NetCracker Technology EMEA Limited

Registered number: 02412849

Annual Report and Financial Statements

31 March 2023

Directors
Dennis R Bilodeau
Steven P Reed

Auditor
Gravita Audit II Limited
Chartered Accountants and Registered Auditors
66 Prescot street
London
E1 8NN

Bankers
National Westminster Bank
First Floor
Conqueror House, Vision Park
Chivers Way, Histon
Cambridge
CB4 9BY

Citibank
600 Citibank NA London branch
Global Subsidiaries Group
11F Citigroup Centre
25 Canada Square, Canary Wharf
London
E14 5LB

HSBC Bank plc
8 Canada Square
London
E04 01

HSBC Bank Oman SAOG
2nd floor,
Head Office Al Khuwair,
Sultanate of Oman

Registered Office
Building 2010
Cambourne Business Park
Cambourne
Cambridgeshire
CB23 6DW

Contents

Strategic report

Principal activity, review of the business and future developments

NetCracker Technology EMEA Ltd ("The Company") principal activities are marketing, development and support of billing and operational software together with associated services. The company's key financial and other performance indicators during the period were as follows:

	2023	*2022*	*Change*
	£'000	*£'000*	*%*
Turnover	264,311	167,052	58
Operating profit / (loss)	21,337	(10,228)	309
Profit / (Loss) after tax	17,848	(8,373)	313
Shareholders' funds	13,607	(4,241)	421
Current assets as % of current liabilities	113%	102%	11
Gross margin, %	11%	(3%)	14
Operating profit / (loss), %	8%	(6%)	14
Average number of employees	213	184	16

The company turnover showed continuing growth £97.3 million (58%) growth in 2023 in comparison with smaller growth in prior year (2022: £42.3 million or 34%). The Company successfully continued to develop new markets, entered into a number of new contracts which resulted in additional Turnover.

Costs attributable to the above turnover increased mainly in part of intercompany expense by £60.4 million to prior year (2022: £44 million). The noted cost is mainly associated with new projects taken as part of the company's expansion. The average number of employees increased by 16% to 213 in 2023, thus, increasing payroll costs.

The company had an increase in shareholders' funds of 421% due to above mentioned factors.

In terms of the major global situation related to the Russia/Ukraine crisis, the directors have taken all possible precautions to minimise the risks for employees, customers, and vendors. The company has assessed several scenarios, are taking reasonable precautions to maintain control over the situation in all the regions where the business operates to maintain the company's trading environment, and support business sustainability. The company's goal now is to provide sustainable growth for all the activity lines especially discovery of the new markets and increasing level of maintenance and support service for existing users.

Strategic report (continued)

Principal risks and uncertainties

Competitive risk

The company is reliant on contracts which are subject to periodic review and competitive tender. Renewal of these contracts is uncertain and based on financial and performance criteria.

Financial risk management policy

The Company's principal financial investments comprise of cash and inter-group loans. Other financial assets and liabilities arise directly from the company's operating activities.

The main risks associated with the company's financial assets and liabilities are set out below. The Company does not undertake any hedging activity locally. Significant financial risks from a NetCracker Corporation perspective are addressed on a case-by-case basis at group level.

Interest rate risk

The Company invests surplus cash in interest bearing bank accounts. The company's borrowings are from the parent undertaking. Interest is charged quarterly based on the inter-bank lending rate. As all interest is between group companies the directors do not feel a significant risk exists.

Price risk

The Company's main costs relate to wages and salaries therefore the directors do not feel there is any significant risk from increasing prices.

People risk

The company maintains appropriate technical staff competency level to comply with.contract obligations.

Credit risk

Company policies are aimed at minimising such losses and require that deferred terms are only granted to customers who demonstrate appropriate credit worthiness. The company's clients are mainly blue chip companies which the directors feel considerably reduces the risk of default.

Liquidity risk

The parent undertaking reduces the liquidity risk for the Company by providing flexibility over repayment and the availability of intercompany funding.

Foreign currency risk

A significant number of the Company's customer contracts are denominated in foreign currencies. At the end of the period the total trade debtors outstanding was £52 million of which £17.7 million was denominated in United States Dollars and £14 million was denominated in Euros (2022: £46.8 million of which £19.2 million was denominated in United States Dollars and £14.4 million was denominated in Euros). This may result in a foreign exchange gain or loss on settlement.

A devaluation of any of these currencies can have an effect on the company's foreign exchange expense, however, the Company still assesses the risk as mitigated since global Company currency basket is quite diversified, and all the United States Dollar liabilities can be managed by the parent company.

