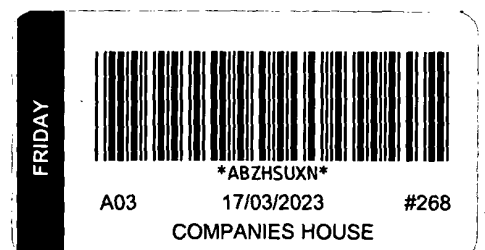


Registered number: 04327369

AGILISYS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022



AGILISYS LIMITED

COMPANY INFORMATION

Directors	A P Mindenhall T Drury (resigned 31 March 2022) Gabriel Pirona (resigned 25 March 2022) Mark Gordon (appointed 10 May 2022)
Registered number	04327369
Registered office	Scale Space 2nd Floor Imperial College White City Campus 58 Wood Lane London, United Kingdom W12 7RZ
Independent auditors	Budgess Hodgson LLP Chartered Accountants and Statutory Auditor Camburgh House 27 New Dover Road Canterbury Kent CT1 3DN
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP

AGILISYS LIMITED

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AGILISYS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Principal activities

The Company provides business process outsourcing, IT Services, digital transformation and a suite of complementary digital products throughout the UK primarily for public sector clients.

Business review and future development

The Directors consider the trading results of the Company to be positive especially given the competitive market in which it operates in and are confident that the Company will continue to build on the achievements of the current financial year. A number of new contracts were successfully tendered and won in the year including City of London, Harrow Council and Reading Borough Council. Walsall Metropolitan Borough Council, Oxfordshire County Council and Greater Manchester Police.

Principal risks and uncertainties

The principal risks relate to IT managed services contracts and digital transformation contracts, where service level agreements are committed to and where there is a financial risk if these services are not met. The Company has a robust review and escalation process to ensure that it continually operates within these agreed service levels and should there be a breach, remedial action is taken before any business risk occurs to either the Company or customers. There is deemed to be low contractual risk as the majority of clients are public sector clients.

Key performance indicators

The Directors track various financial and operational KPI's. Financial KPI's include turnover and gross margins across business units and overall overhead costs. Comparison is made of month on month trends and against budget.

Operational KPI's tracked include key service levels for system and application availability times and service desk response times. For our contact centre business we track service levels against productive agent hours.

Directors' statement of compliance with duty to promote the success of the Company - Section 172

Under Section 172 of the Companies Act 2006, the Directors have a duty to promote the success of the Company in the long term for the benefit of shareholders as a whole, having regard to a range of other key stakeholders and interests. During the year ended 31 March 2022, the Directors have acted in a way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of the members as a whole, and in doing so have had regard to:

- the likely consequences of any decisions in the long term,
- the interests of the Company's employees,
- the need to foster the Company's business relationships with suppliers, customers and others,
- the impact of the Company's operations on the community and the environment
- the desirability of the Company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the Company

In particular, in developing our long term plans, we considered the long term impact of investment and other spending decisions on the Company's future results, the interests of employees and other stakeholders. Our strategy is to be the number 1 Digital Services Partner for UK public service providers and for the communities that rely on them.

AGILISYS LIMITED

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

This report was approved by the board on 9 March 2023 and signed on its behalf.



A P Mindenhall
Director

AGILISYS 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 regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising, FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

The Directors are also responsible for the maintenance and integrity of the parent company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Results and dividends

The profit for the year, after taxation, amounted to £5,908,000 (2021 - £8,900,000).

The net assets of the Company at 31 March 2022 is £54,451,000 (2021 (as restated) - £48,977,000).

The trading results for the year and the Company's financial position at the end of the year are shown in the attached financial statements.

The Directors do not recommend the payment of a final dividend. Nil dividends were paid in the current year (2021- £Nil).

Included within the Strategic Report is the 'Business review and future development' and 'financial risk management' with the 'other key performance indicators' section.

AGILISYS LIMITED

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

Directors

The Directors who served during the year and up to the date of signing the financial statements were:

A P Mindenhall
T Drury (resigned 31 March 2022)
Gabriel Pirona (resigned 25 March 2022)
Mark Gordon (appointed 10 May 2022)

Engagement with Stakeholders

Engagement with suppliers, customers and others

Agilisys' goal is to be the technology and transformation partner for public services. The partnerships we create make a positive difference to the communities we are part of, the customers we serve, the people we invest in, and those who invest in us. We measure this through the eyes of our stakeholders. We define our stakeholders as our customers with whom we partner, our employee owners, our shareholders and Board and those who provide goods and services to us.

To partner effectively with these stakeholder groups it is crucial that we understand their different needs and expectations.

