

# Anexsys Limited

Registered number: 05283821

## Annual report

For the year ended 30 April 2020



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**ANEXSYS LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	R G Crowley D J Moran K Mortensen B Powlen F Rodriguez G Van Spaendonck
<b>Registered number</b>	05283821
<b>Registered office</b>	The Space 41 Old Street London England EC1V 9AE
<b>Independent auditor</b>	Mazars LLP Chartered Accountants & Statutory Auditor Tower Bridge House St Katharine's Way London E1W 1DD
<b>Bankers</b>	HSBC plc City Branch 4 Dale Street Liverpool L4 9AG
<b>Solicitors</b>	Geldards LLP Capital Quarter No. 4 Tyndall Street Cardiff Caerdydd CF10 4BZ

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**ANEXSYS LIMITED**

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## ANEXSYS LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2020

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The directors present their annual report and the audited financial statements for the year ended 30 April 2020.

#### Principal activity

The principal activity of the Company during the year was the provision of software and support services.

#### Results and dividends

The profit for the year, after taxation, amounted to £1,741,615 (2019: profit of £1,109,545).

The directors have not proposed, declared or paid any dividends for the year (2019: £nil).

#### Directors

The directors who served during the year and to the date of this report were:

R G Crowley  
J R Chan (resigned 12 December 2019)  
J J Duckenfield (resigned 4 August 2020)  
S P Hill (resigned 4 August 2020)  
D J Moran (appointed 4 August 2020)  
K Mortensen (appointed 4 August 2020)  
B Powlen (appointed 4 August 2020)  
F Rodriguez (appointed 4 August 2020)  
G Van Spaendonck (appointed 4 August 2020)

#### Directors' responsibilities statement

The directors are responsible for preparing 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 judgements 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.

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## **ANEXSYS LIMITED**

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### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2020**

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#### **Qualifying third party indemnity provisions**

The Company has procured insurance to provide indemnity cover for all directors in respect of the cost of defending claims against the, and third party liabilities. These are all third party indemnity provisions for the purpose of the Companies Act 2006 and are all currently in force.

#### **Going concern**

The directors regularly monitor the Company's financial performance and position, with particular focus on cash flow. Based on the cash flow forecasts, the Directors are confident that the Company will be able to meet its financial obligations for a period of at least 12 months from the date of approval of these financial statements.

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

#### **The withdrawal of the United Kingdom from the European Union**

New trading arrangements between the United Kingdom and the European Union took effect on 31 December 2020. In general, tariffs and quotas on trade have not been introduced, although administrative complications and regulatory restrictions have reduced the freedom of cross-border trade. The company is carefully monitoring the practical application of the new trading arrangements by regulatory authorities, to better understand what the eventual impact on its business will be. The process of determining these effects is ongoing, and has also been delayed by the suspension of certain sectors of economic activity in response to the COVID-19 pandemic.

#### **Economic impact of the COVID-19 pandemic**

The COVID-19 pandemic continues to affect the UK and global economies adversely. At the time of signing this report there are indications from the government that social restrictions which have suppressed economic activity during 2020 and 2021 are likely to be lifted in the foreseeable future. If this does happen the directors expect to see the UK and global economies return to growth in due course, but it is not possible to predict how quickly and to what degree this may happen. The priorities of the directors remain to comply with all regulatory requirements to the fullest extent possible, and to maintain the safety and well-being of the company's personnel.

#### **Provision of information to auditor**

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

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

#### **Post balance sheet events**

On 14 May 2021, the immediate parent company of Anexsys Limited changed to Anexsys Holding Company Limited (a company incorporated in the United Kingdom). On the same date, the ultimate controlling party changed and is now deemed to be Skopima TopCo Holdings LP (a partnership incorporated in the United States of America).

Anexsys Limited completed the acquisition of Paralaw in April 2021, a UK-based legal outsourcing company providing managed review staffing, eDiscovery and contracts management services to law firms and corporations.

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**ANEXSYS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 APRIL 2020**

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**Auditor**

During the year, Mazars LLP was appointed as auditor.

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

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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

A handwritten signature in black ink, appearing to read 'R G Crowley', with a long horizontal flourish extending to the right.

**R G Crowley**  
Director

Date: 24 May 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANEXSYS LIMITED

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**Opinion**

We have audited the financial statements of Anexsys Limited (the 'Company') for the year ended 30 April 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, 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 FRS 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 30 April 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANEXSYS LIMITED**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.



