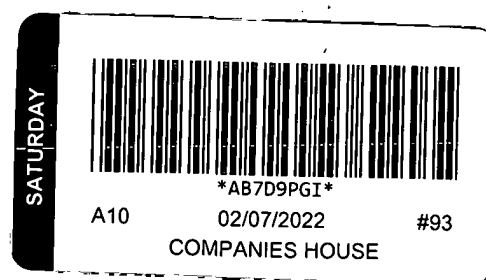


Company Registration No. 05984382 (England and Wales)

TDKP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



TDKP LIMITED

COMPANY INFORMATION

Directors	Mr A N Collis Mr M Finlay Mr E J B Reeves Mrs J K Swash Mr M A Williams	(Appointed 1 March 2022)
Company number	05984382	
Registered office	Western Gateway Wrexham LL13 7ZB	
Auditor	RSM UK Audit LLP One City Place Chester CH1 3BQ	

TDKP LIMITED

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TDKP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present the strategic report for the year ended 31 December 2021.

Strategic review and future developments

2021 demonstrated our ability to drive revenue and profit growth in a year once again impacted significantly by Covid.

The business continues to benefit from the move towards more hybrid and remote working with Moneypenny seen as a strong outsourced partner in both the UK and US. This saw the Group grow revenue by 13% from £47.9 million in 2020 to £54.3 million in 2021. Pleasingly revenues from our live chat and dedicated customer service proposition continue to grow strongly, with growth of 27% and 17% respectively, evidencing the opportunity for these services. 2022 will see us expand our live chat offering from the UK to the US.

2021 provided some difficult challenges, including the UK lockdown in the first quarter of 2021 and the impact of high staff absence especially during the "pingdemic" in quarter 3. Despite these challenges we continued to be agile, continuously pivoting our operational delivery to ensure we delivered the best service possible to our customers.

At all times we held culture and staff engagement at the centre of our decision making as we continued to invest in our people and technology. Our technology investments have seen us develop new product offerings including a unique and exciting Microsoft Teams integration offering for our customers. All developments have the aim of improving the customer's experience and providing best in class customer service.

We are pleased with the progress of Voiceneration post the acquisition in February 2020. This has proven to be a transformational acquisition for the business, with US revenues now representing 25% of Group revenue in 2021, and delivering 10% like-for-like revenue growth in 2021. The directors see continued US growth as fundamental to the strategic plan over the next 3 years. Furthermore, 2021 saw the proper integration of Voiceneration into the Moneypenny Group with the combined US operations moved to one office in Atlanta in March 2021.

The underlying trading businesses reported EBITDA before exceptional items of £13.3 million in the year ended 31 December 2021 (2020: £11.0 million), despite the increased costs of homeworking due to the pandemic. The Group reported an accounting profit before taxation of £6.4 million for the financial year ended 31 December 2021 (2020: £5.0 million). Exceptional items of £0.9 million (2020: £Nil) are detailed in note 4 of the Notes to the Financial Statements.

The financial position of the group as at 31 December 2021 shows net assets of £21.2 million (2020: £16.1 million) and net current liabilities of £4.4 million (2020: £13.3 million). The reason for net current liabilities is because of amounts due to fellow group undertakings of £18.3 million (2020: £19.9 million) and net current liabilities have reduced due to cash increasing by £5.5 million and creditors reducing by £3.3 million.

TDKP LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Principal risks and uncertainties

The directors and senior management are confident of the skills and knowledge throughout the company and in its capability of offering the required product and service mix to meet market requirements.

All companies are exposed to certain risks and uncertainties, and the company does not underestimate these threats, and it is the responsibility of the officers of the company to assess, control and minimise and exposure.

The directors consider the three principal risks of the company to be:

Credit risk

The company's financial assets are mainly cash and trade receivables.

The company's credit risk is primarily attributable to trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made when there is an identified loss event, which, based on previous experience, is evidence of a reduction in the recoverability of cash flows. The company continues to operate a strict credit management policy in an aim to minimise this risk.

The credit risk on liquid funds is limited because the counterparts are banks with high credit-ratings assigned by international credit-rating agencies.

Economic risk

Whilst the company is subject to the same external uncertainties faced by all companies in the current macro-economic environment, the directors believe that the company is well placed to respond to challenges that may arise in the foreseeable future due to having a diverse customer base spread across a number of industry sectors.

The company has adapted well during the covid pandemic, however, there remains the risk that future lockdowns could have an impact on overall economic activity and therefore inbound call volumes. However, due to the success of the vaccine roll-out in the UK and the US the directors deem that the likelihood of business disruption caused from any further lockdowns is low. Moreover, we have seen that the business can flex the cost base accordingly.

