

**IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

# IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

## COMPANY INFORMATION

<b>Directors</b>	B Beattie (resigned 1 January 2023) M R Miller (resigned 1 January 2023) A M Bijster L Eskenazi (appointed 1 January 2023, resigned 19 April 2023) R P Clay (appointed 1 January 2023)
<b>Company secretary</b>	C Sidhu
<b>Registered number</b>	02023383
<b>Registered office</b>	7 Hill Street Bristol Avon BS1 5PU
<b>Independent auditor</b>	James Cowper Kreston Audit Chartered Accountants and Statutory Auditor 2 Communications Road Greenham Business Park Greenham Newbury Berkshire RG19 6AB

**IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED**

**CONTENTS**

	Page
<b>Strategic report</b>	1 - 2
<b>Directors' report</b>	3 - 4
<b>Independent auditor's report</b>	5 - 7
<b>Statement of comprehensive income</b>	8
<b>Balance sheet</b>	9 - 10
<b>Statement of changes in equity</b>	11
<b>Notes to the financial statements</b>	12 - 29

# IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

## STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

### Introduction

The directors present their strategic report for the year ended 31 December 2022.

### Business review

Imperial Civil Enforcement Solutions Limited (hereafter "the Company") is a provider of computer systems and software for the parking industry, the management of voucher parking systems and the back-office management of parking and traffic enforcement.

The Company's performance was consistent with the prior financial year which an increase in gross margin from £7,130,228 at 31 December 2021 compared to £7,611,729 at 31 December 2022. During the year, the Company won a number of new contracts, as well as the expansion of existing contracts, enabling continued growth.

### The Company's objectives

The board sees the main business objective as delivering sustainable, responsible and profitable business growth in order to deliver:

- Consultancy and training
- Software solutions to the enforcement and smart city sectors
- Managed services

### The Company's strategy and future plans

The Company's future strategy is to:

- Continue to develop innovative software and services to the enforcement and smart city sectors
- Increase current levels of profitability
- Provide excellent customer service
- The Company seeks to expand its existing activities wherever suitable opportunities arise.

### Principal risks and uncertainties

The material business risk faced by the Company that are likely to have an effect on the financial prospects of the Company are outlined below:

#### Revenue risk

The Company specialises in computer consultancy within the parking and related business sector. It is reliant on the uptake of these services and therefore changes in the level of activity are likely to affect results. The Company has particular expertise in this area with the superior software products that the directors are confident will ensure growth in the future by increasing its market share at the expense of other competitors. Cost levels are also being monitored to ensure adequate return is received.

#### Liquidity risk

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

#### Credit risk

The company's principal financial assets are cash and trade debtors. The credit risk associated with cash balances is limited despite the current economic conditions. The directors continue to closely monitor bank credit worthiness. Additional credit risk arises from trade debtors. In order to manage credit risk, management sets limits for customers based on combination of payment history and third party credit references. Credit limits are reviewed by management on a regular basis in conjunction with debt ageing and collection history.

**IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Financial key performance indicators**

The directors use the key performance indicators defined by our group to manage the business. The key performance indicators are sales, growth, gross margin and EBITDA.

The directors consider that the performance of the business in accordance with these metrics was acceptable. The results for the year were as follows:

	<b>31 December 2022</b>	<b>31 December 2021</b>
Sales	£10,518,194	£10,524,598
Sales growth	0%	24.7%
Gross margin	£7,611,729	7,130,228
EBITDA	£2,417,235	2,289,643

This report was approved by the board on 16 August 2023 and signed on its behalf.

**A M Bijster**  
Director

# IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

### Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to 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.

### Results and dividends

The profit for the year, after taxation, amounted to £1,711,767 (2021 - £1,715,059).

### Directors

The directors who served during the year were:

B Beattie (resigned 1 January 2023)  
M R Miller (resigned 1 January 2023)  
A M Bijster  
L Eskenazi (appointed 1 January 2023, resigned 19 April 2023)

### Future developments

The Company plans to continue to grow by winning new customers as well as working closely with our current customers to deliver valuable solutions. As well, we will continue to drive efficiencies by investing in our resources and people to service future growth.

### Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**Auditor**

The auditor, James Cowper Kreston Audit, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 16 August 2023 and signed on its behalf.