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## ANEXSYS LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANEXSYS LIMITED

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#### Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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 intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

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

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

#### Use of the audit 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.



Yuvan Deena (Senior statutory auditor)  
for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
Tower Bridge House  
St Katharine's Way  
London  
E1W 1DD

Date: 24 May 2021

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**ANEXSYS LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 APRIL 2020**

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	Note	2020 £	2019 £
Turnover	4	7,603,368	5,648,429
Cost of sales		(4,561,540)	(3,403,253)
<b>Gross profit</b>		<b>3,041,828</b>	<b>2,245,176</b>
Administrative expenses		(1,299,459)	(1,282,215)
<b>Operating profit</b>	5	<b>1,742,369</b>	<b>962,961</b>
Interest receivable and similar income	8	-	389
<b>Profit before tax</b>		<b>1,742,369</b>	<b>963,350</b>
Tax on profit	10	(754)	146,195
<b>Profit for the financial year</b>		<b>1,741,615</b>	<b>1,109,545</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>1,741,615</b>	<b>1,109,545</b>

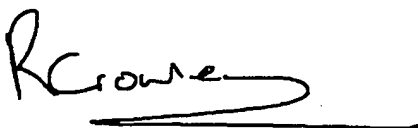
The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

The notes on pages 10 to 29 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION  
AS AT 30 APRIL 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	11	78,185	132,554
Tangible assets	12	257,241	296,235
Investments in subsidiaries	13	1	1
		<u>335,427</u>	<u>428,790</u>
<b>Current assets</b>			
Stocks	14	10,419	16,708
Debtors: amounts falling due within one year	15	9,377,241	6,074,815
Bank and cash balances		1,257,797	2,529,496
		<u>10,645,457</u>	<u>8,621,019</u>
Creditors: amounts falling due within one year	16	(4,280,128)	(4,028,443)
<b>Net current assets</b>		<u>6,365,329</u>	<u>4,592,576</u>
<b>Total assets less current liabilities</b>		<u>6,700,756</u>	<u>5,021,366</u>
<b>Provisions for liabilities</b>			
Other provisions	18	-	(62,225)
<b>Net assets</b>		<u><u>6,700,756</u></u>	<u><u>4,959,141</u></u>
<b>Capital and reserves</b>			
Called up share capital	19	100	100
Profit and loss account	20	6,700,656	4,959,041
<b>Total equity</b>		<u><u>6,700,756</u></u>	<u><u>4,959,141</u></u>

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



R G Crowley  
Director

Date: 24 May 2021

The notes on pages 10 to 29 form part of these financial statements.

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**ANEXSYS LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 APRIL 2020**

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	Called up share capital £	Profit and loss account £	Total equity £
At 1 May 2018	100	3,849,496	3,849,596
Comprehensive income for the year			
Profit for the year	-	1,109,545	1,109,545
Total comprehensive income for the year	-	1,109,545	1,109,545
At 1 May 2019	100	4,959,041	4,959,141
Comprehensive income for the year			
Profit for the year	-	1,741,615	1,741,615
Total comprehensive income for the year	-	1,741,615	1,741,615
At 30 April 2020	100	6,700,656	6,700,756

The notes on pages 10 to 29 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**1. General information**

Anexsys Limited is a private Company, limited by shares and incorporated in England and Wales. The address of its registered office is The Space, 41 Old Street, London, England, EC1V 9AE.

The principal activity of the Company during the year was the provision of software and support services.

**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 judgement in applying the Company's accounting policies (see note 3).

The financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the Company operates and is rounded to the nearest pound.

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 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- 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);
- 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 33 Related Party Disclosures paragraph 33.7.

**2.3 Group accounts**

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020

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2. Accounting policies (continued)

2.4 Going concern

The directors regularly monitor the Company's financial performance and position, with particular focus on cash flow. Based on the cash flow forecasts, the Directors are confident that the Company will be able to meet its financial obligations for a period of at least 12 months from the date of approval of these financial statements.

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

2.5 Foreign currency translation

**Functional and presentation currency**

The Company's functional and presentation currency is GBP.

**Transactions and balances**

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**2. Accounting policies (continued)**

**2.6 Turnover**

Turnover represents the invoiced amount of goods and services sold, net of trade discounts and value added tax. Sales are recognised when the rights to receive consideration have been met in full.