Foreign exchange rate risk

The US Dollar (USD) now accounts for 25% of revenue and 21% of EBITDA. The exposure to the USD is reviewed regularly and to hedge against the risk the funding for the Voicenation acquisition was denominated in USD.

Key performance indicators

The financial performance of the Group is managed with extensive weekly and monthly reporting. Following the introduction of private equity investment a new board pack has been developed to track performance against the previous twelve months that comprises, financial, marketing, operational and technical data. The Directors consider that turnover and EBITDA as the main KPI, which is discussed in detail above.

TDKP LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Going concern

The Board regularly reviews revenue, profitability and cash flow forecasts across the short, medium and longer term. A number of downside sensitised scenarios are modelled and considered to create a wide range of possible outcomes, the assumptions behind which are robustly challenged. The Board compares actual performance against budgets and forecasts and reviews variances to continually refine and improve forecasting ability from which to make effective decisions.

The projections of the Company and Group for 2022 and 2023 are based on a prudent growth profile and demonstrate that the Company and Group will readily be able to pay its debts as they fall due for a period of at least twelve months from the date of signing these accounts.

The Group has net current liabilities of £4.4 million at the year-end due to amounts owed to group undertakings of £18.2 million.

The wider Group has net liabilities of £60.9 million and is due to amounts falling due after more than one year of £180.6 million. The wider Group has net current assets of £13.9 million, which includes cash at bank and in hand of £15.4 million.

Since year-end, the Company and Group has outperformed the forecasts and the Directors are, therefore, satisfied that the financial statements should be prepared on the going concern basis.

Section 172 Statement

This section acts as the company's Section 172 statement. In accordance with the Companies Act 2006. This section also aligns with the company's statements on engagement with, and having due regard and interest for our employees and other key stakeholders. The principal aim of the company is to make sufficient profit from its trading operations to sustain its commercial viability, to finance its continued development and to undertake other activities consistent with its ultimate purpose. In setting out the strategic direction, the directors, in carrying out their duties also take into account the principal risks facing the business.

Stakeholders

Employees, clients and suppliers are at the heart of Moneypenny's business and are the company's key stakeholders. The company's priority is always to recognise the importance of good long term relationships and customer and supplier needs. By focusing on maintaining excellent relationships, the long term success of the business will be ensured.

Decision making

Key decisions are made by the Board of Directors and are presented at board and executive meetings. Directors are briefed on any potential impacts and risks from our customers, employees and other stakeholders including our suppliers, the community and environment and how they are to be managed. The Directors take these factors into account before making a final decision which together they believe is in the best interests of the company and its employees.

Long-term sustainability

We aim to make sufficient profit to sustain the company's commercial viability, with consideration to the needs of our customers, employees, other stakeholders and the community. This is to ensure we are conducting all our business relationships with integrity.

Employees

Employees are at the very heart of Moneypenny's award winning culture. Employees are kept up to date through meetings and our Workplace platform to ensure they feel engaged in the company's objectives and activities.

Moneypenny always seeks to provide opportunities for employees to grow within the business through training and leadership programs to ensure the long-term development of employees.

Charity is a key part of the culture at Moneypenny and we actively encourage staff to get involved with charitable initiatives and financially support the charitable activities of our employees at both national and local levels.

TDKP LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Clients

Money Penny constantly strives to provide exceptional customer service and state of the art communication technology. It is the seamless combination of the two which underpins Money Penny's unique position in the market.

Adapting our services to our client's needs has always been our number one priority and this has been of great importance throughout the pandemic. We have regular engagement with clients to make sure we are meeting their requirements, and will be launching a new 'Voice of our Clients' initiative for 2021 with the feedback used to further enhance our service and to ensure we correctly understand their requirements.

Suppliers

Money Penny aims to always work in a fair and collaborative way with our suppliers. Forming positive partnerships with clients, suppliers and partners is essential to the long-term success of the business. Money Penny strives to work with suppliers who share the same values and principles and while giving consideration to quality and the alignment of objectives with the overall strategy of the Group.

On behalf of the board



Mr A N Collis
Director

26 April 2022

TDKP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the Company and the Group continued to be that of the holding company of the Moneypenny Group of Companies whose principal activities during the year was providing communication products and services to our clients that consists of telephone answering, outsourced switchboard, live chat, natural language digital switchboard and digital telephone answering products.

Results and dividends

The results for the year are set out on page 12.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A N Collis	(Appointed 1 March 2022)
Mr M Finlay	
Mr E J B Reeves	
Mrs J K Swash	
Mr M A Williams	

Directors' insurance

The group maintains insurance policies on behalf of all the directors against liability arising from negligence, breach of duty and breach of trust in relation to the group.

Supplier payment policy

The Group's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The Group's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the Group's contractual and other legal obligations.