Statement of commitment

As a responsible business we are committed to:

- Engaging our stakeholder groups to develop and maintain positive, productive relationships
- Ensuring key stakeholders are well informed and have access to information about our business and our activities
- Involving our stakeholders in identifying issues which are material to our business
- Implementing initiatives and programmes that contribute to improved social value

Our objectives for engaging our stakeholders

As a responsible business we are committed to:

- Collaborating with stakeholders to identify emerging trends and develop solutions to future challenges
- Ensuring that our activities meet our stakeholders' needs
- Identifying material issues in a collaborative way to create value for our business and our stakeholders
- Assessing and creating opportunities to add social value to our partners and partnerships

How we engage

Our engagement approach allows us to identify and prioritise material issues with every appropriate stakeholder. Ongoing engagement is achieved through a number of different channels.

These may include:

Employees

Ensuring that our business is a great place to work, with a flexible, skilled, diverse, motivated and engaged workforce, are key priorities for Agilisys.

We use a variety of methods to regularly engage our staff, ranging from bi-annual engagement surveys, weekly communications on subjects such as diversity, inclusion, health and safety and wellbeing to all employees and individual business unit engagement led by the People team.

AGILISYS LIMITED

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

Two way engagement is delivered through our Trade Union representatives and EBT Employee Representative group which meets regularly and provides the opportunity to share information with our people and discuss and resolve workforce issues and innovations. This is supplemented by quarterly, CEO-led, all staff meetings and weekly wider leadership team briefings.

Suppliers

Agilisys has a number of important relationships with our suppliers and bankers. These relationships are managed by key managers and directors of the individual business units.

An internal supplier management and review process ensures that we have visibility of any issues and concerns related to, or that will affect our partners and suppliers and is the forum through which decisions are made on what communications and stakeholder engagement is appropriate.

Customers

Agilisys' relationships with our customers is key to our business' success and growth. We continually engage with our customer stakeholders, both directly on our partnership boards and related operational meetings where we evidence service through KPI's and metrics, but also through customer satisfaction surveys and requesting continuous feedback on our relationships. Each business unit has responsibility for managing the relationships with its clients, with members of our Wider Leadership Team taking personal responsibility for relationships with our strategic partners and customers.

Shareholders, investors and Board

Agilisys benefits from the backing of supportive and committed long-term shareholders and Board members who share the company's vision for growth.

Engagement takes place regularly, including formal board meetings, sub-board meetings, regular informal business updates and a monthly board report along with statutory accounting requirements, statements and reports. Additionally, the shareholders make their subject matter experts available to Management for support in technical areas such as tax.

Engagement with employees

The directors would like to take this opportunity to thank the employees for their hard work, commitment and innovation over the last twelve months.

Consultation with employees has continued at all levels, with the aim of ensuring that views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the Group as a whole. Communication with all employees continues through the Group intranet, newsletters, monthly meetings and webcasts. Employees are encouraged directly through a detailed performance review and objective setting process, and through training and development opportunities. Training and development still continued during the lockdown period as most of our training modules are conducted online and managers were encouraged to hold frequent video calls with employees to check in on their mental well being and to offer support where required.

The Company systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the group is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the Company is important.

AGILISYS LIMITED

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

Disabled employees

It is the Company's policy that there should be no unfair discrimination in recruiting and promoting staff, including applicants who are disabled. In the event that any members of staff become disabled, every practical effort is made to provide continued employment and appropriate training is arranged. The directors are committed to maintaining and developing communication and consultation processes with employees, who in turn are encouraged to become aware of and involve themselves in the performance of the Company as a whole.

The Company is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The group gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the Company. If members of staff become disabled the Company continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

Directors' confirmations

In the case of each director at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are 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 auditors are aware of that information.

AGILISYS LIMITED

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

Streamlined Energy and Carbon Reporting

The Streamlined Energy and Carbon Report is for the Agilisys Group, the table below is the best estimate for Agilisys as an entity.

UK Greenhouse gas emissions and energy use data for the period 1 April 2021 to 31 March 2022	21/22	20/21
Energy consumption used to calculate emissions for gas, electricity, transport fuel and other energy sources for scopes 1 and 2 in kWh	67,167	50,894[1]
Scope 1 (direct) emissions in MTCO₂e		
Fuel combustion at sites owned or controlled by Agilisys Ltd	0	N/A
Fleet vehicles	11.04	8.35
Scope 2 (energy indirect) emissions in MTCO₂e		
Purchased electricity at sites owned or controlled by Agilisys Ltd	4.88	3.851
Scope 3 (other indirect) emissions in MTCO₂e		
Commercial waste disposal at sites owned or controlled by Agilisys Ltd	7.29	N/R
Water supply at sites owned or controlled by Agilisys Ltd	0.01	N/R
Business travel in employee-owned vehicles	15.31	16
Cloud computing - Amazon Web Services (AWS)	3.1	N/R
Hotel accommodation	5.53	N/R
Power consumption in data centre facilities (Colt DCS)	39.1	N/R
Scrap metal	0.02	N/R
Waste electrical and electronic equipment recycling (WEEE)	0.05	N/R
Wastepaper	0.01	N/R
*N/R represents optional data, under SECR, not reported in 20/21		
Total gross emissions in MTCO ₂ e (excluding new scope 3 data)	31.23	28.19
Total gross emissions in MTCO₂e (including new scope 3 data)	86.34	28.19
Intensity ratio MTCO ₂ e per FTEE	0.08	0.03