Turnover from the sale of goods and licences are recognised when the significant risks and rewards of ownership of the goods and licences have passed to the buyer (usually on dispatch of the goods), the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Turnover from provision of services is recognised straight line over the period to which contracts relates.

The Company acts as an agent and receives turnover in respect of this, these amounts are shown net in turnover in the statement of comprehensive income.

**2.7 Operating leases: the Company as lessee**

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.8 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.

**2.9 Interest receivable and similar income**

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020

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2. Accounting policies (continued)

2.10 Pensions

**Defined contribution pension plan**

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

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

2.11 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting 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 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; 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 reporting date.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020

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2. Accounting policies (continued)

2.12 Intangible assets

**Goodwill**

Goodwill represents the excess of the cost of acquisition of trade and assets of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 3 years.

Negative goodwill arises when the cost of a business combination is less than the fair value of the interest in the identifiable assets, liabilities and contingent liabilities acquired. The amount up to the fair value of the non-monetary assets acquired is credited to profit or loss in the period in which those non-monetary assets are recovered. Negative goodwill in excess of the fair values of the non-monetary assets acquired is credited to profit or loss in the periods expected to benefit.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

**Other 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 shall not exceed ten years.

The estimated useful lives range as follows:

Software	-	3 years
Development expenditure	-	Not amortised
Customer relationships	-	3 years

2.13 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020

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2. Accounting policies (continued)

2.13 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Leasehold improvements	-	20%
Plant and equipment	-	25%
Motor vehicles	-	25%
Fixtures and fittings	-	25%

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 the Statement of Comprehensive Income.

2.14 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

2.15 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 reporting 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 profit or loss.

2.16 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.

2.17 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  
FOR THE YEAR ENDED 30 APRIL 2020

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2. Accounting policies (continued)

2.18 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.

2.19 Provisions for liabilities

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

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020

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2. Accounting policies (continued)

2.20 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.

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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020

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**3. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**3.1 Critical accounting judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

*(i) Categorisation of leases*

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the Company as lessee.

**3.2 Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

*(ii) Useful life of fixed assets*

In making decisions regarding the depreciation of fixed assets, management must estimate the useful life of said assets to the business. A change in estimate would result in a change in the depreciation charged to profit or loss in each year.

*(iii) Valuation of intangible assets*

The recoverable amount of goodwill and other intangible assets is based on value in use which requires estimates in respect of the allocation of goodwill to cash generating units, the future cash flows and an appropriate discount rate. The key inputs to the value in use calculations are the discount rate and the future earnings growth.

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**ANEXSYS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**4. Turnover**

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

	2020 £	2019 £
Provision of software and support services	7,603,368	5,648,429
	<u>7,603,368</u>	<u>5,648,429</u>

Turnover analysed by geographical market:

	2020 £	2019 £
United Kingdom	7,458,619	5,409,496
Overseas	144,749	238,933
	<u>7,603,368</u>	<u>5,648,429</u>

**5. Operating profit**

The operating profit is stated after charging/(crediting):

	2020 £	2019 £
Exchange (gains)/losses	(19,783)	16,982
Other operating lease rentals	225,694	206,639
Depreciation of tangible fixed assets	120,399	132,458
Amortisation of intangible assets	65,744	109,834
Release of negative goodwill	(8,350)	(10,640)
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**6. Auditor's remuneration**

	2020 £	2019 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	20,000	13,750
<b>Fees payable to the Company's auditor and its associates in respect of:</b>		
All other services	2,500	-
	<u>2,500</u>	<u>-</u>

**7. Employees**

	2020 £	2019 £
Wages and salaries	2,101,332	1,912,662
Social security costs	221,417	206,799
Cost of defined contribution scheme	44,377	31,219
	<u>2,367,126</u>	<u>2,150,680</u>

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

	2020 No.	2019 No.
Management	1	2
Staff	47	49
	<u>48</u>	<u>51</u>

**8. Interest receivable and similar income**

	2020 £	2019 £
Interest on tax repayments	-	389
	<u>-</u>	<u>389</u>

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**ANEXSYS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**9. Directors' remuneration**

	2020 £	2019 £
Remuneration for qualifying services	398,142	358,030
Company pension contributions to defined contribution schemes	8,337	8,199
	<u>406,479</u>	<u>366,229</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2019: 2). The remaining directors did not receive any remuneration from the Company.