Strategic report (continued)

Streamlined Energy and Carbon Reporting

Our environmental performance information is presented in accordance with the Streamlined Energy and Carbon Reporting ("SECR") Guidance (March 2019), as specified under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. Data presented for the year ended 31 March 2023 and includes information on our most significant environmental aspects: energy and fuel consumption and associated greenhouse gas ("GHG") emissions.

Emission Scope Summary

Emission type	*Total Volume (kWh)*		*Calculated Emissions (tonnes of CO_2e)*	
	2023	*2022*	*2023*	*2022*
Scope 1 Emissions (direct) from activities owned or controlled by the company, there is no equipment owned which can produce material CO_2e	-	-	-	-
Scope 2 Emissions (indirect) associated with purchased electricity, occurs at sources which the Company does not have control over	123,882	-	24	-
Scope 3 Emissions (indirect other) occurs at sources which the Company do not have control over, but not in Scope 2. This generally includes business travel in rental cars or employee-owned vehicles	-	-	852	194

For the prior year, the Company had no direct electricity and gas consumption contracts during the year. For the current year, landlord has managed to allocate and share kWh spent by the Cambourne office. As for Scope 3 emissions, represented by travel, the global travel has increased after COVID restrictions were released.

Intensity metric provided to compare emissions data with the Company turnover.

	2023	*2022*
Total Scope 1 and Scope 2 emissions CO_2e(tonnes)	24	-
Turnover (£'000)	264,311	167,052
Intensity ratio (tonnes CO_2e per £'000 turnover)	0.00009	0.00000

Our GHG emissions calculations are undertaken in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, using UK Government GHG Conversion Factors for Company Reporting for calculations. Energy usage information has been obtained directly from the energy suppliers and meters data where available in suppliers' reports. Transport mileage consumption is reported in the company travel system.

There were no new energy efficiency actions performed within reporting year other than ones already in force, for instance optimization of employee travel and LED lamp usage.

Strategic report (continued)

Section 172(1)

Section 172(1) of the Companies Act 2006, updated in 2018, requires Directors to explain how they considered the interests of key stakeholders and the broader matters when performing their duty to encourage the Company's success.

The likely consequences of any decision in the long term

The Directors are mindful of the Company's responsibilities within the communications marketplace, especially considering the reliance placed upon the Company's customers and service providers amidst the pandemic. Rapid digitization is changing the status quo of today's communications markets. Constantly evolving customer needs and behaviours require service providers to adapt fast to deliver the outcomes their customers expect. Building digital ecosystems, anticipating customer needs and providing a digital-first customer experience is essential for service providers to accelerate innovation, diversify into new markets and become disruptors in the 5G era. Our innovative solutions, cutting-edge technology and value-driven services help service providers achieve their digital transformation goals and realize business growth and profitability.

The interests of the Company's employees

The Company's employees are its most significant resource needed to fulfil the Company's business engagements. Our dynamic environment creates an atmosphere for incredibly talented people to thrive and advance further and faster than anywhere else. Even on the large global scale that the Company operates on today, we maintain exceptionally high-performance standards for our employees. We are a merit-based organization providing an equal opportunity for every employee to advance because of their contributions. The Company's market-competitive compensation structure rewards our people for their contributions.

The need to foster the Company's business relationships with suppliers, customers and others

The Company is committed to conducting business with honesty and integrity across the entire organization. Our Code of Conduct contains principles to promote ethical business practices among suppliers and customers. All are expected to comply with applicable laws and regulations; conform to or exceed industry best practices. The Company is committed to operating responsibly and ethically and expects the same from its suppliers, customers, and all involved in the business chain. The stakeholder's voice is recognized through information provided by management and by direct engagement with stakeholders on an ongoing basis.

The impact of the company's operations on the community and the environment

The Company works to integrate economic, social and environmental considerations into our business practices and foster a culture of sustainability. Our approach ensures that our Corporate Social Responsibility programs are viable long-term and that we fulfill our social responsibility commitments well into the future. Our sustainability mandate includes the following:

- Ethical conduct, ethical standards and expectation-setting by leaders
- Adequate internal controls and transparent disclosure of strategic objectives and results facilitate accountability
- External and internal assurance
- Reducing the overall environmental impact of our domestic and international operations

Strategic report (continued)

We recognize that as a successful global company, we have a responsibility to give back to society and a mission to positively impact the communities around us. This goal is accomplished not only through the way we do business but also through our direct investment. By working collaboratively with our many customers, partners and employees around the globe, we consistently drive to further our Corporate Social Responsibility Initiative program.