Trade creditors of the Group at the year end were equivalent to 11 day's purchases, based on the average daily amount invoiced by suppliers during the year.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues and that the appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

TDKP LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Employee involvement

The Group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the Group's performance.

Auditor

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Energy and carbon report

The Group's energy and carbon reporting is disclosed in the consolidated financial statements of TDKP Topco Limited. These financial statements may be obtained from the Registrar of Companies, Companies Registration Office, Crown Way, Cardiff, CF4 3UZ.

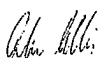
Strategic report

The Group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the Group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' report. It has done so in respect of principal risks and uncertainties.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the Directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the Company is aware of that information.

On behalf of the board



Mr A N Collis
Director

26 April 2022

TDKP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors are responsible for preparing the Strategic Report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TDKP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TDKP LIMITED

Opinion

We have audited the financial statements of TDKP Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows 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 group's and the parent company's affairs as at 31 December 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

TDKP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TDKP LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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, 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 parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities 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.

TDKP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TDKP LIMITED

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and the Companies Act 2006. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The group audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed for management override of controls included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business. For revenue recognition procedures included carrying out substantive testing and data analytical procedures.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

TDKP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TDKP LIMITED

Use of our report

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

Jonathan Lowe

Jonathan Lowe (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP

29 April 2022

Chartered Accountants
Statutory Auditor

One City Place
Chester
CH1 3BQ

TDKP LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Turnover	3	54,283,031	47,894,042
Cost of sales		(18,430,039)	(16,906,532)
Gross profit		35,852,992	30,987,510
Administrative expenses		(22,668,087)	(20,758,277)
Other operating income		83,380	789,534
Operating profit before amortisation, depreciation and exceptional costs	5	13,268,285	11,018,767
Depreciation and other amounts written off tangible and intangible fixed assets	5	(5,076,867)	(4,769,715)
Exceptional items	4	(895,183)	-
Operating profit	5	7,296,235	6,249,052
Interest receivable and similar income	8	698	16,991
Interest payable and similar expenses	9	(929,809)	(1,219,564)
Profit before taxation		6,367,124	5,046,479
Tax on profit	10	(1,551,538)	(1,264,564)
Profit for the financial year	22	4,815,586	3,781,915
Other comprehensive income			
Currency translation differences		334,538	(748,075)
Total comprehensive income for the year		5,150,124	3,033,840

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

TDKP LIMITED

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Goodwill	12	11,834,356		14,754,201	
Other intangible assets	12	3,274,236		3,294,973	
Total intangible assets		15,108,592		18,049,174	
Tangible assets	13	11,977,198		12,412,239	
		27,085,790		30,461,413	
Current assets					
Debtors	16	4,361,925		4,196,999	
Cash at bank and in hand		15,383,580		9,990,044	
		19,745,505		14,187,043	
Creditors: amounts falling due within one year	17	(24,171,194)		(27,505,889)	
Net current liabilities		(4,425,689)		(13,318,846)	
Total assets less current liabilities		22,660,101		17,142,567	
Provisions for liabilities					
Provisions	18	557,985		155,095	
Deferred tax liability	19	885,462		920,942	
		(1,443,447)		(1,076,037)	
Net assets		21,216,654		16,066,530	
Capital and reserves					
Called up share capital	21	10,826		10,826	
Share premium account	22	314,092		314,092	
Capital redemption reserve	22	10,312,754		10,312,754	
Profit and loss reserves	22	10,578,982		5,428,858	
Total equity		21,216,654		16,066,530	

The financial statements were approved by the board of directors and authorised for issue on 26 April 2022 and are signed on its behalf by:



Mr A N Collis
Director

TDKP LIMITED

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13	10,020,955		10,780,807	
Investments	14	16,572,308		16,572,308	
		<u>26,593,263</u>		<u>27,353,115</u>	
Current assets					
Debtors	16	42,201		248,499	
Cash at bank and in hand		163,556		376,658	
		<u>205,757</u>		<u>625,157</u>	
Creditors: amounts falling due within one year	17	<u>(9,979,448)</u>		<u>(10,904,102)</u>	
Net current liabilities		<u>(9,773,691)</u>		<u>(10,278,945)</u>	
Total assets less current liabilities		<u>16,819,572</u>		<u>17,074,170</u>	
Provisions for liabilities					
Deferred tax liability	19	293,616		274,069	
		<u>(293,616)</u>		<u>(274,069)</u>	
Net assets		<u>16,525,956</u>		<u>16,800,101</u>	
Capital and reserves					
Called up share capital	21	10,826		10,826	
Share premium account	22	314,092		314,092	
Capital redemption reserve	22	10,312,754		10,312,754	
Profit and loss reserves	22	5,888,284		6,162,429	
Total equity		<u>16,525,956</u>		<u>16,800,101</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £274,145 (2020 - £2,391,515 profit).

