megit.

In respect of the Company's investment in Megit Limited as a subsidiary, an impairment was recorded to bring the investment to the directors' best estimate of the recoverable amount by reference to the recoverable net assets of Megit. An impairment of £139,146 was therefore recorded by the Company in profit or loss to bring the carrying amount of the investment to nil.

RealSport

Realsport101.com is a leading source of news and information about competitive sport gaming.

The carrying value of goodwill in respect of RealSport at 30 June 2024 was £234,505, prior to the impairment test.

The result of the impairment test was a recoverable amount of £185,833 and therefore an impairment of £48,672 was recorded in profit or loss.

The factors giving rise to the impairment were changes to Google algorithms and changes in the underlying user base of the website.

EpicStream

EpicStream.com is a leading online source of geek and pop culture news.

The carrying value of goodwill in respect of EpicStream was £260,783 at 30 June 2024 prior to the impairment test, and intangibles were £0 at that date.

The result of the impairment test was a recoverable amount of £125,110 and therefore an impairment of £135,673 was recorded in profit or loss.

4. REVENUE

The Group's policy on revenue recognition is as outlined in note 2. The Group's revenue disaggregated by primary geographical market is as follows:

	Year to 30 June 2024	**Year to 30 June 2023**
	£	**£**
United Kingdom	410,561	4,343,202
North America	1,284,392	265,605
ROW	200,076	814,764
Total	**1,895,029**	**5,423,571**

Profit and loss information for each operating segment is given in note 10.

The Group's revenue disaggregated by pattern of revenue recognition and business unit is as follows:

Year to 30 June 2024

	Digital Media	**eSports**	**Athlos**	**Total**
	£	**£**	**£**	**£**
Services transferred at a point in time	1,817,731	-	-	1,817,731
Services transferred over time	77,298	-	-	77,298
Total	**1,895,029**	**-**	**-**	**1,895,029**

Year to 30 June 2023

	Digital Media	eSports	Athlos	Total
	£	£	£	£
Services transferred at a point in time	2,190,216	-	-	2,190,216
Services transferred over time	-	2,909,482	323,873	3,233,355
Total	**2,190,216**	**2,909,482**	**323,873**	**5,423,571**

As at 30 June 2024 the Group had the amounts shown below held on the consolidated statement of financial position in relation to contracts either performed in full during the year or ongoing as at the year end. All amounts were either due within one year or, in the case of contract liabilities, the work was to be performed within one year of the balance sheet date

	Year to 30 June 2024	Year to 30 June 2023
	£	£
Contract Assets	Nil	Nil
Contract Liabilities	Nil	Nil

The Group agrees payment terms with each customer at the outset of the contract and typically agrees 30 day payment terms. All revenue streams which are recognised over time were completed and invoiced in the year resulting in no contract assets or liabilities at 30 June 2024. All brought forward contract assets and liabilities were realised in the year.

Contract assets are initially recognised for revenue earned while the services are delivered over time or when billing is subject to final agreement on completion of the milestone. Once the amounts are billed the contract asset is transferred to trade receivables.

5. DISCONTINUED OPERATIONS AND INTEREST IN ASSOCIATE

The group's activities in the year comprised one operating segments Gfinity Digital Media.

The company announced on 6 June 2023 that it had decided to close the eSports operating segment and to dispose of 72.5% of its interest in Athlos Game Technologies Ltd ("Athlos").

During the year, as part of the restructuring, RealSM Ltd and AFG-Games Ltd were dissolved. Both companies were dormant and provided no services.

In respect of the eSports division, it was announced on 5 December 2023 that the remaining trade and assets of the eSports segment had been sold to Ingenuity Loop Limited for consideration of £15,000 plus 15% equity interest in that company.

In respect of Athlos, on 5 June 2023 the Group concluded a share purchase agreement with Tourbillon Group UK Limited, under which Tourbillon subscribed for new shares in Athlos resulting in Tourbillon gaining a controlling interest. The SPA also provided for the Athlos IP, previously referred to by Gfinity as the Engage development asset, would be assigned to Athlos at the date of completion of the SPA. Tourbillon undertook certain funding commitments with effect from the effective date of the transaction, significantly reducing Gfinity's funding obligations whilst retaining a minority interest. The SPA also provided for Gfinity to retain access to the Engage platform IP.