**A M Bijster**  
Director

## IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

#### Opinion

We have audited the financial statements of Imperial Civil Enforcement Solutions Limited (the 'Company') for the year ended 31 December 2022, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard 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.

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED (CONTINUED)

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

#### Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 3, 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 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 Company or to cease operations, or have no realistic alternative but to do so.

## IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED (CONTINUED)

#### 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

#### Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Baillie BA (Hons) FCCA ACA (Senior Statutory Auditor)  
for and on behalf of

**James Cowper Kreston Audit**

Chartered Accountants and Statutory Auditor

2 Communications Road

Greenham Business Park

Greenham

Newbury

Berkshire

RG19 6AB

16 August 2023

IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Turnover	4	10,518,194	10,524,598
Cost of sales		(2,906,465)	(3,394,370)
<b>Gross profit</b>		<b>7,611,729</b>	<b>7,130,228</b>
Administrative expenses		(5,495,990)	(5,169,991)
Other operating income	5	-	47,025
<b>Operating profit</b>	6	<b>2,115,739</b>	<b>2,007,262</b>
Interest receivable and similar income		-	3,895
Interest payable and similar expenses	10	(11,745)	(8,273)
<b>Profit before tax</b>		<b>2,103,994</b>	<b>2,002,884</b>
Tax on profit	11	(392,227)	(287,825)
<b>Profit for the financial year</b>		<b>1,711,767</b>	<b>1,715,059</b>

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 12 to 29 form part of these financial statements.

**IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED**  
**REGISTERED NUMBER: 02023383**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	13	529,048	701,749
		<u>529,048</u>	<u>701,749</u>
<b>Current assets</b>			
Stocks	14	47,120	27,270
Debtors: amounts falling due after more than one year	15	14,277	-
Debtors: amounts falling due within one year	15	7,090,195	8,351,106
Cash at bank and in hand	16	542,609	395,675
		<u>7,694,201</u>	<u>8,774,051</u>
Creditors: amounts falling due within one year	17	(4,987,532)	(5,568,810)
<b>Net current assets</b>		<u>2,706,669</u>	<u>3,205,241</u>
<b>Total assets less current liabilities</b>		<u>3,235,717</u>	<u>3,906,990</u>
Creditors: amounts falling due after more than one year	18	(246,233)	(358,798)
		<u>2,989,484</u>	<u>3,548,192</u>
<b>Provisions for liabilities</b>			
Deferred taxation	21	(21,192)	(38,676)
		<u>(21,192)</u>	<u>(38,676)</u>
<b>Net assets</b>		<u><u>2,968,292</u></u>	<u><u>3,509,516</u></u>
<b>Capital and reserves</b>			
Called up share capital	22	1,233,905	1,233,905
Share premium account	23	210,426	210,426
Capital redemption reserve	23	48	48
Profit and loss account	23	1,523,913	2,065,137
		<u><u>2,968,292</u></u>	<u><u>3,509,516</u></u>

**IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED**  
**REGISTERED NUMBER: 02023383**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2022**

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**A M Bijster**  
Director

Date: 16 August 2023

The notes on pages 12 to 29 form part of these financial statements.

IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 January 2022	1,233,905	210,426	48	2,065,137	3,509,516
Profit for the year	-	-	-	1,711,767	1,711,767
Dividends: Equity capital	-	-	-	(2,252,991)	(2,252,991)
<b>At 31 December 2022</b>	<b>1,233,905</b>	<b>210,426</b>	<b>48</b>	<b>1,523,913</b>	<b>2,968,292</b>

The notes on pages 12 to 29 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 January 2021	1,233,905	210,426	48	850,078	2,294,457
Profit for the year	-	-	-	1,715,059	1,715,059
Dividends: Equity capital	-	-	-	(500,000)	(500,000)
<b>At 31 December 2021</b>	<b>1,233,905</b>	<b>210,426</b>	<b>48</b>	<b>2,065,137</b>	<b>3,509,516</b>

The notes on pages 12 to 29 form part of these financial statements.

# IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 1. General information

Imperial Civil Enforcement Solutions Limited is a private company, limited by shares, incorporated in England and Wales. The registered office is 7 Hill Street, Bristol, Avon, BS1 5PU.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### 2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

This information is included in the consolidated financial statements of Constellation Software Inc. as at 31 December 2022 and these financial statements may be obtained from [www.csisoftware.com/category/stat-filings](http://www.csisoftware.com/category/stat-filings).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

**2. Accounting policies (continued)**

**2.3 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**2.4 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.5 Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities. Revenue is shown net of value added tax, returns, rebates and discounts.

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

1. Identifying the contract with the 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 obligations(s) are satisfied.

Software licences and hardware sales are recognised when the customer obtains the control of the asset, which is on delivery of the asset. When delivery of goods is delayed at the buyers request, the customer specifically acknowledges the deferred delivery instructions and the usual payment terms apply; revenue is recognised when the customer takes title of the goods.

SaaS licences are recognised rateably over the life of the licence from the go live date.

For professional services provided on a fixed term basis, revenue is recognised on the stage of completion, which is based on the actual hours spent relative to the total expected hours to complete the project. Maintenance and warranty renewals are recognised rateably over the period of the contract.

When a contract consists of various components that operate independently of each other, the Company recognises revenue for each component as if it was an individual contract.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.6 Leases

**The Company as a lessee**

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;

The lease liability is included in 'Creditors' on the Balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are included in the 'Intangible Assets', 'Tangible Fixed Assets' and 'Investment Property' lines, as applicable, in the Balance sheet.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 2.12.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

2.7 Government grants

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

**2. Accounting policies (continued)**

**2.9 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.10 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.11 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**2.12 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

**2. Accounting policies (continued)**

**2.12 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	- 10% to 25%
Computer software	- 25% to 33%
Fixtures and fittings	- 10% to 25%
Computer equipment	- 25% to 33%
Right-of-use assets	- Life of lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.13 Stocks**

Stocks are stated at the lower of cost and estimate selling price less costs to complete and sell. Cost comprises direct materials.

**2.14 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.15 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.16 Creditors**

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

**2. Accounting policies (continued)**

**2.17 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

**2.18 Financial instruments**

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

**Financial assets**

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

**Financial liabilities**

**At amortised cost**

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

**2.19 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

# IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amount reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effects on amounts recognised in the financial statements

#### Revenue recognition

Management applies judgement for professional services projects with determining the stage of completion at any given time. This is determined based on the actual hours spent relative to the total expected hours to complete the project. The key judgement is therefore the expected total hours as this requires management to estimate the additional time required to complete the project.

IFRS 15 requires that the incremental costs of obtaining a contract, including sales commissions paid to employees, are recognised in line with the transfer of goods/services to the customers. For those relevant costs that are currently expenses as incurred, recognising these over the period that performance obligations are satisfied would not result in a material change to the financial results for the year.

#### Lease accounting

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lease would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar environment with similar terms, security and conditions.

The Company used incremental borrowing rates specific to each lease and the rate used is 4%.

### 4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Rendering of services	10,346,331	10,305,549
Sale of goods	171,863	219,049
	<u>10,518,194</u>	<u>10,524,598</u>

All turnover arose within the United Kingdom.

### 5. Other operating income

	2022 £	2021 £
Government grants receivable	-	47,025
	<u>-</u>	<u>47,025</u>

**IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**6. Operating profit**

The operating profit is stated after charging:

	<b>2022</b>	2021
	<b>£</b>	£
Depreciation of tangible fixed assets	<b>295,392</b>	317,642
Exchange differences	<b>(1,845)</b>	1,697
Defined contribution pension cost	<b>107,857</b>	107,702
Government grants	<b>-</b>	(47,025)
	<hr/>	<hr/>
	<b>-</b>	(47,025)

**7. Auditor's remuneration**

During the year, the Company obtained the following services from the Company's auditor:

	<b>2022</b>	2021
	<b>£</b>	£
Fees payable to the Company's auditor for the audit of the Company's financial statements	<b>18,700</b>	17,000
Fees payable to the Company's auditor for non-audit services	<b>5,775</b>	5,250
	<hr/>	<hr/>
	<b>24,475</b>	22,250

**8. Employees**

Staff costs, including directors' remuneration, were as follows:

	<b>2022</b>	2021
	<b>£</b>	£
Wages and salaries	<b>3,273,615</b>	3,042,717
Social security costs	<b>356,238</b>	337,745
Cost of defined contribution scheme	<b>107,857</b>	107,702
	<hr/>	<hr/>
	<b>3,737,710</b>	3,488,164

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2022</b>	2021
	<b>No.</b>	No.
Directors	<b>3</b>	3
Employees	<b>77</b>	75
	<hr/>	<hr/>
	<b>80</b>	78

IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	212,807	220,414
Company contributions to defined contribution pension schemes	6,450	6,250
	<u>219,257</u>	<u>226,664</u>

During the year retirement benefits were accruing to 1 director (2021 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £212,807 (2021 - £220,414).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £6,450 (2021 - £6,250).