1. 2021-22 is a rebaselining that excludes electricity consumption for third-party owned and controlled premises within scope 1, which we will seek to report in scope 3 as and when those organisations make reliable data available.

Quantification and reporting methodology

We have followed the HM Government Environmental Reporting Guidelines and used the UK Government GHG Conversion Factors for Company Reporting.

Intensity measurement

AGILISYS LIMITED

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

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e (MTCO₂e) per full-time equivalent employee (FTEE), a recommended ratio for all sectors.

Measures taken to improve energy efficiency

47.2 MTCO₂e emissions saved with AWS vs on-premises computing equivalents. Crown Hosting Data Centres: typical 75% reduction in electricity usage vs legacy hosting; electricity provided by renewable sources (REGO backed); phasing out of fossil fuels for back-up.

Going concern

The directors believe that preparing the financial statements on the going concern basis under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value, is appropriate due to the continued financial support of the parent company Agilisys Group Holdings Limited ("Group"). The directors have received confirmation that Agilisys Group Holdings Limited intends to support the Company for at least one year from the date these financial statements have been signed.

Directors indemnity provision

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Post balance sheet events

After the reporting date on 31 March 2022, there were no events of special significance which may have a material effect on the financial position and performance of the Company.

Independent Auditors

The auditors, Budgess Hodgson LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 9 March 2023 and signed on its behalf.



A P Mindenhall
Director

AGILISYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGILISYS LIMITED

Opinion

We have audited the financial statements of AGILISYS LIMITED (the 'Company') for the year ended 31 March 2022, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

AGILISYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGILISYS LIMITED (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AGILISYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGILISYS LIMITED (CONTINUED)

Auditors' 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 Auditors' 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 identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered; the nature of the industry, control environment and business performance with particular reference to the Company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets.

We also consider the results of our enquiries of management, relating to their own identification and assessment of the risks of irregularities and possible related fraud. This includes reviewing available documentation on their policies and procedures and performing tests of controls to evidence their effectiveness.

Throughout the audit testing we are considering the incentives that may exist within the organisation for fraud. Key areas include timing of recognising income around the year end, posting of unusual journals and manipulating the Company's performance measures to meet remuneration targets and bank covenants. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We ensure we have an understanding of the relevant laws and regulations and remain alert to possible non-compliance throughout the audit.

Despite proper planning and audit work in accordance with auditing standards there are inherent limitations and unavoidable risk that we may not detect some irregularities and material misstatements in the financial statements. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting

AGILISYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGILISYS LIMITED (CONTINUED)

estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 Auditors' report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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.



Andrew Collyer (Senior statutory auditor)

for and on behalf of
Budgess Hodgson LLP

Chartered Accountants and Statutory Auditor

Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Date: 13/03/2023

AGILISYS LIMITED

**INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £000	2021 £000
Turnover	4	120,014	115,702
Cost of sales		(94,000)	(92,027)
Gross profit		26,014	23,675
Administrative expenses		(17,279)	(12,208)
Exceptional administrative expenses		(1,834)	(1,352)
Operating profit	5	6,901	10,115
Interest receivable and similar income	9	3	-
Interest payable and similar expenses	10	(36)	(22)
Profit before tax		6,868	10,093
Tax on profit	11	(960)	(1,193)
Profit for the financial year		5,908	8,900
Other comprehensive income for the year			
Unrealised surplus on revaluation of fixed asset investments		305	(150)
Prior year adjustment to revaluation of fixed asset investments		-	(1,369)
Other comprehensive income for the year		305	(1,519)
Total comprehensive income for the year		6,213	7,381

The notes on pages 17 to 40 form part of these financial statements.