In light of the SPA, the Board considered the nature of the resulting relationship with Athlos and considered that the facts and circumstances indicated that Athlos was, from the date of the transaction and as at 30 June 2023, an associate. This is because of the group's continuing 27.5% equity and voting interest and the entitlement to appoint a director to the board of Athlos. Therefore the Group was deemed to have lost control and no longer consolidated the results of Athlos from that date.

On 27 November 2023, the Company announced the disposal of its remaining interest in Athlos for consideration of £260,000. See note 24 for details.

As the Group’s interest in Ingenuity Loop is held as an associate at nil carrying value, no share of loss has been reported.

6. OPERATING EXPENSES

Expenses analysed by nature include:

	Group	
	Year to 30 June 2024	**Year to 30 June 2023**
	£	**£**
Depreciation of property, plant and equipment	14,357	33,254
Amortisation & impairment of intangible fixed assets	415,155	3,611,225
Goodwill impairment	184,345	4,219,110
Staff costs (see note 7)	1,005,260	3,148,791
Auditors’ remuneration for auditing the accounts of the Group and Company	36,000	55,000
Auditors’ remuneration for other non-audit services:		
- Other services related to taxation	4,884	3,240
- All other services	-	4,025
Net foreign exchange (gains)/ losses	(4,904)	21,824

7. PARTICULARS OF EMPLOYEES

Number of employees

The average number of people (including directors) employed by the Group and Company during the financial period was:

	Group		Company	
	Year to 30 June 2024	**Year to 30 June 2023**	**Year to 30 June 2024**	**Year to 30 June 2023**
Board	3	6	3	6
Operations	15	38	13	38
	18	**44**	**16**	**44**

The aggregate payroll costs of staff (including directors) were:

	Group	
	Year to 30 June 2024	**Year to 30 June 2023**
	£	**£**
Wages and salaries	826,808	2,726,670
Social security costs	81,799	323,812
Pensions	25,853	49,714
Share based payments (Note 22)	70,800	48,595
	1,005,260	**3,148,791**

Total remuneration for Directors during the year was £0 (2023: £595,780).

The board of directors comprise the only persons having authority and responsibility for planning, directing and controlling the activities of the Group. The Board consider there are no key management personnel other than the Board.

The number of directors to whom retirement benefits accrued during the period was 0 (2023: 3).

8. FINANCE INCOME/COSTS

	Group	
	Year to 30 June 2024	**Year to 30 June 2023**
	£	**£**
Interest income on bank deposits	153	885
Interest Paid	(591)	-
Notional interest on contingent consideration	-	(77,691)
	(438)	(76,806)

9. TAXATION

Major components of taxation expense for the period ended 30 June 2024 are:

	Group Year to 30 June 2024 £	Year to 30 June 2023 £
Current tax charge	8,370	-
Corporation tax credit	(330,812)	(149,691)
Total current tax	(322,442)	(149,691)
Deferred tax credit (note 18)	(72,390)	-
Relating to origination and reversal of temporary differences	-	(825,185)
Taxation (credit) reported in the income statement	**(394,831)**	**(974,876)**

A reconciliation of taxation expense applicable to accounting profit before taxation at the statutory tax rate of 25% (2023: 19%), to taxation expense at the Groups effective tax rate for the period is as follows:

	Year to 30 June 2024 £	Year to 30 June 2023 £
Loss on ordinary activities before taxation	(989,274)	(10,254,836)
At applicable rate of 25% (2023: 19%)	(247,318)	(1,948,419)
Income not taxable	(65,000)	-
Expenses not deductible for tax purposes	159,435	349,574
Movement in unrecognised deferred tax asset	152,883	1,598,845
Movement in deferred tax liability on temporary differences	(72,390)	(825,184)
R&D Credit received	(330,824)	(109,732)
Overseas tax paid	8,383	-
Over Provision in prior years	-	(39,960)
Tax Credit	(394,831)	(974,876)
Split as		
Current tax credit	(322,441)	(149,691)
Deferred tax credit	(72,390)	(825,185)
Taxation (credit) reported in the income statement	(394,831)	(974,876)

The whole current and deferred tax credit in the consolidated profit and loss account relates to continued operations.

