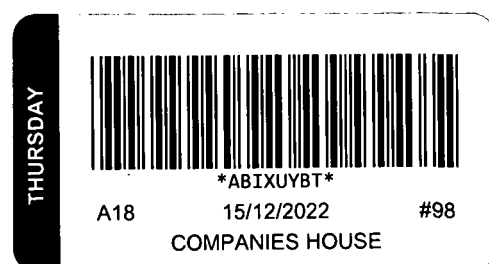


Company registration number: 02521249

ULTIMA BUSINESS SOLUTIONS LIMITED

Annual Report and Financial Statements

For the year ended 31 March 2022



ULTIMA BUSINESS SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	T Ashmore P Dodds T Green V Krishna M S McNeill
Registered number	02521249
Registered office	Gainsborough House Manor Farm Road Reading Berkshire RG2 0NA
Independent auditor	Crowe U.K. LLP Aquis House 49-51 Blagrove Street Reading Berkshire RG1 1PL

ULTIMA BUSINESS SOLUTIONS LIMITED

CONTENTS

Strategic report.....	4
Directors' report.....	10
Independent auditor's report	12
Statement of comprehensive income.....	16
Balance sheet	17
Statement of changes in equity.....	18
Notes to the financial statements	19

ULTIMA BUSINESS SOLUTIONS LIMITED

STRATEGIC REPORT For the year ended 31 March 2022

Principal Activities

Ultima Business Solutions Limited ('Ultima') is a market leading technology services company providing cloud, digital and security managed services. The business offers full-service consultancy, technology, management, and support for the entire hybrid IT infrastructure, addressing the requirements of businesses and their employees across their security requirements and workspace management, including devices and applications, and connecting securely to private, hybrid and public cloud.

Ultima's key objective is always to attain the highest levels of customer satisfaction with our services. We secure our customers' revenue and reputation around the clock. Ultima also provides IT infrastructure products and software licencing.

Business review

Turnover for the Company was £107.8m for the year (2021: £103.8m). The Company is transitioning to a specialised managed services model providing managed support across security, cloud and digital workspace. This changes the business model from a professional services business with vendor capabilities to a recurring revenue model of both services and attached subscriptions. Ultima has successfully continued to grow revenue through this transformation. Gross Profit year on year has eroded due to significant investment in technical resource within Managed Services. This is part of the long term plan of the business and its strategic objective to build a recurring revenue portfolio.

During FY22, the increase in demand for hybrid cloud services enabled Ultima to further strengthen its delivery of secure managed services, automation platforms, consultancy services and lifecycle services.

To enable this process of continuous improvement, we continue to develop our own software IP to manage the infrastructure autonomously. Over the past year we have continued to develop unique software automation products that are now in market:-

- **IA-Connect** is a unique patented software product to enable RPA automation across remote sessions like Citrix and Microsoft RDS, eliminating the need for image-based automation, or screen-scraping. Recently released integration with Microsoft Power Automate enables customers to access advanced automation techniques and features to automate on-premises bespoke and legacy systems seamlessly. IA Connect is a key component of Managed Workspace
- **IA Cloud** is an automated Cloud Management Platform which helps organisations to migrate to the cloud, and then applies automation to simplify BAU management, monitoring, security and optimisation of the cloud environment. IA Cloud underpins the Managed Cloud solution for Ultima.

STRATEGIC REPORT (continued)
For the year ended 31 March 2022

Business review (continued)

Known as a next generation MSP (managed service provider) for the always on world, Ultima is renowned in the industry for protecting our clients revenue and reputation 24X7. We were a finalist for Sustainability Project of the Year at the CRN Tech Impact Awards 2022. Key partners have also highlighted our strategic importance to them with Citrix naming us as the first ever UK Platinum Plus Partner. With 14 Gold competencies, 3 Advanced Specialisations and 67 certified Technical Consultants holding a combined 155 Microsoft certifications across Azure, Modern Workplace and traditional Microsoft infrastructure technologies Microsoft have recognised us as a Gold Partner for over 25 years.