The desirability of the Company to maintain a reputation for high standards of business conduct

In today's complex environment and ever-changing landscape of data privacy laws, you need to know that your selected vendors are not only focused on the quality of their services and solutions but also the security and integrity of your infrastructure and sensitive data.

Our operations, solutions and services are the foundation of trust with some of the largest organizations in the telecommunications industry. Our customers trust us because we focus on security, privacy, compliance and service quality.

The Company aims to meet the telecom industry's growing needs. We constantly monitor the marketplace for technology trends and relevant governance standards for security, privacy and data protection. In recognition of the Company's commitment to driving technological advancements, industry analyst firm GlobalData named Netcracker a leader in its competitive assessment of digital transformation platforms. Netcracker received recognition for its Netcracker Digital Platform, which targets multiple pain points for operators embracing cloud-native digital transformation initiatives. Additionally, the Company's Directors regularly review the business framework, including our delivery standards and Codes of Conduct, all of which contribute to maintaining high levels of business conduct.

The need to act reasonably between members of the Company

The Company seeks to provide equal opportunity employment and to ensure a workplace free of harassment, abuse, coercion, and other inhumane treatment of workers. Our global policies strictly prohibit discrimination against workers, under applicable federal, state, or local law, concerning race, colour, religion, national origin or ancestry, ethnicity, sex, or gender. Through our Code of Conduct, we strive to foster an active, dynamic, and engaging workplace for our employees.

By order of the Board
Dennis R Bilodeau Dennis R. Bilodeau
Director
Date: 8 September 2023

Directors' report

The directors present their Annual Report and the Company's financial statements for the year ended 31 March 2023.

Results and dividends

The profit for the year ended 31 March 2023, after taxation, amounted to £17.8 million (2022 loss: £8.4 million). The directors declared no dividends in the year (2022: nil).

Directors

The directors who held office during the year were as follows:

Michael Feinberg	resigned 1 April 2023
Andrew Feinberg	resigned 1 April 2023
Dennis Bilodeau	appointed 1 April 2023
Steven Reed	appointed 1 April 2023

Political and charitable contributions

The Company has not made any political or charitable donations or incurred any political expenditure during the period.

Creditor payment policy and practice

It is the Company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Company and its suppliers, provided that all trading terms and conditions have been complied with. At 31 March 2023, the Company had an average of 29 days (2022: 29 days) purchases outstanding in trade creditors.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and Gravita Audit II Limited will therefore continue in office.

By order of the Board
Dennis R Bilodeau

Director
Building 2010
Cambourne Business Park
Cambourne
Cambridgeshire
CB23 6DW

Date: 8 September 2023

Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the Financial Statements

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of NetCracker Technology EMEA Limited

Opinion

We have audited the financial statements of NetCracker Technology EMEA Limited (the 'company') for the year ended 31 March 2023 which comprise the profit and loss account, statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and 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 March 2023 and of its loss 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 UK, including the FRC'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

Independent auditor's report to the members of NetCracker Technology EMEA Limited (continued)

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

Auditor's responsibilities

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, to detect material misstatements in respect of

Independent auditor's report to the members of NetCracker Technology EMEA Limited (continued)

irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations. The laws and regulations applicable to the company were identified through discussions with directors and other management, and from our commercial knowledge and experience of marketing, development, and support of billing and operational software together with associated services. Of these laws and regulations, we focused on those that we considered may have a direct material effect on the financial statements or the operations of the company, including Money Laundering Regulations, Companies Act 2006, taxation legislation, data protection, anti-bribery, anti-money-laundering, employment, environmental and health and safety legislation. The extent of compliance with these laws and regulations identified above was assessed through making enquiries of management and inspecting legal correspondence. The identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of noncompliance throughout the audit.

We assessed the susceptibility of the company'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; and
- understanding the design of the company's remuneration policies.

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; and
- 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; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that 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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report to the members of NetCracker Technology EMEA Limited (continued)

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.