The Group has estimated tax losses of £47.7m (2023: £47.1m) available for offset against future taxable profits. A potential deferred tax asset of £11.9m has not been recognised due to the uncertainty of future profits. The tax losses have no expiry date.

With effect from 1 April 2023, HMRC introduced a headline UK corporation tax rate of 25%.

10. OPERATING SEGMENTS

Year to 30 June 2024

	Digital Media	**Total**
	£	**£**
Revenue	1,895,029	1,895,029
Cost of sales	(844,951)	(844,951)
Impairment Charge	(284,408)	(284,408)
Admin expenses	(2,054,057)	(2,054,057)
Gain on disposal of Associate	275,011	275,011
Re-assessment of Deferred Consideration	24,541	24,541
Net Finance Expenses	(438)	(438)
Tax	394,831	394,831
Loss	(594,442)	(594,442)

Year to 30 June 2023

	Esports	**Athlos**	**Digital Media**	**Total**
	£	**£**	**£**	**£**
Revenue	2,909,482	323,873	2,190,216	5,423,571
Cost of sales	(1,665,890)	(172,205)	(953,904)	(2,791,999)
Impairment Charge	-	-	(5,984,171)	(5,984,171)
Admin expenses	(3,300,378)	(855,863)	(3,788,329)	(7,944,570)
Loss on disposal of Associate	-	-	(548,761)	(548,761)
Restructuring Cost	(238,287)	-	-	(238,287)
Re-assessment of Deferred Consideration	-	-	931,311	931,311
Net Finance Expenses	(39,369)	(11,461)	(25,976)	(76,806)
Tax	-	-	974,876	974,876
Loss	(2,334,442)	(715,656)	(7,204,738)	(10,254,836)

Management identify operating segments through consideration of the aggregated data reviewed by the Board in monitoring the performance of the business.

In line with IFRS 8 para 23, assets and liabilities split by segment are not disclosed as these are not regularly reviewed by the Board in this way. Within continuing operations, being only the Digital Media division, two key customers accounted for 62% and 18% of revenue.

11. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the loss attributable to shareholders by the weighted average number of ordinary shares in issue during the period.

IAS 33 requires presentation of diluted EPS when a Company could be called upon to issue shares that would decrease earnings per share or increase the loss per share. For a loss making Company with outstanding share options, net loss per share would be decreased by the exercise of options and therefore the effect of options has been disregarded in the calculation of diluted EPS.

All EPS and DEPS figures stated below are presented in pence.

	2024	2023
All Operations		
Earnings	(594,442)	(10,254,836)
Weighted Average Shares	3,280,945,063	1,735,787,903
EPS	(0.02)	(0.59)
DEPS	(0.02)	(0.59)
Continuing Operations		
Earnings	(594,442)	(7,204,739)
Weighted Average Shares	3,280,945,063	1,735,787,903
EPS	(0.02)	(0.42)
DEPS	(0.02)	(0.42)
Discontinued Operations		
Earnings	-	(3,050,097)
Weighted Average Shares	-	1,735,788,903
EPS	-	(0.18)
DEPS	-	(0.18)

12. PROPERTY, PLANT AND EQUIPMENT

Group

	Office equipment	Computer & Production Equipment	Leasehold Improvements	Total
Cost	**£**	**£**	**£**	**£**
At 1 July 2022	63,143	1,170,270	1,633,942	2,867,355
Addition	-	3,498	-	3,498
Disposals	(63,143)	(1,145,455)	(1,633,942)	(2,842,540)
At 30 June 2023	-	28,313	-	28,313
Amortisation				
At 1 July 2022	63,143	1,113,312	1,542,390	2,718,845
Charge for the period	-	32,457	-	32,457
Disposals	(63,143)	(1,132,213)	(1,542,390)	(2,737,746)
At 30 June 2023	-	13,556	-	13,556
Net Book Value				
30 June 2023	-	14,757	-	14,757
30 June 2022	-	56,958	91,552	148,510

	Office equipment	Computer & Production Equipment	Leasehold Improvements	Total
Cost	**£**	**£**	**£**	**£**
At 1 July 2023	-	28,313	-	28,313
At 30 June 2024	-	28,313	-	28,313
Amortisation				
At 1 July 2023	-	13,556	-	13,556
Charge for the period	-	14,357	-	14,357
At 30 June 2024	-	27,913	-	27,913
Net Book Value				
30 June 2024	-	400	-	400
30 June 2023	-	14,757	-	14,757