Principal risks and uncertainties

This section features some of the principal risks and uncertainties affecting Ultima. The list is not deemed to be exhaustive but does cover those considered to be key at the present time. The Operational Board is responsible for identifying, evaluating, responding to and monitoring the risks within the business.

Employee retention and recruitment

Ultima prides itself on being a people-centred business. The development and wellbeing of employees is of paramount importance to the Company. Ultima is very aware that employees' development and satisfaction is inextricably linked to the quality of pre and post sales services provided to its customers. Employees are rewarded for exceptional performance and Ultima's Operational Board continually strives to maximise staff retention to ensure consistency in its service delivery.

Profitable growth within the competitive marketplace

The IT market is constantly evolving and there is significant pressure on margins. Ultima offers a wide portfolio of complementary technical services and, as a result, is not dependent on any single product lines. One of the primary responsibilities of the PreSales Technical Team at Ultima is to assess new technologies so the Company can respond quickly and efficiently to changing customer needs.

Dependence on specific customers or industry sectors

No one customer accounts for more than 5% of Ultima's total revenue and no one industry sector accounts for more than 10% of total revenue. As such, Ultima is resilient to market and customer fluctuations and changes in buying patterns.

ULTIMA BUSINESS SOLUTIONS LIMITED

STRATEGIC REPORT (continued) For the year ended 31 March 2022

Financial key performance indicators

Ultima measures its performance using three main financial KPIs and these are reported to and reviewed by the Operational Board at monthly meetings:

- Adjusted (before exceptional costs) EBITDA for the year was £3.3m (2021 restated: £5.6m) – see below;
- The Company had a cash balance at year end of £8.1m (2021: £0.5m);
- % of Recurring Revenue of Total Revenue was 29% (21% in 2021).

The year was one of significant investment for Ultima in transforming the sales function. Focus has been on building both a technical sales team and managed services team to underpin future growth and deliver the Ultima strategy. Due to the length of the managed services sales cycle the return on this investment was, and remains, expected to be seen from 22/23 onwards.

Other key performance indicators

Ultima also uses non-financial KPIs to assess its performance:

- Managed Service Customer retention. Changes in revenue and profitability are tracked at sector and customer levels.
- Employee retention, diversity and attraction. Ultima maintains a high level of staff retention which compares very favourably to the industry average. The Company works hard to attract and retain staff at all levels and endeavours to promote the high performers internally.
- Customer Satisfaction: Customers are surveyed to garner feedback and monitor Net Promotor Scores. Feedback is analysed and where applicable, the knowledge base, processes and systems are updated to improve the quality and efficiency of our services. Net Promotor Scores are reported weekly.

Financial risk management

The company and group use a variety of financial instruments including senior debt facility, and acquisition facility and cash management. The main purposes of these financial instruments is to provide working capital for the company's operations. The main risks arising from these are:

Interest rate risk – The key exposure here relates to Interest Payments on the Senior Debt. The company is reviewing opportunities to hedge interest rate risk given the current economic conditions.

Credit risk– All customers are verified and credit assessed at the outset of any business relationship and are regularly credit checked thereafter. Outstanding invoices are constantly monitored to ensure that customers pay to terms. Ultima has an excellent track record in avoiding significant bad debts write offs.

Forex risk– Some customers prefer US\$ or Euro billing on specific transactions. Where this is the case, suppliers are also requested to bill in the same currency to limit risk.

Employee involvement

Ultima operates a flat management structure allowing all employees to have quick and easy access to members of the Operational Board. Each operational team has regular meetings to facilitate a two way communication flow and to discuss relevant corporate matters. A number of cross functional teams across Ultima exist where employees drive business outcomes through focused projects.

STRATEGIC REPORT (continued)
For the year ended 31 March 2022

Diversity, Equality, and Inclusion Policy

Ultima is committed to providing equal opportunities in employment and opposes all forms of unlawful discrimination. The Company believes that individuals should be treated on their own merits and that employment related decisions should be based on an objective criterion. Ultima's Diversity, Equality and Inclusion Policy always applies, from advertising job vacancies to appointing new or internal individuals, recruitment in general, remuneration, benefits, promotion, training, disciplinary, performance improvement, redundancy procedures and of course all other aspects of the employee's lifecycle.