Gravita Audit II Limited

Daniel Howarth (Senior Statutory Auditor)

For and on behalf of Gravita Audit II Limited Date: 08/09/2023

Chartered Accountants

Statutory Auditor

66 Prescot Street
London
E1 8NN

Profit and Loss Account and Other Comprehensive Income

	Notes	2023 £'000	2022 £'000
Turnover	2	264,311	167,052
Cost of sales		(236,088)	(171,774)
Gross profit / (loss)		28,223	(4,722)
Sales and marketing expenses		(2,128)	(1,809)
Administrative expenses		(4,758)	(3,697)
Operating profit / (loss)	3	21,337	(10,228)
Interest receivable and similar income	6	478	126
Interest payable and similar expense	7	(220)	(304)
Income from shares in group undertakings	17	63	8
RDEC income / (reversal)	8	(675)	309
Other income		-	13
Profit / (Loss) before taxation		20,983	(10,076)
Tax (charge) / credit on profit / (loss) for the year	8	(3,135)	1,703
Profit / (Loss) for the financial year		17,848	(8,373)

All amounts relate to continuing activities.

There are no other items of comprehensive income other than those included in the above profit and loss account; accordingly profit for the financial year is also total comprehensive income for the year.

The notes on pages 18 to 34 form an integral part of these financial statements.

Statement of financial position

	Notes	2023 £'000	2022 £'000
Long term assets			
Fixed assets	9	5,296	4,892
Investments	10	2,040	2,040
		7,336	6,932
Current assets			
Contract assets	2	30,198	16,084
Debtors (including £15.3 million (2022: £17.8 million) due after more than one year)	11	79,605	72,441
Cash at bank and in hand		39,040	24,742
		148,843	113,267
Creditors: amounts falling due within one year			
Creditors	12	(96,211)	(84,425)
Contract liabilities	2	(35,415)	(26,958)
Provisions for liabilities	13	(25)	-
Net current assets / (liabilities)		17,192	1,884
Total assets less current liabilities		24,528	8,816
Creditors: amounts falling due after more than one year			
Loss contracts provision	13	(10,627)	(12,820)
Creditors	12	(152)	(70)
Provisions for liabilities	13	(142)	(167)
Net assets / (liabilities)		13,607	(4,241)
Capital and reserves			
Called up share capital	14	11	11
Profit and loss account		13,596	(4,252)
Shareholder's funds / (deficit)		13,607	(4,241)

The notes on pages 18 to 34 form an integral part of these financial statements.

These financial statements were approved by the board of directors on 08/09/23 and signed on its behalf by

Dennis R Bilodeau
Director
Company registered number 02412849
Date: 8 September 2023

Statement of Changes in Equity

	Share capital	*Profit and loss account*	*Share-holders' funds*
	£'000	*£'000*	*£'000*
Balance at 1 April 2021	11	4,121	4,132
Loss for the year	-	(8,373)	(8,373)
Balance at 31 March 2022	11	(4,252)	(4,241)
Profit for the year	-	17,848	17,848
Balance at 31 March 2023	11	13,596	13,607

The notes on pages 18 to 34 form an integral part of these financial statements

Notes (forming part of the financial statements)

as at and for the year ending 31 March 2023

1. Accounting policies

NetCracker Technology EMEA Ltd is a private company incorporated and domiciled in the UK. The registered number is 2412849 and the registered address is Building 2010, Cambourne business park, Cambourne, Cambridgeshire, CB23 6DW.

The Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework ("FRS 101").*

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards in conformity with the requirements of the Companies Act 2006, but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

Financial statements prepared in line with FRS 101 for all the years presented.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs.

The Company's ultimate parent undertaking, NEC Corporation, includes the Company in its consolidated financial statements. The consolidated financial statements of NEC Corporation are prepared in accordance with International Reporting Standards and are available to the public and may be obtained on their website http://www.nec.com.

As the consolidated financial statements of NEC Corporation include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company proposes to continue using the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing an opening FRS 101 IFRS balance sheet at 1 April 2015 for the purposes of the transition to FRS 101.

1.1 Changes in accounting policies

The Company has adopted following amendments issued by IASB as at 1 January 2023 which are mandatory for application from the annual period beginning on 1 January 2023, but do not have a material effect to the financial result and the financial position of the Company:

- Amendments to IAS 8 Definition of Accounting estimates;
- Amendments to IAS 1 Disclosure of Accounting policies;
- Amendments to IAS 12 Deferred tax related to assets and liabilities arising from a Single transaction.

Notes (continued)

as at and for the year ending 31 March 2023

1. Accounting policies (continued)

1.2 Basis of Preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

1.3 Going Concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably plausible but severe downsides, the company will have sufficient funds, through its trading and in downside cases, funding from its immediate parent company, NetCracker Technology Corporation, to meet its liabilities as they fall due for that period.

The Company has showed a strong performance for past year in all major metrics and achieved all its financial goals set by the parent company. We are seeing continued operating margin expansion stemming from our cutting-edge technology and solutions and expense strategy and operational efficiencies. This positions us to continue capturing the long-term potential for our businesses and markets and to deliver strong and sustained returns over time.