Company

Cost	Office equipment £	Computer & Production Equipment £	Leasehold Improvements £	Total £
At 1 July 2022	51,743	1,142,374	1,633,941	2,828,058
Addition	-	3,498	-	3,498
Disposals	(51,743)	(1,117,559)	(1,633,941)	(2,803,243)
At 30 June 2023	-	28,313	-	28,313
Amortisation				
At 1 July 2022	49,543	1,091,046	1,542,390	2,682,979
Charge for the period	2,200	32,457	-	34,657
Disposals	(51,743)	(1,108,352)	(1,542,390)	(2,702,485)
At 30 June 2023	-	15,151	-	15,151
Net Book Value				
30 June 2023	-	13,162	-	13,162
30 June 2022	2,200	51,328	91,551	145,079

Cost	Office equipment £	Computer & Production Equipment £	Leasehold Improvements £	Total £
At 1 July 2023	-	28,313	-	28,313
At 30 June 2024	-	28,313	-	28,313
Amortisation				
At 1 July 2023	-	15,151	-	15,151
Charge for the period	-	13,162	-	13,162
At 30 June 2024	-	28,313	-	28,313
Net Book Value				
30 June 2024	-	-	-	-
30 June 2023	-	13,162	-	13,162

13. GOODWILL

Group	£
Cost	
At 1 July 2022	4,714,399
Impairment	
At 1 July 2022	-
Charge for the period	4,219,111
At 30 June 2023	4,219,111
Net Book Value	
30 June 2023	**495,288**
30 June 2022	**4,714,399**
Cost	**£**
At 1 July 2023	4,714,399
Impairment	
At 1 July 2023	4,219,111
Charge for the period	184,345
At 30 June 2024	4,403,456
Net Book Value	
30 June 2024	**310,943**
30 June 2023	**495,288**

Company	£
Cost	
At 1 July 2022	2,939,192
Impairment	
At 1 July 2022	664,627
Charge for the period	1,779,276
At 30 June 2023	2,443,903
Net Book Value	
30 June 2023	**495,289**
30 June 2022	**2,274,565**
Cost	**£**
At 1 July 2023	2,939,192
Impairment	
At 1 July 2023	2,443,903
Charge for the period	184,345
At 30 June 2024	2,628,248
Net Book Value	
30 June 2024	**310,944**
30 June 2023	**495,289**

The Group and Company hold goodwill in respect of the acquisitions of the trade and assets of EpicStream and RealSport in earlier accounting periods. An impairment charge of £135,673 and £48,672 was recorded in respect of EpicStream and RealSport respectively, in both the Group and Company profit and loss accounts.

In all cases, management assigned goodwill to cash generating units, being the group of assets associated with the acquired website and associated infrastructure, since each online brand has separately identifiable cash flows.

Refer to Note 3 for details of impairment tests.

14. INTANGIBLE FIXED ASSETS

Group	Web Platforms	Engage	Other Intangibles	Total
Cost	**£**	**£**	**£**	**£**
At 1 July 2022	5,393,265	685,951	2,480,481	8,559,697
Disposals	-	(685,951)	(64,919)	(750,870)
At 30 June 2023	5,393,265	-	2,415,562	7,808,827
Amortisation and impairment				
At 1 July 2022	1,513,672	-	2,470,884	3,984,556
Charge for the period	1,699,377	137,190	9,597	1,846,164
Disposals	-	(137,190)	(64,919)	(202,109)
Impairment	1,765,061	-	-	1,765,061
At 30 June 2023	4,978,110	-	2,415,562	7,393,672
Net Book Value				
30 June 2023	415,155	-	-	415,155
30 June 2022	3,879,593	685,951	9,597	4,575,141

	Web Platforms	Other Intangibles	Total
Cost			
At 1 July 2023	5,393,265	2,415,562	7,808,827
At 30 June 2024	5,393,265	2,415,562	7,808,827
Amortisation and impairment			
At 1 July 2023	4,978,110	2,415,562	7,393,672
Charge for the period	315,091	-	315,091
Impairment	100,064	-	100,064
At 30 June 2024	5,393,265	2,415,562	7,808,827
Net Book Value			
30 June 2024	-	-	-
30 June 2023	415,155	-	415,155

Web platforms include web domains and platform technology acquired in the acquisitions of Megit Limited, Siege.gg and EpicStream.