AGILISYS LIMITED
REGISTERED NUMBER: 04327369

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

		2022 £000	As restated 2021 £000
	Note		
Fixed assets			
Intangible assets	13	612	777
Tangible assets	14	465	749
Investments	15	3,397	4,852
		<u>4,474</u>	<u>6,378</u>
Current assets			
Stocks		213	141
Debtors: amounts falling due within one year	16	132,914	127,752
Cash at bank and in hand	17	2,659	10,064
		<u>135,786</u>	<u>137,957</u>
Creditors: amounts falling due within one year	18	(85,070)	(95,020)
Net current assets		<u>50,716</u>	<u>42,937</u>
Total assets less current liabilities		<u>55,190</u>	<u>49,315</u>
Creditors: amounts falling due after more than one year	19	-	(338)
Net assets		<u><u>55,190</u></u>	<u><u>48,977</u></u>
Capital and reserves			
Called up share capital	22	2,000	2,000
Share premium account	23	4,600	4,600
Revaluation reserve	23	2,399	3,854
Profit and loss account	23	46,191	38,523
		<u><u>55,190</u></u>	<u><u>48,977</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 March 2023.



A P Mindenhall
Director

The notes on pages 17 to 40 form an integral part of these financial statements.

AGILISYS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital £000	Share premium account £000	Revaluation reserve £000	Retained earnings £000	Total equity £000
At 1 April 2020	2,000	4,600	3,276	29,612	39,488
Prior year adjustment	-	-	2,367	(259)	2,108
At 1 April 2020 (as restated, see note 25)	2,000	4,600	5,643	29,353	41,596
Comprehensive income for the year					
Profit for the financial year	-	-	-	8,900	8,900
Loss on revaluation of investments in subsidiary undertakings	-	-	(150)	-	(150)
Prior year adjustment on movement in net asset value	-	-	(1,639)	270	(1,369)
Total comprehensive income for the year	-	-	(1,789)	9,170	7,381
At 31 March 2021	2,000	4,600	3,854	38,523	48,977
Comprehensive income for the year					
Profit for the financial year	-	-	-	5,908	5,908
Gain on revaluation of investments in subsidiary undertakings	-	-	305	-	305
Realisation on liquidation of subsidiary	-	-	(1,760)	1,760	-
Total comprehensive (expense)/income for the year	-	-	(1,455)	7,668	6,213
At 31 March 2022	2,000	4,600	2,399	46,191	55,190

The notes on pages 17 to 40 form part of these financial statements.

AGILISYS LIMITED

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2022**

	At 1 April 2021 £000	Cash flows £000	At 31 March 2022 £000
Cash at bank and in hand	10,064	(7,405)	2,659
Finance leases	(789)	451	(338)
	<u>9,275</u>	<u>(6,954)</u>	<u>2,321</u>

The notes on pages 17 to 40 form part of these financial statements.

AGILISYS LIMITED

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

1. General information

Agilisys Limited provides business process outsourcing, IT services, digital transformation and a suite of complementary digital products throughout the UK.

The Company is a private company limited by shares and is incorporated in England. The address of its registered office is Scale Space, 2nd Floor, Imperial College White City Campus, 58 Wood Lane, London W12 7RZ, United Kingdom.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in compliance with the United Kingdom Accounting Standards, including Financial Reporting Standard 102. The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102") 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).

The Company is a subsidiary of Agilisys Holdings Limited and is included in the consolidated financial statements of Agilisys Group Holdings Limited which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of Section 400 of the Companies Act 2006.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS102:

- Section 3, Financial Statement Presentation paragraph 3.17(d)
- Section 7, Statement of Cash Flows
- Paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26 (in relation to those cross referenced paragraphs from which a disclosure exemption is available), 12.27, 12.29(a), 12.29(b), and 12.29A
- Section 33.1A, Related Party disclosure exemptions

This information is included in the consolidated financial statements of Agilisys Group Holdings Limited for the year ended 31 March 2022, which are publicly available.

The Company has adopted a disclosure exemption from the requirement to present a Statement of Cash Flows and related notes as a consolidated statement of Cash Flows is prepared by the parent company and also exemption from disclosing related party transactions who are 100% wholly owned.

The following principal accounting policies have been applied consistently:

2.2 Going concern

The directors believe that preparing the financial statements on the going concern basis under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value, is appropriate due to the continued financial support of the parent company Agilisys Group Holdings Limited ("Group"). The directors have received confirmation that Agilisys Group Holdings Limited intends to support the Company for at least one year from the date these financial statements have been signed.

AGILISYS LIMITED

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

2. Accounting policies (continued)

2.3 Revenue recognition

Revenue is measured at the fair value of the fees received or receivable and represents amounts receivable for services provided to third parties in the normal course of business, net of discounts, Value Added Tax and other sales related taxes. Revenue from consultancy services, installation and other services is recognised when services have been provided and the right to consideration has been earned. It excludes expenses recharged to clients at nil margin which are accounted for as a contribution to cost of sales. Revenue from maintenance, support and other periodically contracted services or products is recognised on a percentage of completion based on delivery over the contracted period. Asset refresh recognises revenue when the assets are delivered. Revenue for long term repetitive service contracts is recognised evenly over the life of the contract where the services delivered do not change year on year, where the value of services alters in the contract the revenue is recognised is adjusted accordingly. The related costs are recognised in the period in which they are incurred. Amounts invoiced but not recognised are accounted for within deferred income. Profits on fixed price contracts are taken in proportion to the work performed on each contract relative to the estimated total completion of the contract.