The company has assessed next 12 months results based on current customers portfolio and actual margin rates assuming possible downsides. The analysis gives the management a basis to treat company as a going concern.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.4 Fixed assets and depreciation

All fixed assets are initially recorded at cost.

Depreciation is provided on all fixed assets at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life as follows:

Leasehold property improvements	–	4 to 7 years straight line (or lease term if shorter)
Computer equipment	–	3 to 5 years straight line
Computer software	–	3 to 5 years straight line
Fixtures and fittings	–	4 to 6 years straight line

The carrying values of fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Notes (continued)

as at and for the year ending 31 March 2023

1. Accounting policies (continued)

1.5 Research and development

Expenditure on research activities is recognised in the profit and loss account as an expense incurred.

Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve a plan or design for the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the profit and loss account as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses.

1.6 Investments

Investments are stated at cost less any provision for impairment. The carrying values of investments are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

1.7 Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured under IFRS 9 at amortised cost using the effective interest method, less any impairment losses. The Company provision matrix is based on an entity's historical default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.

1.8 Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

1.9 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits.

1.10 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

1.11 Taxation

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes (continued)

as at and for the year ending 31 March 2023

1. Accounting policies (continued)

1.12 Revenue recognition policy

Revenue is measured based on the consideration specified in a contract with a customer, net of any sales discounts and excludes amounts collected on behalf of third parties. The Company recognises revenue when it satisfies a performance obligation by transferring control over a product or services to a customer.

Nature of goods and services

The Company delivers Operation Support system Solutions and Business Support System Solutions to a variety of customers, mainly in the telecom industry. The Company derives revenue by selling licenses, professional implementation services, training and consulting services, managed services and post contract support. Often the Company sells its products and services in the form of bundled contracts that contains multiple performance obligations.

For bundled contracts, the Company accounts for individual products and services as separate performance obligations if they are distinct. A product or service is distinct if it is separately identifiable from the other items in the bundled package and if a customer can benefit from it on its own or with other readily available resources to the customer. The transaction price is allocated between the separate products and services (including any material rights) in a bundle based on their observable or estimated selling prices in the absence of observable prices. The observable selling prices are determined based on the prices at which the Company sells its products or services. The estimated selling prices are determined based on the rate per cost unit measure the Company assessed as being typically used in contract pricing.

Often contracts include discounts, penalty liabilities, and variable fees, such as option to purchase additional subscribers or usage. Variable subscriber and usage-based fees for software licenses are recognised as revenue when customer's usage occurs. However, guaranteed minimums in these fees are treated as fixed consideration that are allocated to all of the performance obligations within a contract. The Company applies the series guidance to managed services contracts. When these stand-ready service performance obligations have variable consideration and are part of series, the Company allocates the variable consideration directly to each time increment within the series to which the variable consideration relates. For other variable items such as reimbursable travel expenses, the fee is estimated at the inception of the contract and recognised over the relevant period of performance based on the applicable revenue pattern.

The Company assesses if a contract includes a significant financing component. Generally, the Company does not offer significant financing components and as of 31 March 2023, there were no material significant components reported in the financial statements.

Once the transaction price is allocated amongst the performance obligations, revenue can be recognised based on the nature of control transfer (either over time or at a point in time).

When performance obligation satisfies criteria for over time recognition, the revenue is recognised as services are rendered using labour hour or cost input measure in the most cases.

The Company recognises losses, if any, on fixed price contracts when the amount of loss is determined.

Long-term contracts, those contracts in excess of one year in duration, are accounted for using the percent complete method. The amount of revenue recognised being the same proportion of total contract revenue as the proportion of cost incurred at the balance sheet date to the total expected contract cost. Where a loss is anticipated on a project the total expected loss is recorded when it is forecast.

Notes (continued)

as at and for the year ending 31 March 2023

1. Accounting policies (continued)

1.13 Expenses

Interest receivable, Interest payable and Dividend income

Interest payable and similar expenses include interest payable, finance expense on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward exchange contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or if appropriate at the forward contract rate. All differences are taken to the profit and loss account. Foreign currency gains and losses are reported on a net basis.

Pensions

The Company contributes into a number of money purchase pension schemes. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

1.14 Leases

The Company has applied IFRS 16 using the modified retrospective approach since 1 April 2019.

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

As a lessee

The Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price and the aggregate stand-alone price of the non-lease components.