10. Interest payable and similar expenses

	2022 £	2021 £
Bank interest payable	2,614	96
Interest on lease liabilities	6,474	8,177
Other interest payable	2,657	-
	<u>11,745</u>	<u>8,273</u>

11. Taxation

	2022 £	2021 £
<b>Corporation tax</b>		
Current tax on profits for the year	409,711	387,010
Adjustments in respect of previous periods	-	(99,914)
<b>Total current tax</b>	<u>409,711</u>	<u>287,096</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(17,484)	729
<b>Total deferred tax</b>	<u>(17,484)</u>	<u>729</u>
<b>Taxation on profit on ordinary activities</b>	<u>392,227</u>	<u>287,825</u>



IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	<u>2,103,994</u>	<u>2,002,884</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	399,759	380,548
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	5,270	967
Capital allowances for year in excess of depreciation	(8,606)	(1,874)
Adjustments to tax charge in respect of prior periods	-	(99,914)
Movement in deferred tax not recognised	-	(1,184)
Deferred tax expense relating to changes in tax rates or laws	(4,196)	9,282
Total tax charge for the year	<u>392,227</u>	<u>287,825</u>

Factors that may affect future tax charges

In the Spring Budget 2021, the Government announced that from 1 April 2023, the main corporation tax rate will increase to 25%. This change was substantively enacted on 24 May 2021. As a result the deferred tax liability has been calculated based on the substantively enacted rate of 25%.

12. Dividends

	2022 £	2021 £
Interim dividends paid	2,252,991	500,000
	<u>2,252,991</u>	<u>500,000</u>

IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Tangible fixed assets

	Short-term leasehold property £	Computer software £	Fixtures and fittings £	Computer equipment £	Right-of-use assets £	Total £
<b>Cost or valuation</b>						
At 1 January 2022	58,322	259,745	327,732	1,034,269	1,012,890	2,692,958
Additions	-	26,068	952	23,195	110,528	160,743
Disposals	-	-	-	(128,600)	-	(128,600)
		285,813				
At 31 December 2022	58,322		328,684	928,864	1,123,418	2,725,101
<b>Depreciation</b>						
At 1 January 2022	27,177	256,116	275,131	941,015	491,770	1,991,209
Charge for the year on owned assets	11,535	18,098	21,849	25,283	-	76,765
Charge for the year on right-of-use assets	-	-	-	-	218,627	218,627
Disposals	-	-	-	(90,548)	-	(90,548)
		274,214				
At 31 December 2022	38,712		296,980	875,750	710,397	2,196,053
<b>Net book value</b>						
At 31 December 2022	19,610	11,599	31,704	53,114	413,021	529,048
		3,629				
At 31 December 2021	31,145		52,601	93,254	521,120	701,749

The net book value of owned and leased assets included as "Tangible fixed assets" in the Balance sheet is as follows:

	2022 £	2021 £
Tangible fixed assets owned	116,027	180,629
Right-of-use tangible fixed assets	413,021	521,120
	529,048	701,749

**IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**13. Tangible fixed assets (continued)**

Information about right-of-use assets is summarised below:

**Net book value**

	<b>2022</b>	2021
	<b>£</b>	£
Property	<b>341,236</b>	430,414
Fixtures & fittings	<b>59,193</b>	85,418
Motor vehicles	<b>12,592</b>	3,607
Other tangible fixed assets	<b>-</b>	1,681
	<hr/> <b>413,021</b> <hr/>	<hr/> 521,120 <hr/>