Provision is made for all anticipated contract losses as soon as they are identified. Profits on time and material contracts are recognised in line with the effort expended. Where the company enters into contracts with multiple elements, where elements are separable, the revenue is allocated to each element based on the relative fair values. Where the amounts are not separable or the fair values are not available the revenues are recognised evenly over the period that the services are provided. The gross amount due from customers for contract work is included within trade and other receivables and the gross amount due to suppliers is included with trade and other payables.

2.4 Operating leases: the Company as lessee

Leases that do not transfer all of the risks and rewards of ownership are classified as operating leases.

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.5 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.6 Interest receivable and similar income

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

AGILISYS LIMITED

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

2. Accounting policies (continued)

2.7 Provisions for liabilities

Provisions are recognised 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 Income statement in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position 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 Statement of financial position.

2.8 Interest payable and similar expenses

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

2.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.10 Employee benefits

Defined contribution pension plan

The Company participates in a defined benefit pension scheme on behalf of its employees. The Company's involvement in the scheme arises from contracts with customers involving the TUPE (Transfer of Undertakings (Protection of Employment) Regulations) transfer of staff to the Company at the commencement of the customer relationship. The Company is only responsible to make contributions during the contracts. At the end of the contracts the obligations in relation to these pension schemes will cease and will transfer to the following supplier. As a result the Company has accounted for these schemes as defined contribution pension schemes with the contribution being charged to the profit and loss account in the year to which they relate.

2.11 Share capital

Ordinary shares are classified as equity.

AGILISYS LIMITED

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

2. Accounting policies (continued)

2.12 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, except that a change 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.

(i) Current tax

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

(ii) Deferred tax

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position 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;

Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 and 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 period end and that are expected to apply to the reversal of the timing difference. Current or deferred taxation assets and liabilities are not discounted.

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.

These are disclosed separately to provide further understanding of the underlying financial performance of the Company (see note 12).

AGILISYS LIMITED

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

2. Accounting policies (continued)

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. All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life should not exceed five years.

Software development cost

Software development costs are capitalised and amortised over the period over which benefit will be derived from these assets. Software development costs are amortised over a 3 year period.

These assets are reviewed for impairment if the above factors indicate that the carrying amount maybe impaired. Amortisation is charged to administrative expenses in the Statement of Comprehensive Income.

Licence costs

Licence costs are capitalised and amortised over the period over which benefit will be derived from those assets. Licence costs are amortised on a straight line basis over a period of 5 years.

The estimated useful lives range as follows:

Licences	-	5	years
Software development	-	3	years

2.15 Tangible 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.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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:

Computer equipment	- 33.3% to 50%
--------------------	----------------

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

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

AGILISYS LIMITED

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

2. Accounting policies (continued)

2.16 Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGU's). 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.

2.17 Investments

Fixed asset investments are carried at the Company's share of the underlying net assets with changes in valuation taken to the revaluation reserve. Investments in subsidiary undertakings are revalued to the underlying net asset value of those subsidiary undertakings at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income and the revaluation reserve. When there are insufficient reserves in the revaluation reserve, any losses are then taken to the income statement.

2.18 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.

2.19 Cash and cash equivalents

Cash and cash equivalents includes 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.

AGILISYS LIMITED

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

2. Accounting policies (continued)

2.20 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.

2.21 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the reporting date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

2.22 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares. As per sections 11 and 12 of FRS 102 in respect of recognition and measurement of financial instruments.

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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

AGILISYS LIMITED

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

3. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There have been no significant judgements or estimates applied to these financial statements.

4. Turnover

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

	2022	2021
	£000	£000
The turnover for the year is attributable to the principal activity of the company and is generated from a single class of business - IT Digital Services	120,014	115,702
	120,014	115,702

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2022	2021
	£000	£000
Depreciation of tangible fixed assets	484	327
Amortisation of intangible assets	625	531
Other operating lease rentals	14	-
Operating lease rentals	1,474	1,195

6. Auditors' remuneration

	2022	2021
	£000	£000
Fees payable to the Company's auditor and its associates in respect of:		
The auditing of accounts of associates of the Company pursuant to legislation	45	45
	45	45

AGILISYS LIMITED

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

7. Employees

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

	2022	2021
	£000	£000
Wages and salaries	48,884	46,532
Social security costs	5,340	5,086
Cost of defined contribution scheme	5,282	4,560
	59,506	56,178

Costs above reflects wages and salaries incurred before recharges made to group entities.