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

Notes (continued)

as at and for the year ending 31 March 2023

1. Accounting policies (continued)

1.14 Leases (continued)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Company is reasonably certain to exercise,
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and
- penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, to the extent that the right-of-use asset is reduced to nil, with any further adjustment required from the remeasurement being recorded in profit or loss.

The Company presents right-of-use assets that do not meet the definition of investment property in tangible fixed assets' and lease liabilities in 'creditors' in the statement of financial position.

Short-term leases and leases of low-value assets

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

As a lessor

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract applying IFRS 15. When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

Notes (continued)

as at and for the year ending 31 March 2023

1. Accounting policies (continued)

1.14 Leases (continued)

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other revenue.

1.15 Cash flow statement

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of Cash Flow Statement and related notes. A group cash flow statement is included in the financial statements of NEC, the ultimate parent company as at 31 March 2023.

1.16 Related party disclosures

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of disclosures in respect of transactions with subsidiaries that were wholly owned by the NEC Corporation, the ultimate parent company as at 31 March 2023.

2. Turnover

Disaggregation of revenue

Turnover, which is stated net of value added tax, is attributable to the development and support of billing software together with associated services.

An analysis of turnover by geographical market is given below:

	2023	*2022*
	£'000	*£'000*
Other European countries	85,071	75,280
United Kingdom	97,139	54,460
Middle East	79,917	27,485
Latin America	2,135	9,635
Asia Pacific	49	170
Africa	-	22
	264,311	167,052

Total revenue of £6.5 million were derived from trade with other group entities (2022: £9.8 million).

Notes (continued)

as at and for the year ending 31 March 2023

2. Turnover (continued)

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	2023	*2022*
	£'000	*£'000*
Receivables	51,721	46,101
Contract assets	30,198	16,084
Contract liabilities	(35,415)	(26,958)

There was no significant revenue recognised in the current period that related to performance obligations that were satisfied in prior year.

Contract costs

The Company has the following assets at the reporting date in relation to contract costs:

	2023	*2022*
	£'000	*£'000*
Costs to obtain contracts with customers	767	634

Contract costs are amortised during the solution lifetime which was estimated as 5 years term based on the accounting policy. In current period, the amount of amortisation was £343k (2022: £440k) and no impairment losses were booked.

3. Operating profit

Operating loss is stated after charging / (crediting):	*2023*	*2022*
	£'000	*£'000*
Auditor's remuneration – audit of these financial statements	127	121
Depreciation	2,611	1,923
Foreign exchange (gains) / losses	676	1,481

4. Directors' emoluments

None of the directors were remunerated primarily for their services to the Company, and it is not possible to determine the proportion of remuneration which relates to this company. The directors are employed by NetCracker Technology Corporation, the parent company, and the emoluments are paid by parent company. The directors do not believe that it is practicable to apportion the remuneration between qualifying services as director of the company and services as director of fellow subsidiary undertakings. However, management does not deem the time spent on this to be material.

No retirement benefits have been accrued to any of the directors (2022: £nil) under the group defined benefit pension scheme.

Notes (continued)

as at and for the year ending 31 March 2023

5. Staff costs

The average number of persons employed by the Company during the year, analysed by category, was as follows:

	2023	*2022*
	No.	*No.*
General and administrative staff	10	9
Technical staff	195	168
Sales and marketing staff	8	7
	213	184

The aggregate payroll costs of these persons were as follows:

	2023	*2022*
	£'000	*£'000*
Wages and salaries	18,057	13,692
Social security costs	2,818	2,054
Pension costs (note 15)	763	748
	21,638	16,494

6. Interest receivable and similar income

	2023	*2022*
	£'000	*£'000*
Intercompany loan interest	269	125
Bank interest	209	1
	478	126

7. Interest payable and similar expense

	2023	*2022*
	£'000	*£'000*
Intercompany loan interest	210	294
Interest expense on lease liabilities (note 16)	10	10
	220	304

Notes (continued)

as at and for the year ending 31 March 2023

8. Tax

Tax on profit on ordinary activities

The tax charge is made up as follows:

	2023	*2022*
	£'000	*£'000*
UK corporation tax:		
Current tax on income for the year	3,866	-
Double taxation relief	(1,931)	-
Loss usage	(1,935)	-
	-	-
Foreign tax:		
Withholding tax written-off	595	1,095
Total current tax charge	595	1,095
Deferred tax credit for the year	2,668	(3,714)
Deferred tax credit in respect of prior year	(128)	916
Tax charge / (credit) on profit / (loss) on ordinary activities	3,135	(1,703)

Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period differs from the standard rate of corporation tax in the UK of 19.0% (2022: 19.0%). The differences are reconciled below:

	2023	*2022*
	£'000	*£'000*
Profit / (Loss) on ordinary activities before tax	20,984	(10,076)
Profit / (Loss) on ordinary activities multiplied by standard rate of Corporation tax in the UK of 19% (2022: 19.0%)	3,987	(1,914)
Permanent differences	173	22
Capital allowances and accounting depreciation	(294)	(515)
Withholding tax written-off and used as double taxation relief	(1,336)	1,095
Loss usage to offset current year profit	(1,935)	-
Deferred tax loss usage to offset current year profits	2,542	-
Deferred tax bad debt adjustment	-	7
Deferred tax FA adjustment	126	446
Deferred tax adjustment in respect of prior periods	(128)	916
Deferred tax adjustment to average rate 25% (2022: 25%)	-	(1,760)
Total current tax charge / (credit)	3,135	(1,703)

Notes (continued)

as at and for the year ending 31 March 2023

8. Tax (continued)

Deferred taxation

Deferred taxation assets provided in the accounts and the amounts not provided are as follows:

	Provided		*Not provided*	
	2023	*2022*	*2023*	*2022*
	£'000	*£'000*	*£'000*	*£'000*
Difference between accumulated depreciation and amortisation and capital allowances	296	170	-	-
Tax losses	(5,195)	(7,328)	-	-
Deferred R&D relief	(370)	(499)	-	-
Foreign tax	(9,501)	(4,105)	-	-
	(14,770)	(11,762)	-	-

At the Spring Budget 2021, the government announced that the Corporation Tax main rate would increase to 25% from 1 April 2024. The deferred tax asset at 31 March 2023 was held based on the rate of 25% that was substantively enacted at the balance sheet date.

The movement in the provided deferred tax asset in the year is as follows

	£'000
At 1 April 2022	(11,762)
Amount credited to profit and loss account	2,540
Withholding tax paid to customers	(1,975)
Foreign taxes paid outside UK	(3,701)
R&D claim deferral reversed	128
At 31 March 2023	(14,770)

Notes (continued)

as at and for the year ending 31 March 2023

9. Fixed assets

	Land and building	*Short term leasehold property improvements*	*Computer equipment and software*	*Fixtures and fittings*	*Total*
	£'000	*£'000*	*£'000*	*£'000*	*£'000*
Cost					
At 1 April 2022	1,134	113	8,619	5	9,871
Additions	419	-	2,646	-	3,065
Disposals	(8)	-	(307)	-	(315)
At 31 March 2023	1,545	113	10,958	5	12,621
Depreciation					
At 1 April 2022	860	89	4,025	5	4,979
Charge for the year	255	12	2,344	-	2,611
Disposals	-	-	(265)	-	(265)
At 31 March 2023	1,115	101	6,104	5	7,325
Net book value					
At 1 April 2022	274	24	4,594	-	4,892
At 31 March 2023	430	12	4,854	-	5,296

10. Investments

	Associate undertakings	*Subsidiary undertakings*	*Total*
	£'000	*£'000*	*£'000*
Cost and net book value:			
At 1 April 2022	2,034	6	2,040
At 31 March 2023	2,034	6	2,040

Notes (continued)

as at and for the year ending 31 March 2023

10. Investments (continued)

Details of the investments in which the Company holds 20% or more of the nominal value of any class of share capital are:

Subsidiary undertakings	*Country of incorporation*	*Principal activity*	*Class and percentage of shares held*
NetCracker Technology Egypt LLC, Building No.4, 3th floor, Arkan Plaza, Plot No. 311 Elsheikh Zayed, Rd. 6th, Giza, Egypt	Egypt	Sales and marketing of billing software	99% owned (495 ordinary shares at EGP 100 per share)

Associated undertakings	*Country of incorporation*	*Principal activity*	*Class and percentage of shares held*
NetCracker Technology Solutions Ltd, 2 Ha'Tidhar St. Raanana, Israel, 4366504	Israel	Sales and marketing of billing software	30% owned (1,484,020 shares at a nominal value of £0.0005 per share)
Coraltree Systems Deutschland GmbH, Marie-Curie-Str. 11-17, 53757, Sankt Augustin, Germany	Germany	Sales and marketing of billing software	25% owned (1,000 EUR from 4,000 EUR capital)

11. Debtors

	2023	*2022*
	£'000	*£'000*
Trade debtors	51,721	46,101
Amounts owed from group undertakings repayable on demand	7,978	6,023
Prepayments	3,582	7,423
Corporation tax receivable	137	699
VAT prepaid	1,417	433
Deferred tax assets	14,770	11,762
	79,605	72,441
Due within one year	64,327	54,670
Due after more than one year	15,278	17,771