Other intangibles include technology platforms and customer lists arising in earlier acquisitions.

INTANGIBLE FIXED ASSETS (continued)

Company	Web Platforms	Engage	Other Intangibles	Total
Cost	**£**	**£**	**£**	**£**
At 1 July 2022	713,546	685,951	7,195	1,406,692
Disposals	-	(685,951)	-	(685,951)
At 30 June 2023	713,546	-	7,195	720,741
Amortisation and impairment				
At 1 July 2022	339,949	-	7,195	347,144
Charge for the period	241,325	137,190	-	378,515
Disposals	-	(137,190)	-	(137,190)
Impairment	6,678	-	-	6,678
At 30 June 2023	587,952	-	7,195	595,147
Net Book Value				
30 June 2023	125,594	-	-	125,594
30 June 2022	373,597	685,951	-	1,059,548

	Web Platforms	Other Intangibles	Total
Cost			
At 1 July 2023	713,546	7,195	720,741
At 30 June 2024	713,546	7,195	720,741
Amortisation and impairment			
At 1 July 2023	587,952	7,195	595,147
Charge for the period	125,594	-	125,594
At 30 June 2024	713,546	7,195	720,741
Net Book Value			
30 June 2024	-	-	-
30 June 2023	125,594	-	125,594

Web platforms includes web domains and platform technology acquired in the acquisitions of Megit Limited, Siege.gg and EpicStream.

15. INVESTMENT IN SUBSIDIARIES

	Company	
	Year to 30 June 2024	Year to 30 June 2023
	£	£
At 1 July	139,146	6,069,716
Impairment	(139,146)	(5,930,565)
Loss of control of subsidiary	-	(5)
	-	**139,146**

Subsidiary undertaking	Country of incorporation	Holding	Proportion of voting rights and capital held	Nature of business
CEVO Inc.	USA	Ordinary shares	100%	IT Development
Megit Limited	England and Wales	Ordinary Shares	100%	eCommerce and affiliate revenues

Details of the impairment in the Company's investment in Megit Limited in the year are given in Note 3.

16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	Year to 30 June 2024	Year to 30 June 2023	Year to 30 June 2024	Year to 30 June 2023
	£	£	£	£
Trade receivables	346,740	524,690	330,097	487,490
Provision for expected credit loss	(10,650)	(58,864)	(10,650)	(58,864)
	336,090	465,826	319,447	428,626
Prepayments and accrued income	27,394	178,714	27,394	102,739
Amounts due in less than one year	363,484	644,540	346,841	531,365
Amounts due from group undertakings	-	-	611,439	607,398
Provision for Group undertakings	-	-	(611,439)	(607,398)
	-	-	-	-
Other receivables	-	-	-	-
Total	363,483	644,540	346,841	531,365

The directors consider that the carrying amount of trade and other receivables approximates to their fair value due to the short-term nature of these financial assets.

17. CASH AND CASH EQUIVALENTS

	Group		Company	
	Year to 30 June 2024	Year to 30 June 2023	Year to 30 June 2024	Year to 30 June 2023
	£	£	£	£
Cash at bank and in hand	23,155	270,476	13,742	71,255
Total	**23,155**	**270,476**	**13,742**	**71,255**

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates. The fair value of cash and cash equivalents does not differ from the carrying value.

18. DEFERRED TAX LIABILITIES

	Group		Company	
	Year to 30 June 2024 £	Year to 30 June 2023 £	Year to 30 June 2024 £	Year to 30 June 2023 £
At 1 July	72,390	897.575	-	94,748
Arising on business combination	-	-	-	-
Credited to profit or loss	(72,390)	(825,185)	-	(94,748)
At 30 June	**-**	**72,390**	**-**	**-**

The deferred tax liability relates entirely to temporary differences on intangible assets arising on business combinations. As the respective intangible assets were fully impaired in the year, the associated deferred tax liability was released.