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

	2022	2021
	No.	No.
Management, technical and administrative	1,086	1,050

8. Directors' remuneration

	2022	2021
	£000	£000
Directors' emoluments	1,036	620
	1,036	620

The highest paid director received remuneration of £481,000 (2021 - £347,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £23,000 (2021 - £NIL).

9. Interest receivable and similar income

	2022	2021
	£000	£000
Other interest receivable	3	-
	3	-

AGILISYS LIMITED

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

10. Interest payable and similar expenses

	2022 £000	2021 £000
Other loan interest payable	24	22
Bank overdraft interest payable	12	-
	36	22

11. Tax on profit

	2022 £000	2021 £000
Corporation tax		
Current tax on profits for the year	843	1,409
Adjustments in respect of previous periods	(8)	166
	835	1,575
Total current tax	835	1,575
Deferred tax		
Timing differences due to capital allowances	21	-
Other timing differences	96	(26)
Adjustments in respect of previous periods	8	(356)
	125	(382)
Total deferred tax	125	(382)
Taxation on profit on ordinary activities	960	1,193

AGILISYS LIMITED

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

11. Tax on profit (continued)

Factors affecting tax charge for the year

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

	2022 £000	2021 £000
Profit on ordinary activities before tax	6,868	10,093
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	1,305	1,918
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	5	48
Adjustments to tax charge in respect of prior periods	1	(191)
Group relief	(351)	(582)
Total tax charge for the year	960	1,193

AGILISYS LIMITED

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

11. Tax on profit (continued)

Factors that may affect future tax charges

The tax rate for the current year is the same as the prior year at 19%. The Government has announced an intention to raise the rate of Corporation Tax to 25% from April 2023 but this has not yet been put into legislation. All deferred tax balances in these financial statements are measured at 19% being the enacted tax rate at the year end and for the coming year.

12. Exceptional items

	2022 £000	2021 £000
Advisory, professional services and other costs	-	275
Other restructuring, refinancing and loan costs	1,791	340
Decommissioning costs and property closure	43	737
	1,834	1,352

During the year, exceptional costs relating to advisory and professional fees of £Nil (2021: £275,000) were incurred. In addition the Company incurred other exceptional restructuring, refinancing and loan costs of £1,791,000 (2021: £340,000) which relate to the restructure of certain business activities and include professional fees in relation to the Agilisys Group restructure. Decommissioning costs of £43,000 in the year ended 31 March 2022 (2021 - £737,000) were in relation to the cessation of "Infrastructure as a Service" activities, the hosting platform for Agilisys and its clients applications.

AGILISYS LIMITED

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

13. Intangible assets

	Licences £000	Software- development £000	Total £000
Cost			
At 1 April 2021	369	1,166	1,535
Additions	-	460	460
At 31 March 2022	369	1,626	1,995
Amortisation			
At 1 April 2021	-	759	759
Charge for the year on owned assets	219	406	625
At 31 March 2022	219	1,165	1,384
Net book value			
At 31 March 2022	150	461	611
At 31 March 2021	369	408	777

AGILISYS LIMITED

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

14. Tangible assets

	Computer equipment £000
Cost or valuation	
At 1 April 2021	2,102
Additions	200
At 31 March 2022	2,302
Depreciation	
At 1 April 2021	1,353
Charge for the year on owned assets	484
At 31 March 2022	1,837
Net book value	
At 31 March 2022	465
At 31 March 2021	749

AGILISYS LIMITED

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

15. Investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 April 2021 (as previously stated)	4,113
Prior Year Adjustment	739
	<hr/>
At 1 April 2021 (as restated)	4,852
Disposals	(1,760)
Revaluations	305
	<hr/>
At 31 March 2022	3,397
 Net book value	
At 31 March 2022	3,397
	<hr/> <hr/>
At 31 March 2021 (as restated)	4,852
	<hr/> <hr/>

AGILISYS LIMITED

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

15. Investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Agilisys Managed Services Limited	Scale Space, 2nd Floor, Imperial College White City Campus, 58 Wood Lane, London. W12 7RZ	Provision of information technology services for and on behalf of its customers in the private sector	Ordinary	100%
Quickheart Limited	As above	Provision of digitally enhanced social care solutions	Ordinary	100%
H&F Bridge Partnership Limited	As above	Provision of IT managed services and Business Process Outsourcing to the London Borough of Hammersmith and Fulham	Ordinary	80.1%
Elevate East London LLP	As above	Provision of professional services, business process outsourcing and outsourced customer solutions	Ordinary	80%
Agilisys Guernsey Limited	PO Box 119, Martello Court, Admiral Park, St Peter Port, Guernsey, GY1 3HB	Provision of professional services, business process outsourcing and outsourced customer solutions	Ordinary	100%
Agilisys Guernsey Transfer Limited	PO Box 119, Martello Court, Admiral Park, St Peter Port, Guernsey, GY1 3HB	Provision of staff to Agilisys Guernsey Ltd	Ordinary	100%

16. Debtors: amounts falling due within one year

	2022 £000	2021 £000
Trade debtors	6,741	6,090
Amounts owed by group undertakings	116,123	112,704
Prepayments and accrued income	8,757	8,141
Tax recoverable	652	176
Deferred taxation	641	641
	132,914	127,752

AGILISYS LIMITED

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

16. Debtors: amounts falling due within one year (continued)

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayments and are repayable on demand.