All applications internally and externally for employment are always fully considered, including anyone that may declare they have a disability. Ultima is a level 2 Disability confident employer and is passionate about making sure we fully understand any adjustments that may need to be made to enable an individual with a disability to fulfil their role safely and consistently when appointed for a role at Ultima. In the unfortunate event of any employee becoming disabled during our employment, we explore every avenue for the individual to ensure their employment with the company continues and the appropriate training or adaptations is made at the earliest convenience.

It is the policy of the company that the training, career development and promotion of a disabled person should be identical to a non-disabled person to ensure no individual is treated unfairly.

Directors' statement of compliance with duty to promote the success of the company

The board of directors of Ultima consider both individually and together that they have acted in the way they consider in good faith would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in S172(a-f) of the Act) in the decisions taken during the year ended 31 March 2022. The Board has remained consistent in their approach to stakeholder engagement and acknowledging the need to maintain high standards of business conduct. During the decision-making process the Board continues to have regard for the impact of their decisions on the Company's stakeholders as required, taking into account the likely consequence of any decision in the long term. The Board takes their responsibility to understand the views of those stakeholders seriously and strives to build productive business relationships with them. During 2021/2022, Ultima has engaged significantly with our stakeholders throughout the year and will look to continue to do so in 2022/2023.

Our People

Directors receive information on various people metrics. The directors are committed to promoting a healthy workforce comprising both physical and mental wellbeing. The directors keep people informed of key issues through structured communication channels, promote inclusion in the workplace and also provide training and development opportunities where they are considered of benefit to the company and employees. Using the Company's recruitment and development strategies, the directors seek to attract and retain talented staff.

The Company's policy regarding disabled persons is set out in the Diversity, Equity and Inclusion Policy paragraph as well as further detail regarding communication in the Employee involvement paragraph.

Business Relationships

The directors commit considerable time, effort and resources into understanding and responding to the needs of our customers and suppliers with a view to fostering long term mutually beneficial partnerships. We act to service our customer's needs to the highest standards and work quickly to resolve any isolated disagreements that may arise from time to time. The Company seeks to pay all suppliers any undisputed amounts due and that conform with the Company's billing requirements within agreed terms.

STRATEGIC REPORT (continued)
For the year ended 31 March 2022

Community and Environment

The Company takes its role within the community very seriously and promotes and encourages community and charitable contribution. The Company also recognises the importance of its environmental responsibilities and has measures in place to monitor and control its impact on the local environment and its compliance with any regulatory environmental standards.

Energy efficiency actions

We recognise that climate change is one of the most serious environmental challenges currently threatening the global community and understand we have a role to play in reducing greenhouse gas emissions. We are committed to responsible energy management and practice energy efficiency throughout our organisation wherever possible.

As part of our commitment to energy efficiency we have adopted a cloud first approach to our information technology systems and have ensured that we work with vendors who share our environmental targets and who are also committed to the use of renewable energy sources. We recognise our role as technology leaders and also work with our customers to support them in their journeys to the cloud as well as optimising their usage (using Ultima's IA-Cloud) not only for cost optimisation but also reduced energy consumption. Our cloud first approach also supports our hybrid working policy which has enabled us to reduce office space and has led to a reduction in travel to customer sites and a reduction in commuting to and from our offices.

Statement of carbon emissions compliant with UK legislation set out in the Streamlined Energy and Carbon Reporting (SECR).

Covering energy use and associated greenhouse gas emissions relating to gas, electricity and transport, intensity ratios and energy efficiency actions.

The Carbon intensity ratio is higher in the year, due to the resumption, post COVID lockdowns, of employee commuting and travel to clients.