19. ISSUED SHARE CAPITAL

The Company has a single class of ordinary share with nominal value of £0.001 each. Movements in the issued share capital of the Company can be summarised as follows:

	Ordinary Shares		Deferred Shares	
	Number	Share Capital £	Number	Share Capital £
As at 30 June 2022	1,315,696,579	1,315,697	-	-
Issued during the financial year March 2023 at £0.0015 per share	1,333,333,334	1,333,333	-	-
As at 30 June 2023	2,649,029,913	2,649,030	-	-
Share reorganisation	-	(2,384,127)	2,649,029,913	2,384,127
Issued August 2023 at £0.0006 per share	750,000,000	75,000	-	-
As at 30 June 2024	**3,399,029,913**	**339,903**	**2,649,029,913**	**2,384,127**

Ordinary shares entitle the holder to full voting, dividend and rights on winding up.
Deferred shares carry no rights to voting or dividends.

Pursuant to the Share Capital Reorganisation on 30 August 2023, each existing Ordinary Share in issue was subdivided into one New Ordinary Share of 0.01 pence each and one Deferred Share of 0.09 pence each. Immediately following the Share Capital Reorganisation, the number of New Ordinary Shares in issue was the same as the number of Existing Ordinary Shares currently in issue. The New Ordinary Shares arising on the Share Capital Reorganisation have the same rights as those previously attaching to the Existing Ordinary Shares, including the rights relating to voting and entitlement to dividends.

20. TRADE AND OTHER PAYABLES

	Group		Company	
	Year to 30 June 2024	**Year to 30 June 2023**	**Year to 30 June 2024**	**Year to 30 June 2023**
	£	**£**	**£**	**£**
Non-current liabilities				
Other payables (deferred consideration)	-	17,669	-	17,669
Deferred tax liabilities	-	72,390	-	-
	-	**90,059**	**-**	**17,669**
Current liabilities				
Trade payables	139,838	412,395	136,788	383,737
Other taxation and social security	14,504	201,745	13,294	201,745
Accrued expenditure and deferred revenue	45,000	226,181	45,000	226,188
Other payables	41,048	220,473	59,270	220,473
Amounts owed to group undertakings	-	-	556,500	426,883
	240,390	**1,060,794**	**810,852**	**1,459,026**
Total	**240,390**	**1,150,853**	**810,852**	**1,476,695**

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. The directors consider that the carrying amount of trade payables approximates to their fair value due to their short-term nature.

Contingent consideration arising from business combinations is held at fair value at each reporting date. The fair value of remaining contingent consideration at 30 June 2024 was assessed as £59,270 (2023: £202,455)

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company uses a limited number of financial instruments, comprising cash, short-term deposits, and various items such as trade receivables and payables, which arise directly from operations. The Company does not trade in financial instruments. All of the Company's financial instruments are measured at amortised cost other than contingent consideration arising on business combinations which is held at fair value at each reporting date.

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

Credit risk
The Company's principal financial assets are bank balances and cash, trade and other receivables.
Bank balances and cash are held by banks with high credit ratings assigned by independent credit rating agencies. Management is of the opinion that cash balances do not represent a significant credit risk.

As the Group does not hold security against bank balance and trade and other receivables, its credit risk exposure is as follows:

Group		Company	
Year to 30 June 2024	**Year to 30 June 2023**	**Year to 30 June 2024**	**Year to 30 June 2023**
£	**£**	**£**	**£**
359,245	736,302	333,189	499,881

The Group trade receivables balance represents amounts due from third parties. At the balance sheet date, the Group's trade receivables totalled £346,740 against which an expected credit loss provision of £10,650 had been raised (2023: £524,690 less a provision of £58,864).

The Company's receivables include £611,439 of inter-company funding (2023: £575,177) and this receivable is provided against in full due to uncertainty of the timing over which the respective subsidiaries will be in a position to reimburse these amounts.

The Company's trade receivables totalled £330,097 less a provision for doubtful debt of £10,650 (2023: £487,490 less a provision for expected credit losses of £58,864).

The Group's policy is to raise expected credit loss provisions where payments have been not received within the contractual due date. The Group continues to seek to collect all debts until such time as a debt it written off. The Group writes off debt when it considers that there is no prospect of recovery, for example when a debtor enters into administration, or the Group is aware of other factors indicative of this outcome.

At the balance sheet date, one customer represented 82% of gross Group trade receivables. This amount was collected in full after the balance sheet date.