17. Cash and cash equivalents

	2022	2021
	£000	£000
Cash at bank and in hand	2,659	10,064
	2,659	10,064

18. Creditors: Amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	5,840	5,610
Amounts owed to group undertakings	57,149	57,465
Other taxation and social security	4,268	7,909
Obligations under finance lease and hire purchase contracts	338	451
Other creditors	566	699
Accruals and deferred income	16,909	22,886
	85,070	95,020

19. Creditors: Amounts falling due after more than one year

	2022	2021
	£000	£000
Net obligations under finance leases and hire purchase contracts	-	338
	-	338

AGILISYS LIMITED

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

20. Financial instruments

	2022	2021
	£000	£000
Financial assets		
Cash and cash equivalents	2,659	10,064
Trade debtors	6,741	6,090
Accrued income	6,224	5,232
Amounts owed by group undertakings	116,123	112,704
	<u>131,747</u>	<u>134,090</u>
Financial liabilities		
Finance leases	(338)	(789)
Trade creditors	(5,840)	(5,610)
Accruals	(5,175)	(9,810)
Amounts owed to group undertakings	(57,149)	(57,465)
Other creditors	(566)	(700)
	<u>(69,068)</u>	<u>(74,374)</u>

21. Deferred taxation

	2022	2021
	£000	£000
At beginning of year	641	147
(Charged)/credited to profit and loss account	(126)	494
Transferred from other group companies	126	-
At end of year	<u>641</u>	<u>641</u>

The deferred tax asset is made up as follows:

Accelerated capital allowances	197	226
Other timing differences	444	415
	<u>641</u>	<u>641</u>

22. Called up share capital

AGILISYS LIMITED

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

	2022	2021
	£000	£000
Allotted, called up and fully paid		
200,000,000 (2021 - 200,000,000) Ordinary shares of £0.01 each	2,000	2,000

23. Reserves

Share premium account

The balance on the share premium reserve represents the amounts received in excess of the nominal value of the ordinary shares.

Revaluation reserve

The reserve represents the cumulative gains on the revaluation of investments held in subsidiary undertakings.

Profit and loss account

The balance held on this reserve is the accumulated retained profits of the Company. The Directors do not recommend the payment of dividends. Nil dividends were paid in the current year (2021 - £Nil).

AGILISYS LIMITED

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

24. Share based payments

The company has share option schemes for senior employees where they are granted share options in the holding company. The directors believe the value of the services received is equal to the fair value of the share equity-settled options granted and therefore, is measured at the grant date using the Black-Scholes option pricing model taking into account the terms and conditions upon which the instruments were granted. The model assumes the government gilt rate at the time of issue as the risk free rate, and has used 50% as its volatility, which is similar to public companies undertaking comparable trades. Although share options are granted in the ultimate parent entity, as the employees are in the company, this entity includes any relevant cost in its profit or loss statement. An equivalent capital contribution would be presented within equity.

All share options can only be exercised to the extent it has been vested under their individual vesting schedule. There are no performance-related conditions of exercise applying to these options. A summary of the grant dates and vesting conditions for the equity-settled share options are as follows:

Grant Date	Number issued	Number remaining	Vesting conditions
Dec-20	60,965	57,410	25% on grant then 25% annually from 1 April 2021
Dec-20	47,015	45,747	100% immediately
Feb-21	100,000	100,000	25% annually from 4th February 2021
	207,980	203,157	

1,268 options were exercised in the year (2021:Nil).

The total expense recognised in the profit or loss for the year was £Nil (2021 - £Nil).

The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

	Weighted average exercise price		Weighted average exercise price	
	£	Number	£	Number
	2022	2022	2021	2021
Outstanding at the beginning of the year	19.63	207,980		
Granted during the year			19.63	207,980
Forfeited during the year	6.70	(3,555)		
Exercised during the year	6.70	(1,268)		
	19.94	203,157	19.63	207,980

AGILISYS LIMITED

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

25. Prior year adjustment

During the preparation of these financial statements, it was discovered that the calculation of the net asset value of subsidiary companies had been incorrectly calculated in previous years leading to a prior year adjustment to the carrying value of investments, revaluation reserve and profit & loss account reserve. A summary of the re-statements at 31 March 2020 and 31 March 2021 is in the table below.