**Depreciation charge for the year ended**

	<b>2022</b>	2021
	<b>£</b>	£
Property	<b>185,363</b>	184,343
Fixtures & fittings	<b>29,465</b>	23,463
Motor vehicles	<b>9,903</b>	10,001
Other tangible fixed assets	<b>-</b>	1,345
	<hr/> <b>218,627</b> <hr/>	<hr/> 219,152 <hr/>

**14. Stocks**

	<b>2022</b>	2021
	<b>£</b>	£
Finished goods and goods for resale	<b>47,120</b>	27,270
	<hr/> <b>47,120</b> <hr/>	<hr/> 27,270 <hr/>

IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

15. Debtors

	2022 £	2021 £
<b>Due after more than one year</b>		
Other debtors	14,277	-
	<u>14,277</u>	<u>-</u>
	2022 £	2021 £
<b>Due within one year</b>		
Trade debtors	1,553,628	1,926,215
Amounts owed by group undertakings	4,879,531	5,430,775
Other debtors	135,005	52,378
Prepayments and accrued income	522,031	941,738
	<u>7,090,195</u>	<u>8,351,106</u>

16. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	542,609	395,675
	<u>542,609</u>	<u>395,675</u>

17. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	472,114	473,961
Amounts owed to group undertakings	163,862	903,560
Corporation tax	315,444	489,484
Other taxation and social security	210,869	403,000
Lease liabilities	174,090	170,580
Other creditors	307,652	487,051
Accruals and deferred income	3,343,501	2,641,174
	<u>4,987,532</u>	<u>5,568,810</u>

**IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**18. Creditors: Amounts falling due after more than one year**

	2022 £	2021 £
Lease liabilities	246,233	358,798
	<u>246,233</u>	<u>358,798</u>

**19. Leases**

**Company as a lessee**

The company leases premises from which it operates.

Lease liabilities are due as follows:

	2022 £	2021 £
Not later than one year	174,090	170,580
Between one year and five years	246,233	358,798
	<u>420,323</u>	<u>529,378</u>

The following amounts in respect of leases, where the Company is a lessee, have been recognised in profit or loss:

	2022 £	2021 £
Interest expense on lease liabilities	<u>6,474</u>	<u>8,177</u>

IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

20. Financial instruments

	2022 £	2021 £
<b>Financial assets</b>		
Cash and cash equivalents	542,609	395,675
Financial assets measured at amortised cost	6,723,977	7,774,014
	<u>7,266,586</u>	<u>8,169,689</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(1,582,299)</u>	<u>(2,334,294)</u>

Financial assets measured at amortised cost comprise of trade receivables and other debtors.

Financial liabilities measured at amortised cost comprise of trade payables, accruals, lease liabilities and other creditors.

IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

21. Deferred taxation

	2022 £
At beginning of year	(38,676)
Charged to profit or loss	17,484
<b>At end of year</b>	<b>(21,192)</b>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(25,367)	(40,718)
Short term timing differences	4,175	2,042
	<b>(21,192)</b>	<b>(38,676)</b>

22. Share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
1,233,905 (2021 - 1,233,905) Ordinary shares shares of £1.00 each	<b>1,233,905</b>	<b>1,233,905</b>

23. Reserves

**Share premium account**

The share premium reserve is the consideration received for shares issued above their nominal value net of transactions costs.

**Capital redemption reserve**

The capital redemption reserve is for the buying back of shares.

**Profit and loss account**

The profit & loss account is a Company's accumulated profit/loss up the date of the balance sheet.

## IMPERIAL CIVIL ENFORCEMENT SOLUTIONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 24. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £107,767 (2021 - £107,702) . Contributions totalling £16,703 (2021 - £15,463) were payable to the fund at the balance sheet date and are included in creditors.

#### 25. Related party transactions

As permitted by FRS101 related party transactions with wholly owned members of Constellation Software Inc. have not been disclosed.

#### 26. Controlling party

The Company's immediate parent was Imperial Business Systems Limited, until 30 November 2022. After this date, there was a group reorganisation. The Company's immediate parent is now Trapeze Group (UK) Limited.

The ultimate parent is Constellation Software Inc., Incorporated in Canada.

The smallest and largest group in which the results of the Company are consolidated is that headed by Constellation Software Inc. The consolidated financial statements of this group are available to the public and may be obtained from [www.csisoftware.com/category/stat-filings](http://www.csisoftware.com/category/stat-filings).



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