There were no contract assets at 30 June 2024.

Liquidity risk
All trade and other payables are due for settlement within one year of the balance sheet date. The use of instant access deposits ensures sufficient working capital is available at all times.

Foreign exchange risk
The Company operates in overseas markets by selling directly from the UK, owns an overseas subsidiary and reports in GBP. It is therefore subject to currency exposures on transactions while the Group is subject to currency exposures on consolidation of the overseas subsidiary.

The majority of revenue is billed in United States Dollar (USD).

Financial instruments held by the Company and their carrying values were as follows:

	Group					
	Year to 30 June 2024			**Year to 30 June 2023**		
	USD ($)	**EUR (€)**	**GBP (£)**	**USD ($)**	**EUR (€)**	**GBP (£)**
Trade and other receivables	275,792	528	128,263	622,988	3,000	150,148
Cash	16,769	-	9,899	74,259	-	211,779
Trade and other payables	21,801	-	130,768	125,643	8,413	971,990
Net current assets/ liabilities	**314,362**	**528**	**268,930**	**822,890**	**11,413**	**1,333,917**

	Company					
	Year to 30 June 2024			**Year to 30 June 2023**		
	USD ($)	**EUR (€)**	**GBP (£)**	**USD ($)**	**EUR (€)**	**GBP (£)**
Trade and other receivables	255,192	528	127,905	506,015	3,000	129,740
Amounts due from Group Undertakings	-	-	-	-	-	-
Cash	9,964	-	5,865	42,520	-	37,728
Trade and other payables	11,878	-	127,398	89,505	8,413	971,990
Amounts due to Group Undertakings	-	-	556,500	-	-	426,883
Net current assets/ liabilities	**277,034**	**528**	**817,668**	**638,040**	**11,413**	**1,566,341**

Fair value estimation

The aggregate fair values of all financial assets and liabilities are consistent with their carrying values due to the relatively short-term maturity of these financial instruments.

As cash is held at floating interest rates, its carrying value approximates to fair value.

Capital management
The Company is funded entirely through shareholders' funds.

If financing is required, the Board will consider whether debt or equity financing is more appropriate and proceed accordingly. The Company is not subject to any externally imposed capital requirements.

22. SHARE BASED PAYMENTS

Equity-settled share option plans

The Company has a share option scheme for employees of the Group. All share options are equity-settled.

The table below summarises movements in the number of share options in issue in the year:

Share options	Number	Weighted average exercise price (£)
Shares options as at 30 June 2022	97,172,624	0.0483
Shares options granted	-	-
Share options forfeited	(62,322,624)	0.0578
Share options exercised	-	-
LTIP share options as at 30 June 2023	**34,850,000**	**0.0257**
Shares options as at 30 June 2023	34,850,000	0.0257
Shares options granted	479,262,889	0.0006
Share options forfeited	(22,447,000)	0.0142
Share options exercised	-	-
LTIP share options as at 30 June 2024	**491,665,889**	**0.0018**

Options vest over periods defined in the respective option agreements and at the discretion of the board of directors.

Options issued in the year were valued using a Black Scholes model with the following inputs: exercise price 0.06p, volatility 34-36%, risk free rate 4.4%, dividends nil. Exercise period 7-10 years. An expense of £70,800 was recorded in profit or loss in respect of share options. The options issued in the year either vest 50% on issue and 50% after one year, or 33% immediately and 33% after one and two years.

The exercise prices of options outstanding at 30 June 2024 range from 0.06p to 6.25p.

The number of exercisable share options outstanding at 30 June 2024 was 246,935,895 (2023: 34,850,000).

The weighted average remaining exercise period of options at 30 June 2024 was 7.5 years.

Of the options outstanding at the year end, 416,883,590 (2023: 18,000,000) were held by directors. Details of all options and warrants held by directors are contained within the Directors' Remuneration Report.

The inputs into option pricing models are available in earlier annual reports. All share options were valued using Black Scholes models.

All share options were granted at an exercise price equivalent to the market price at the date of grant.

All options are held in Gfinity plc with no options held over any of the Group's subsidiaries.

23. WARRANTS

The Company has granted warrants over Ordinary Shares as outlined in the table below.