	This reporting period (Apr 2021 – Mar 2022)	Prior reporting period (Apr 2020 – Mar 2021)
Total electricity use	652,251 kWh	696,299 kWh
Total gas use	46,121 kWh	48,527 kWh
Total transport fuel	190,730 kWh	105,781 kWh
Total energy use (all sources)	889,102 kWh	850,607 kWh
Total carbon emissions (electricity)	190 tCO ₂ e	162 tCO ₂ e
Total carbon emissions (gas)	10 tCO ₂ e	9 tCO ₂ e
Total carbon emissions (transport fuel)	55 tCO ₂ e	30 tCO ₂ e
Total carbon emissions	255 tCO ₂ e	201 tCO ₂ e
Total estate	49,996 sqft	49,996 sqft
Carbon intensity ratio	5.1 kgCO ₂ e per sqft	3.43 kgCO ₂ e per sqft

STRATEGIC REPORT (continued)
For the year ended 31 March 2022

The Future

Our strategy continues to be developed around the four key pillars below.


Ultima enables business transformation and delivers the next gen managed service by:

1. Designing and delivering modern infrastructure platforms for hybrid clouds
2. Managing, monitoring, and securing modern infrastructure platforms for hybrid clouds
3. Developing software IP to support infrastructure platform innovation in hybrid clouds
4. Blending all the above with the most skilled and accredited professional services expertise in the industry

The impact of the volatile economic world demonstrates the need for all businesses to have flexible, secure, and easily managed infrastructure solutions to keep them operating in the most challenging environments.

We believe that the future of technology infrastructure, in the workspace and in the cloud, will be driven by automation enabled managed services and we will continue to develop innovative software and services solutions to enable our clients to improve productivity, innovation, and growth. With the backing of our investors, Apse Capital, we will look to build the business organically, supported by strategic acquisitions to support the growth strategy.

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



V Krishna
Director

14 December 2022

ULTIMA BUSINESS SOLUTIONS LIMITED

DIRECTORS' REPORT

For the year ended 31 March 2022

The directors present their report and the financial statements for the year ended 31 March 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgments and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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

The profit for the year, after taxation, amounted to £1,512,000 (2021: £3,023,000).

No dividends were paid in the year (2021: £5,000,000).

Directors

The directors who served during the year were:

T Ashmore
P Dodds
T Green
V Krishna
M S McNeill

ULTIMA BUSINESS SOLUTIONS LIMITED

DIRECTORS' REPORT (continued) For the year ended 31 March 2022

Disclosure of information to auditor

Each of the persons who are directors at the time when this Director's 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.

Going Concern

On 19 July 2021, the Company's parent refinanced its bank facilities. The previous term loan of £10.8m and invoice discounting facility were replaced with an interest only term loan of £20m repayable on 16 July 2027.

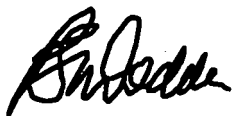
The company has cash resources and no further requirement for external funding in excess of current facilities. After reviewing forecasts and cashflows carefully the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

In making their assessment the directors have considered the impact on the business and wider group of economic conditions including the ability of the company to continue to service customers, the impact on future revenues and cash collections and the financial position of the wider group. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



P Dodds
Director

14 December 2022

ULTIMA BUSINESS SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ULTIMA BUSINESS SOLUTIONS LIMITED

Opinion

We have audited the financial statements of Ultima Business Solutions Limited for the year ended 31 March 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 2022 and of the company's 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 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.

ULTIMA BUSINESS SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ULTIMA BUSINESS SOLUTIONS LIMITED (continued)

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements. 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.

Opinion on other matter 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 strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's 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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's 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 10, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ULTIMA BUSINESS 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.

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

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risks of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and revenue recognition. Our audit procedures to respond to management override risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases. Our audit procedures to respond to revenue recognition risks included sample testing a sample of income across the year and accrued and deferred income as at year end to agree to supporting documentation, and reviewing income received either side of the year end to ensure this has been recognised correctly.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.


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

ULTIMA BUSINESS SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ULTIMA BUSINESS SOLUTIONS 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.