Notes (continued)

as at and for the year ending 31 March 2023

12. Creditors

	2023	*2022*
	£'000	*£'000*
Amounts owed to group undertakings repayable on demand	77,167	75,650
VAT payable	7,948	1,688
Accruals	4,779	3,110
Corporate tax creditor	3,243	1,222
Trade creditors	1,721	1,513
Other taxes and social security costs	1,096	1,056
Lease liabilities	401	251
Other creditors	8	5
	96,363	84,495
Due within one year	96,211	84,425
Due after more than one year	152	70

13. Provisions for liabilities

	Dilapidations provision	*Loss contract provision*	*Total*
	£'000	*£'000*	*£'000*
At 1 April 2022	167	12,820	12,987
Utilised during the period	-	(2,193)	(2,193)
Accrued during the period	-	-	-
At 31 March 2023	167	10,627	10,794
Due within one year	25	-	25
Due after more than one year	142	10,627	10,769

The dilapidations provision is an accrual for Edinburgh, Fareham offices, and subleased part of Building 2010 in Cambourne. Loss contract provision has been accrued for customer contracts where loss was previously forecasted.

Notes (continued)

as at and for the year ending 31 March 2023

14. Share capital

		2023 £'000	2022 £'000
Authorised:			
32,000,000	Ordinary shares at 0.05p each	16	16

	2023 £'000	2022 £'000
Allotted, called up and fully paid:		
21,314,476 Ordinary shares at 0.05p each	11	11
	11	11

15. Pension commitments

The Company contributes into a number of money purchase schemes. The pension cost charge for the period represents contributions payable by the Company into the various plans and amounted to £763,000 (2022: £748,000).

There were outstanding contributions in amount of £107,000 (2022: £107,000) at the end of the financial period which have been settled in April 2023.

16. Leases

a) Leases as a lessee

Right-of-use assets

Right-of-use assets related to lease properties that do not meet the definition of investment properties are presented as property, plant and equipment (see note 9):

	Land and buildings 2023 £'000
Balance at 01 April 2022	274
Additions to right-of-use assets	419
Disposals during the year	(8)
Depreciation charge for the year	(255)
	430

Amounts recognised in profit or loss

The following amounts have been recognised in profit or loss for which the Company is a lessee:

Leases under IFRS 16	2023 £000	2022 £000
Interest expense on lease liabilities	10	10
Expenses relating to leases of low-value assets accounted, excluding short-term leases of low-value assets	2	1

Notes (continued)

as at and for the year ending 31 March 2023

16. Leases (continued)

Amounts recognised in statement of cash flows

	2023	*2022*
	£'000	*£'000*
Total cash outflow for leases	(272)	(280)

17. Related parties

Transactions with key management personnel

There are no transactions with key management personnel and their immediate relatives during the year.

Other related party transactions

	Sales to		*Expenses incurred from*	
	2023	*2022*	*2023*	*2022*
	£'000	*£'000*	*£'000*	*£'000*
Parent	-	-	66,762	46,409
Subsidiaries	-	-	656	640
Associates	-	-	7,674	4,678
Other related parties	6,491	9,848	135,368	94,020
	6,491	9,848	210,460	145,747

	Receivables outstanding		*Creditors outstanding*	
	2023	*2022*	*2023*	*2022*
	£'000	*£'000*	*£'000*	*£'000*
Parent	-	-	6,881	19,396
Subsidiaries	93	71	-	-
Associates	-	-	10,529	8,851
Other related parties	7,885	5,952	59,757	47,403
	7,978	6,023	77,167	75,650

The Company has received dividend from Coraltree Systems Deutschland GmbH in amount of £63,000 (2022: £8,000).

The Company also has cash accounts with NEC Capital (UK) Plc in amount of £86,000 (2022: £27,000).

Notes (continued)

as at and for the year ending 31 March 2023

18. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking at 31 March 2023 was NetCracker Technology Corporation, a company incorporated in the United States of America, registered address University Office Park III, 95 Sawyer Road, Waltham, MA 02453. The Company's ultimate parent undertaking and controlling party as at 31 March 2023 was NEC Corporation, a company incorporated in Japan. Financial statements of NEC Corporation, listed on Tokyo Stock Exchange, registered office, 7-1, Shiba 5-chome, Minato-ku, Tokyo 108-8001, Japan, are available from its website www.nec.com.