Warrants	Number	Weighted average exercise price (£)
Warrants as at 30 June 2022	216,000,000	0.0125
Warrants granted	1,373,053,333	0.0022
Warrants exercised	-	-
Warrants lapsed/forfeited	(216,000,000)	0.0125
Warrants as at 30 June 2023	**1,373,053,333**	**0.0022**
Warrants as at 30 June 2023	1,373,053,333	0.0022
Warrants granted	75,990,299	0.0006
Warrants exercised	-	-
Warrants lapsed/forfeited	-	-
Warrants as at 30 June 2024	**1,449,043,632**	**0.0021**

75,990,299 warrants were granted to advisors in the year.

All warrants have an exercise period of 24 months from the date of issue.

The fair value of the warrants issued in the year of £60,488 was calculated according to a Black Scholes model, and taken to share premium, being in relation to the issue of share capital. The key inputs into the Black Scholes model were: exercise price 0.06p, Risk free rate 3.9%, volatility 36%, dividends nil. Volatility was determined by reference to the company's share price over a relevant period. The warrants are immediately exercisable.

24. RELATED PARTY TRANSACTIONS

The Directors' Report provides details of director remuneration and share options and warrants held by the directors at the end of the period. Directors were issued 407,883,590 options during the year and no directors exercised share options in the year.

Transactions and balances with Group subsidiaries in the year:

CEVO:
During the year, the Company advanced cash of £0 (2023: £502,718) to Cevo and Cevo incurred costs of £0 (2023: £477,092) on the Company's behalf. The year end amount repayable to the Company was £592,710 (2023: £592,710). The full amount was provided against as at year end.

RealSM:
During the year, the Company incurred costs on RealSM's behalf of £6,155 (2023: £6,595). The year end amount payable to the Company was £18,729 (2023: £12,574). The full amount was provided for as at 14 May 2024, on which date RealSM was dissolved.

Megit:
During the year, the Company incurred costs of £231,056 (2023: £250,355) on behalf of Megit. Megit advanced cash of £360,671 to the Company and incurred costs on behalf of the Company of £0 (2023: £604,115). The year end position is that the Company owed £556,500 to Megit (2023: £426,833 due to Megit).

Transactions with other related parties in the year:

David Halley, a Director, subscribed for shares in the Company for a total of £40,000 in August 2023.

The 1st Drop Limited:

During the year, the company incurred Consultancy costs of £24,000 (2023: £0) from The 1st Drop Limited. At year end the Company owed £12,000 to The 1st Drop Ltd (2023: £0). Neville Upton is a director of The 1st Drop Limited.

Athlos Game Technologies Ltd ("Athlos"):
During the year, the company incurred costs of £0 (2023: £63,717) on behalf of Athlos. Athlos advanced cash of £46,956 (2023: £0) to the Company. The year end amount payable to the Company was £16,791 (2023: £63,717).

During the year, the Group incurred cost of £349,005 ((2023: £0) on behalf of Athlos. The Group recharged Athlos £349,005 (2023: £0). The year end amount payable to the Group was £25,162 (2023: £25,162).
David Halley is a director of both Athlos.

All of the above balances are interest free, repayable on demand and unsecured.

25. PROVISIONS

There was a provision on 30 June 2023 of £238,237 and certain costs pertaining to historic M&A activity and employee contracts were utilised or released, therefore the closing balance was £92,640. The provision is not discounted as remaining amounts are expected to be utilised within a year.

	Year to 30 June 2024	Year to 30 June 2023
	£	£
At 1 July	238,237	-
Additions	-	238,237
Utilised	69,978	-
Released	75,619	-
At 30 June	92,640	238,237

During the year, the company utilised £69,978 of provisions to pay for redundancy costs and associated notice periods. Additionally, the Company released £75,619, of which £37,000 had been allocated to legal costs relating to prior employees and £38,619 had been allocated to employee redundancy and notice period costs, which were not utilised.

26. EVENTS AFTER THE REPORTING PERIOD

In September 2024 the Company raised £30,000 before expenses through the issue of 200,000,000 shares at 0.015p each to David Halley and through the issue of £120,000 of unsecured loan notes to Robert Keith.

At the same time the Company signed a non-binding MOU with 0M Technology Solutions Limited to license their ConnectedIQ technology.

27. CONTROL

The Directors consider that there is no overall controlling party.