Christine Dobson
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL

Date 14 December 2022

ULTIMA BUSINESS SOLUTIONS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2022

	Note	2022 £'000	2021 (restated) £'000
Turnover	4	107,810	103,774
Cost of sales		<u>(90,332)</u>	<u>(85,740)</u>
Gross profit		17,478	18,034
Distribution costs		(8,567)	(7,718)
Administrative expenses		(6,876)	(5,596)
Exceptional administrative expenses	11	(447)	(1,433)
Other operating income	5	<u>-</u>	<u>196</u>
Operating profit	5	1,588	3,483
Interest receivable and similar income	9	<u>-</u>	<u>5</u>
Profit before tax		1,588	3,488
Tax on profit	10	<u>(76)</u>	<u>(465)</u>
Profit for the financial year		<u>1,512</u>	<u>3,023</u>

There was no other comprehensive income in the year or the previous year.

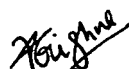
The notes starting on page 19 form part of these financial statements.

ULTIMA BUSINESS SOLUTIONS LIMITED

BALANCE SHEET As at 31 March 2022

	Notes	2022 £'000	2021 (restated) £'000
Fixed assets			
Intangible assets	12	2,297	2,081
Tangible assets	13	<u>1,734</u>	<u>1,684</u>
		4,031	3,765
Current assets			
Stocks	14	-	314
Debtors: Amounts falling due within one year	15	31,246	29,085
Cash at bank and in hand	16	<u>8,070</u>	<u>532</u>
		39,316	29,931
Creditors: amounts falling due within one year	17	<u>(34,912)</u>	<u>(26,795)</u>
Net current assets		<u>4,404</u>	<u>3,136</u>
Total assets less current liabilities		8,435	6,901
Provisions for liabilities			
Deferred tax	19	<u>(22)</u>	<u>-</u>
Net assets		<u>8,413</u>	<u>6,901</u>
Capital and reserves			
Called up share capital	20	107	107
Share premium account	20	334	334
Profit and loss account	20	<u>7,972</u>	<u>6,460</u>
		<u>8,413</u>	<u>6,901</u>

The financial statements Ultima Business Solutions Limited, registered number 02521249 were approved and authorised for issue by the board and were signed on its behalf by:



V Krishna
Director

14 December 2022

The notes starting on page 19 form part of these financial statements.

ULTIMA BUSINESS SOLUTIONS LIMITED

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 March 2022

	Called up share capital £'000	Share premium account £'000	Profit and loss account £'000	Total equity £'000
At 1 April 2020	107	334	8,714	9,155
Adjustment to opening equity (see note 24)	-	-	(277)	(277)
At 1 April 2020 (restated)	107	334	8,437	8,878
Comprehensive income for the year				
Profit for the year (restated)	-	-	3,023	3,023
Total comprehensive income for the year				
Dividends	-	-	(5,000)	(5,000)
At 31 March 2021 (restated)	107	334	6,460	6,901
Profit for the year	-	-	1,512	1,512
Total comprehensive income for the year				
Dividends	-	-	-	-
At 31 March 2022	107	334	7,972	8,413

The notes starting on page 19 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

1. General information

Ultima Business Solutions Limited operates in the provision of IT Infrastructure and Managed Service Solutions.

The company is a private company (registered number 02521249) limited by shares, which is incorporated in the UK. The address of the registered office is Gainsborough House, Manor Farm Road, Reading, RG2 0NA.

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 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 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).

During the year ended 31st March 2022 the Company has changed the following accounting policies:

Following a reassessment of the nature of the maintenance contracts sold by the Company, and serviced internally, and the underlying obligations, the accounting policy for such contracts has been changed so that the revenue and cost of sales are recognised across the period of the contract. Previously the revenue and cost of sales of maintenance contracts were recognised in full in the month of the contract inception date. The change in accounting policy has been made as the directors believe this most accurately reflects the substance of the transactions.

The restatement applied predominantly to UK revenue.

As this is a change in accounting policy for such maintenance contracts, the comparative numbers have been restated where appropriate to reflect the prior year adjustment. Refer to note 24 in respect of the impact in implementing this policy has had on the Statement of Comprehensive Income and Balance Sheet for the years ending 31st March 2022 and 31st March 2021.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102— reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c) and the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements from disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.

This information is included in the consolidated financial statements of Ultima Topco Limited which may be obtained from 3rd Floor, 1 Ashley Road, Altrincham, Cheshire, WA14 2DT.