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2020 £	2019 £
Remuneration for qualifying services	236,052	181,766
Company pension contributions to defined contribution schemes	7,350	7,350
	<u>243,402</u>	<u>189,116</u>

Directors costs borne by the Group are recharged across subsidiaries by way of a management recharge. The amount of time spent by directors on individual companies cannot be allocated.

**10. Taxation**

	2020 £	2019 £
<b>Corporation tax</b>		
Adjustments in respect of prior periods	-	(110,619)
<b>Total current tax</b>	<u>-</u>	<u>(110,619)</u>
Origination and reversal of timing differences	3,643	(13,442)
Adjustment in respect of prior periods	(2,889)	(22,134)
<b>Total deferred tax</b>	<u>754</u>	<u>(35,576)</u>
<b>Taxation on profit</b>	<u>754</u>	<u>(146,195)</u>



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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020

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## 10. Taxation (continued)

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 £	2019 £
Profit before tax	1,742,369	963,350
Profit multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	331,050	183,037
<b>Effects of:</b>		
Fixed asset timing differences	10,981	18,767
Expenses not deductible for tax purposes	3,457	2,805
Adjustments to tax charge in respect of prior periods	-	(110,619)
Group relief	(341,845)	(204,932)
Adjustments to tax charge in respect of prior periods - deferred tax	-	(22,134)
Deferred taxation on business combinations	-	(14,700)
Adjust deferred tax to average rates	(2,889)	1,581
<b>Total tax charge for the year</b>	<b>754</b>	<b>(146,195)</b>

**Factors that may affect future tax charges**

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase here

ANEXSYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020

11. Intangible assets

	Goodwill £	Negative goodwill £	Software £	Development expenditure £	Customer relationships £	Total £
<b>Cost</b>						
At 1 May 2019	44,101	(34,599)	112,740	69,844	259,420	451,506
Additions	-	-	3,025	-	-	3,025
At 30 April 2020	44,101	(34,599)	115,765	69,844	259,420	454,531
<b>Amortisation</b>						
At 1 May 2019	35,525	(26,249)	100,699	-	208,977	318,952
Charge for the year	8,576	(8,350)	6,725	-	50,443	57,394
At 30 April 2020	44,101	(34,599)	107,424	-	259,420	376,346
<b>Net book value</b>						
At 30 April 2020	-	-	8,341	69,844	-	78,185
At 30 April 2019	8,576	(8,350)	12,041	69,844	50,443	132,554

Amortisation charge is included within administrative expenses.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**12. Tangible fixed assets**

	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 May 2019	243,817	1,028,348	153,726	36,770	1,462,661
Additions	15,267	71,479	33,196	-	119,942
Disposals	(12,214)	(33,658)	(3,750)	(5,434)	(55,056)
At 30 April 2020	246,870	1,066,169	183,172	31,336	1,527,547
<b>Depreciation</b>					
At 1 May 2019	112,789	906,180	122,995	24,462	1,166,426
Charge for the year	41,024	57,679	17,658	4,038	120,399
Disposals	(3,739)	(8,174)	(2,282)	(2,324)	(16,519)
At 30 April 2020	150,074	955,685	138,371	26,176	1,270,306
<b>Net book value</b>					
At 30 April 2020	96,796	110,484	44,801	5,160	257,241
At 30 April 2019	131,028	122,168	30,731	12,308	296,235

The Company does not hold any tangible fixed assets under finance leases.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**13. Fixed asset investments**

	Investments in subsidiary companies £
<b>Cost</b>	
At 1 May 2019	1
At 30 April 2020	1
<b>Net book value</b>	
At 30 April 2020	1
At 30 April 2019	1

**Subsidiary undertaking**

The following was a subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Anexsys Legal Docs Limited	The Space, 41 Old Street, London, EC1V 9AE	Dormant	Ordinary	100%

**14. Stocks**

	2020 £	2019 £
Raw materials and consumables	10,419	16,708
	10,419	16,708

Stock is stated after provisions for impairment of £nil (2019: £nil).