	As previously reported at 31 March 2020 £(000's)		As restated at 31 March 2020 £(000's)		Reserves movements as reported Adjustments £(000's)		As restated at 31 March 2021 £(000's)
		Adjustments £(000's)					
Fixed assets							
Investments	4,263	2,108	6,371	(150)	(1,369)		4,852
Equity							
Share capital	2,000	-	2,000				2,000
Share premium	4,600	-	4,600				4,600
Revaluation reserve	4,004	2,367	6,371	(150)	(1,639)		4,582
Profit and loss account reserve	28,884	(259)	28,625	8,900	270		37,795
	39,488	2,108	41,596	8,750	(1,369)		48,977

26. Contingent liabilities

The Company has provided to the London Borough of Tower Hamlets through the normal course of business performance bonds and guarantees of £500,000 (2021 - £500,000). The Group does not expect any material financial loss to arise.

27. Pension commitments

The company accounts for its pension arrangements as a defined contribution pension scheme in which all new employees are invited to participate. The assets of the scheme are held separately from those of the company in an independently administered fund. The charge to the statement of comprehensive income in the year was £5,282,000 (2021 - £4,560,000). The unpaid contributions outstanding at the year end are £456,000 (2021 - £392,000).

AGILISYS LIMITED

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28. Commitments under operating leases

At the year end the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022	2021
	£000	£000
Not later than 1 year	1,202	1,339
Later than 1 year and not later than 5 years	298	738
Later than 5 years	50	69
	1,550	2,146

AGILISYS LIMITED

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

29. Related party transactions

During the year, transactions occurred between the Company and related parties. The table below sets out the transactions which occurred during the year and the amounts due to or from those related parties at the year end.

Related Party	Note	Nature of Transactions	Year ended 31 March 2022	Amounts due from/(to)	Year ended 31 March 2021	Amounts due from/(to)
			Turnover /(Costs) £'000	At 31 March 2022 £'000	Turnover /(Costs) 2021 £'000	At 31 March 2021 £'000
Accelerate Digital Limited	3	IT Services	-	2	-	2
Accelerate Places Limited	3	Property Services	(142)	(91)	117	338
Accelerate People Ltd	3	Consulting Services	25	-	-	-
Avado Learning Limited	3	Education provider	11	1	1	0
BC Arch Ltd	3	Apprentices provider	3	-	-	-
BC Foxtrot Limited	4	IT Equipment provider	50	-	20	5
BC Music Media Ltd	1	IT Services	10	-	2	-
Blenheim Chalcot Management	4	Management services	11	-	-	-
BCI Management Services Ltd	5	Consulting Services	6	-	2	-
Blenheim Chalcot LTF Ltd	3	IT and Consulting Services	(281)	(29)	(93)	(20)
Blenheim Chalcot Management Ltd	3	Consulting Services	1	-	1	-
Hive Learning Limited	1	Education provider	21	-	9	1
Contentive Digital Engagement	3	IT and Consulting Services	4	5	-	-
Fospha Limited	1	IT Services	2	3	1	1
Liberis Ltd	3	IT Services	4	-	11	1
Modulr Technology Ltd	5	Financial Services	321	39	113	3
Mortgage Power Limited	4	Financial Services	2	-	2	-
OakBrook Finance Ltd	2	IT Services	50	-	12	-
Royal Multisport Private Limited	2	Management services	1	0	-	-
Salary Finance Limited	2	Financial Services	20	-	45	4
Total Revenue/Amounts due from Related Party			544	49	336	355
Total (Cost)/(Amounts due to) Related Party			(422)	(120)	(93)	(20)

Notes:

- 1 - Related by virtue of having one common director in Agilisys Group Holdings Limited being C S Mindenahll
- 2 - Related by virtue of having one common director in Agilisys Group Holdings Limited being M K Badale
- 3 - Related by virtue of having common directors
- 4 - C S Mindenahll and/or M K Badale are shareholders of parent company
- 5 - C S Mindenahll and M K Badale are directors of the parent company

30. Post balance sheet events

After the reporting date on 31 March 2022, there were no events of special significance which may have a material effect on the financial position and performance of the Company.

31. Controlling party

The immediate parent company is Agilisys Professional Services Limited. The ultimate parent company and controlling party is Agilisys Group Holdings Limited, a company incorporated in England and Wales

AGILISYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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31. Controlling party (continued)

The smallest and largest Group to consolidate the financial statements of the company is Agilisys Group Holdings Limited. The consolidated financial statements for these entities are available from:

Scale Space
2nd Floor
Imperial College White City Campus
58 Wood Lane
London
W12 7RZ