2.3 Going concern

On 19 July 2021, the Company's parent refinanced its bank facilities. The previous term loan of £10.8m and invoice discounting facility were replaced with an interest only term loan of £20m repayable on 16 July 2027.

The company has cash resources and no further requirement for external funding in excess of current facilities. After reviewing forecasts and cashflows carefully the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

In making their assessment the directors have considered the impact on the business and wider group of economic conditions including the ability of the company to continue to service customers, the impact on future revenues and cash collections and the financial position of the wider group. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

2.4 Foreign currency translation

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 the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

2.5 Functional and presentation currency

The company's functional and presentational currency is GBP.

2.6 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.7 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.8 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

2.9 Finance costs

Finance costs are charged to the Statement of Comprehensive Income 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 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.11 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 the Statement of Comprehensive Income 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.

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

2.13 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

2.14 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The costs associated with maintaining computer software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Other development expenditure that does not meet these criteria is recognised as an expense as incurred.

All intangible assets are considered to have a finite useful life. Amortisation is charged from the date the assets are available for use and provided on the following basis:

Computer software— 33% straight line
Software development – 33% straight line

The assets are reviewed for impairment if factors indicate the carrying amount may be impaired.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

2.15 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.

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:

Office equipment	- 20-33% straight line
Leasehold improvements	- Over life of lease

The asset's 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 the Statement of Comprehensive Income.

2.16 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of comprehensive income.

2.17 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.

2.18 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

2.19 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.20 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 the Statement of Comprehensive Income 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.

2.21 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

2.22 Grant income

Government grants relating to revenue expenditure are recognised on a systematic basis over the period in which the entity recognises the related costs for which the grant is intended to compensate. Amounts received are presented within other operating income.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 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 amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgements and accounting estimates that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Useful life of intangible assets

The directors establish a reliable useful life of intangible assets. This estimate is based on the expected useful life of the asset and the predicted life of a product. The company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is any indication that the assets are impaired. If there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

4. Turnover

The Directors have opted not to disclose an analysis of turnover by class of business as they believe that it would seriously prejudice the Company's interest.

Analysis of turnover by country of destination:

	2022	2021
	£'000	(restated)
		£'000
United Kingdom	104,900	100,902
Rest of Europe	1,784	2,371
Rest of the World	1,126	501
	<u>107,810</u>	<u>103,774</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

5. Operating profit

Operating profit is stated after charging/(crediting):

	2022	2021
	£'000	£'000
Exchange differences	55	2
Amortisation	926	81
Depreciation	296	617
Operating lease charges	731	1,125
Government grants – Coronavirus Job Retention Scheme	-	(196)
	<u>-</u>	<u>(196)</u>

6. Auditor's remuneration

	2022	2021
	£'000	£'000
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	<u>38</u>	<u>22</u>

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the ultimate parent company.

7. Employees

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

	2022	2021
	£'000	£'000
Wages and salaries	21,834	19,710
Social security costs	2,442	2,368
Cost of defined contribution scheme (note 21)	<u>730</u>	<u>699</u>
	<u>25,006</u>	<u>22,777</u>

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

	2022	2021
	No.	No.
Sales	94	97
Consultancy	86	96
Technical	145	105
Administration	<u>51</u>	<u>48</u>
	<u>376</u>	<u>346</u>

ULTIMA BUSINESS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 2022

8. Directors' remuneration

	2022 £'000	2021 £'000
Directors' emoluments	491	396
Directors pension costs	<u>9</u>	<u>6</u>
	<u>500</u>	<u>402</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 £317,000 (2021: £285,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £nil (2021: £nil).