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**15. Debtors**

	2020 £	2019 £
Trade debtors	2,188,371	1,602,610
Amounts owed by group undertakings	6,641,219	3,981,402
Other debtors	6,454	500
Prepayments and accrued income	530,625	441,207
Tax recoverable	-	37,770
Deferred taxation (note 17)	10,572	11,326
	<u>9,377,241</u>	<u>6,074,815</u>

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

**16. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	185,436	225,799
Amounts owed to group undertakings	470,221	402,039
Other taxation and social security	384,077	740,031
Other creditors	17,293	7,410
Accruals and deferred income	3,223,101	2,653,164
	<u>4,280,128</u>	<u>4,028,443</u>

Amounts owed to group undertakings are interest free, unsecured and payable on demand.

There is a debenture dated 19 March 2015 in favour of HSBC Bank PLC, secured by a fixed and floating charge over all assets and undertakings of the Company.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**17. Deferred taxation**

	2020 £	2019 £
At beginning of year	11,326	(24,250)
Credited to profit or loss	(754)	35,576
<b>At end of year</b>	<b>10,572</b>	<b>11,326</b>
The deferred tax asset is made up as follows:		
	2020 £	2019 £
Depreciation in excess of capital allowances	18,432	18,432
Business combinations	(7,860)	(8,575)
Short-term timing differences	-	1,469
	<b>10,572</b>	<b>11,326</b>

A deferred tax asset has been recognised in relation to decelerated capital allowances and short-term timing differences of £18,432 (2019: £19,901) which is expected to reverse within 12 months.

A deferred tax liability has been recognised in relation to intangibles acquired as part of a business combination. This balance will be released in line with the amortisation of the related intangible assets with £7,860 expected to be released within 12 months.

**18. Provisions**

	<b>Onerous lease £</b>
At 1 May 2019	62,225
Utilised in the year	(62,225)
<b>At 30 April 2020</b>	<b>-</b>

The onerous lease provision relates to the rent and rates on a lease where the property has been vacated ahead of the expiration of the lease term. The provision was fully utilised by the end of the year.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**19. Share capital**

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
85 (2019: 85) A Ordinary shares shares of £1.00 each	85	85
15 (2019: 15) B Ordinary shares shares of £1.00 each	15	15
	<hr/>	<hr/>
	100	100
	<hr/>	<hr/>

A and B Ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

**20. Reserves****Profit and loss account**

Cumulative profit and loss net of distribution to owners.

**21. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £44,377 (2019: £31,219). Contributions totaling £14,719 (2019: £7,410) were payable to the fund at the balance sheet date and are included in creditors.

**22. Commitments under operating leases**

At 30 April 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	131,104	272,000
Later than 1 year and not later than 5 years	-	462,275
Later than 5 years	-	43,336
	<hr/>	<hr/>
	131,104	777,611
	<hr/>	<hr/>

**23. Directors' transactions**

During the year £nil (2019: £583) was loaned to a Director through a cycle scheme. The balance has been repaid in full in the year and the amount included in debtors at the year end was £nil (2019: £500). No interest is charged on the loan and the balance is repaid.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**24. Related party transactions**

The company is a wholly owned subsidiary of Anexsys Group Limited and as such has taken advantage of the exemption permitted by Section 33 'Related party disclosures' not to provide disclosures of transactions entered into with other wholly owned members of the group.

**25. Post balance sheet events**

On 14 May 2021, the immediate parent company of Anexsys Limited changed to Anexsys Holding Company Limited (a company incorporated in the United Kingdom). On the same date, the ultimate controlling party changed and is now deemed to be Skopima TopCo Holdings LP (a partnership incorporated in the United States of America).

Anexsys Limited completed the acquisition of Paralaw in April 2021, a UK-based legal outsourcing company providing managed review staffing, eDiscovery and contracts management services to law firms and corporations.

**26. Controlling party**

At 30 April 2020, the immediate parent and ultimate parent Company was Anexsys Group Limited a Company registered in England and Wales. On 14 May 2021, the immediate parent company of Anexsys Limited changed to Anexsys Holding Company Limited (a company incorporated in the United Kingdom)

As part of the restructure on 14 May 2021 a change of ultimate controlling party to place, to Skopima TopCo Holdings LP, a partnership incorporated in Delaware, USA.

Skopima TopCo Holdings LP is the smallest and largest group for which consolidated accounts including Anexsys Limited are prepared. The consolidated accounts of Skopima TopCo Holdings LP are available to the public from its registered office 251, Little Falls Drive, Wilmington, New Castle, DE, 19808.