9. Interest receivable

	2022 £'000	2021 £'000
Other interest receivable	<u>-</u>	<u>5</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

10. Taxation

	2022 £'000	2021 £'000
Corporation tax		
Current tax on profits for the year	28	547
Adjustments in respect of previous periods	<u>(31)</u>	<u>(18)</u>
Total current tax	<u>(3)</u>	<u>529</u>
Deferred tax		
Origination and reversal of timing differences	97	(64)
Effect of change in tax rates on opening balance	<u>(18)</u>	<u>-</u>
Total deferred tax	<u>79</u>	<u>(64)</u>
Taxation on profit on ordinary activities	<u>76</u>	<u>465</u>

Factors affecting tax charge for the year

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

	2022 £'000	2021 £'000
Profit on ordinary activities before tax	<u>1,588</u>	<u>3,488</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	302	663
Effects of:		
Fixed asset differences	(6)	2
Expenses not deductible for tax purposes	16	15
Other permanent differences	-	18
Adjustments to tax charge in respect of prior periods (current and deferred tax)	(31)	(13)
Movement in deferred tax not recognised	19	-
Deferred tax timing differences	28	(64)
Group relief	<u>(252)</u>	<u>(146)</u>
Total tax charge for the year	<u>76</u>	<u>465</u>

Factors that may affect future tax charges

The March 2021 budget announced that the standard rate of corporation tax will increase from 19% to 25% from 1 April 2023 for companies with profits in excess of £250,000.

ULTIMA BUSINESS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 2022

11. Exceptional items

	2022 £'000	2021 £'000
Exceptional items	447	1,443

Exceptional administrative expenses relate to redundancy costs following a restructuring and a management fee related to committed capital and ongoing portfolio company monitoring.

12. Intangible assets

	Computer software £'000	Software development £'000	Total £'000
Cost			
At 1 April 2021	1,445	717	2,162
Additions	503	483	986
Transfer	899	-	899
At 31 March 2022	2,847	1,200	4,047
Amortisation			
At 1 April 2021	-	81	81
Charge for the year	653	273	926
Transfers	743	-	743
At 31 March 2022	1,396	354	1,750
Net book value			
At 31 March 2022	1,451	846	2,297
At 31 March 2021	1,445	636	2,081

Computer software is for use within the business. Software development expenditure is internally generated and relates to the development of the company's software automation products. Intangible assets are amortised from the date they are brought into use.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

13. Tangible fixed assets

	Office equipment £'000	Leasehold improvements £'000	Total £'000
Cost or valuation			
At 1 April 2021	3,198	2,770	5,968
Additions	226	276	502
Transfers	(899)		(899)
Disposals	<u>(433)</u>	<u>(513)</u>	<u>(946)</u>
At 31 March 2022	<u>2,092</u>	<u>2,533</u>	<u>4,625</u>
Depreciation			
At 1 April 2021	2,903	1,381	4,284
Charge for the year on owned assets	123	173	296
Transfers	(743)	-	(743)
Disposals	<u>(433)</u>	<u>(513)</u>	<u>(946)</u>
At 31 March 2022	<u>1,850</u>	<u>1,041</u>	<u>2,891</u>
Net book value			
At 31 March 2022	<u>242</u>	<u>1,492</u>	<u>1,734</u>
At 31 March 2021	<u>295</u>	<u>1,389</u>	<u>1,684</u>

ULTIMA BUSINESS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 2022

14. Stocks

	2022 £'000	2021 £'000
Finished goods and goods for resale	-	314

15. Debtors

	2022 £'000	2021 (restated) £'000
Trade debtors	19,894	14,374
Amounts owed by group undertakings	6,834	11,693
Other debtors	311	301
Prepayments and accrued income	4,207	2,660
Deferred tax asset (see note 19)	-	57
	<u>31,246</u>	<u>29,085</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

16. Cash and cash equivalents

	2022 £'000	2021 £'000
Cash at bank and in hand	<u>8,070</u>	<u>532</u>

The company is included within the cross company guarantee in relation to the interest only term loan held in Ultima Bidco Limited, resulting in a fixed and floating charge over the assets of the company. The balance outstanding in Ultima Bidco Limited as at 31 March 2022 was £20,000,000 (2021: £10,800,000).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

17. Creditors: Amounts falling due within one year

	2022 £'000	2021 (restated) £'000
Invoice discounting facility	-	5,939
Trade creditors	16,919	11,653
Amounts owed to entities under common control	1,849	-
Corporation tax	187	190
Other taxation and social security	1,987	661
Other creditors	816	530
Accruals and deferred income	13,154	7,822
	<u>34,912</u>	<u>26,795</u>

The company previously utilised an invoice discounting facility which was secured by way of a fixed and floating charge on the group's assets. A balance of £nil (2021: £5,939,000) was outstanding at the year end.

18. Financial instruments

	2022 £'000	2021 (restated) £'000
Financial assets		
Financial assets measured at amortised cost	<u>36,333</u>	<u>29,617</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(23,135)</u>	<u>(26,605)</u>

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings, other debtors, accrued income and cash at bank and in hand.

Financial liabilities measured at amortised cost comprise trade creditors, invoice discounting facility, amounts owed to group undertakings, other creditors and accruals.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

19. Deferred taxation

	2022 £'000	2021 £'000
(Asset) / liability at beginning of year	(57)	7
Charged/(Credited) to profit or loss	79	(64)
Liability / (asset) at end of year	22	(57)

The provision for deferred taxation is made up as follows:

	2022 £'000	2021 £'000
Fixed asset timing differences	38	(46)
Short term timing differences	(16)	(11)
	22	(57)

20. Share capital and reserves

	2022 £'000	2021 £'000
Authorised, allotted, called up and fully paid		
1,071,250 Ordinary shares of £0.10 each	107	107

Reserves

The share premium reserve represents the excess of consideration over the nominal value of share capital issued.

The profit and loss account represents accumulated profits, losses and distributions of the company.

21. Pension commitments

The company offers defined contribution pension scheme arrangements for its staff. The assets of the pension scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the fund and amounted to £730,000 (2021: £699,000). Contributions totalling £148,000 (2021: £nil) were payable to the fund at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

22. Commitments under operating leases

The company had future minimum lease payments under non-cancellable operating leases as follows:

	2022 £'000	2021 £'000
Land and Buildings		
Not later than 1 year	859	750
Later than 1 year and not later than 5 years	2,980	3,001
Later than 5 years	<u>1,823</u>	<u>2,938</u>
	<u><u>5,662</u></u>	<u><u>6,689</u></u>

The company has no other operating leases.

23. Related party transactions

The company has taken advantage of the exemption provided within FRS 102 not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year the company paid £1,083,000 (2021: £1,051,000) to Ultima Properties Limited, a company under the control of M S McNeill for rent and associated charges. Ultima Business Solutions Limited invoiced Ultima Properties Limited £14,000 (2021: £4,000).

At 31 March 2022 Ultima Properties Limited was owed £246,000 by the company (2021: £340,000).

ULTIMA BUSINESS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 2022

24. Prior Year Restatement

Following a reassessment of the nature of the maintenance contracts sold by the Company and the underlying obligations, the accounting policy for such contracts has been changed so that the revenue and Cost of sales are recognised across the period of the contract. Previously the revenue and Cost of sales of maintenance contracts were recognised in full in the month of the contract inception date.

	Prepayments and accrued income as at 31-Mar-21 £'000	Accruals and deferred income as at 31-Mar-21 £'000	Retained earnings as at 01-Apr-20 £'000	Profit for the year ended 31-Mar-21 £'000	Retained earnings as at 31-Mar-21 £'000
As previously stated	1,485	(6,393)	8,714	2,999	6,713
Prior period adjustment	1,175	(1,429)	(277)	24	(253)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As restated	<u>2,660</u>	<u>7,822</u>	<u>8,437</u>	<u>3,023</u>	<u>6,460</u>

25. Contingent Liability

The company's assets are subject to a fixed and floating charge given as security for an interest only term loan drawn by Ultima Bidco Limited.

26. Controlling party

Ultima Bidco Limited is the immediate parent company, with Ultima Topco Limited being the ultimate parent company. Ultima Topco Limited is the parent of the largest group in which the results of the company are consolidated. Ultima Midco Limited is the parent of the smallest group in which the results of the company are consolidated. The registered office of all companies is 3rd Floor 1 Ashley Road, Altrincham, Cheshire, WA14 2DT.

Ultima Topco Limited is owned by a number of shareholders and individually no shareholder can exert control. Therefore the directors are of the opinion that there is no ultimate controlling party.