The financial statements were approved by the board of directors and authorised for issue on 26 April 2022 and are signed on its behalf by:



Mr A N Collis
Director

Company Registration No. 05984382

TDKP LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 January 2020	10,826	314,092	10,312,754	2,395,018	13,032,690
Year ended 31 December 2020:					
Profit for the year	-	-	-	3,781,915	3,781,915
Other comprehensive income:					
Currency translation differences	-	-	-	(748,075)	(748,075)
Total comprehensive income for the year	-	-	-	3,033,840	3,033,840
Balance at 31 December 2020	10,826	314,092	10,312,754	5,428,858	16,066,530
Year ended 31 December 2021:					
Profit for the year	-	-	-	4,815,586	4,815,586
Other comprehensive income:					
Currency translation differences	-	-	-	334,538	334,538
Total comprehensive income for the year	-	-	-	5,150,124	5,150,124
Balance at 31 December 2021	10,826	314,092	10,312,754	10,578,982	21,216,654

TDKP LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 January 2020	10,826	314,092	10,312,754	3,770,914	14,408,586
Year ended 31 December 2020:					
Profit and total comprehensive income for the year	-	-	-	2,391,515	2,391,515
Balance at 31 December 2020	10,826	314,092	10,312,754	6,162,429	16,800,101
Year ended 31 December 2021:					
Loss and total comprehensive income for the year	-	-	-	(274,145)	(274,145)
Balance at 31 December 2021	10,826	314,092	10,312,754	5,888,284	16,525,956

TDKP LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	27	8,629,494		18,374,833	
Interest paid		-		(67,502)	
Income taxes paid		(1,869,919)		(2,329,446)	
Net cash inflow from operating activities		<u>6,759,575</u>		<u>15,977,885</u>	
Investing activities					
Purchase of business		-	(15,585,752)		
Purchase of intangible assets		(767,194)	(447,635)		
Purchase of tangible fixed assets		(912,932)	(583,228)		
Proceeds on disposal of tangible fixed assets		-	(1,000)		
Interest received		667	16,991		
Net cash used in investing activities		<u>(1,679,459)</u>		<u>(16,600,624)</u>	
Net increase/(decrease) in cash and cash equivalents		<u>5,080,116</u>		<u>(622,739)</u>	
Cash and cash equivalents at beginning of year		9,990,044		9,912,212	
Effect of foreign exchange rates		313,420		700,571	
Cash and cash equivalents at end of year		<u><u>15,383,580</u></u>		<u><u>9,990,044</u></u>	

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

TDKP Limited, ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Western Gateway, Wrexham, LL13 7ZB.

The group consists of TDKP Limited, and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

Research and development

Research expenditure is written off as incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is deferred and amortised over the period during which the company is expected to benefit. Provision is made for any impairment.

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries are accounted for at cost less impairment.

The consolidated group financial statements consist of the financial statements of the parent company TDKP Limited, together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the Group can meet its financial obligations from existing facilities up to May 2023. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements as detailed in the Strategic Report.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

All turnover relates to the group's principal activity and arose within the United Kingdom and United States. Sales are recognised at the point at which the company has fulfilled its contractual obligations to the customer.

Commissions received is recognised in the period in which the right to the consideration has been established.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition 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 5 or 10 years.

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.

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	10% straight line
Patents	20% straight line
Technical Development	33% straight line

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	4% straight line
Leasehold improvements	Over the period of the lease
Short leasehold property	
Fixtures and fittings	20% reducing balance
Computer equipment	20% straight line
Building Fixtures	10% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

Any assets in the course of construction within land and buildings will not be depreciated until fully completed.

1.8 Fixed asset investments

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

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Onerous lease provisions are made against operating leases where the unavoidable costs of meeting the contractual lease obligations exceed the economic benefits expected to be received.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

For cash-settled share-based payments, a liability is recognised for the goods and services acquired, measured initially at the fair value of the liability. At the balance sheet date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

The directors do not believe any accounting estimates to be critical.

Critical judgements

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

Intangible assets

The group initially measures intangible assets acquired in a business combination at their fair value at the date of acquisition. Management judgement is required in deriving a number of assumptions which are used in assessing the fair value of each acquisition and also in assessing the useful economic lives of these assets for the purposes of amortisation.

Onerous lease

Provision has been made in respect of leasehold properties for a vacant partly let former building. The amount provided is based on the future rental obligations together with other fixed outgoings, net of any sub-lease income. In determining the provision, the cash flows have been discounted on a pre-tax basis using a risk free rate of return.

Operating leases

In determining the lease term, the directors consider all facts and circumstances that create an economic incentive to exercise an extension or termination option. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment. During the current financial year, there was no material financial effect of revising lease terms to reflect the effect of exercising extension or termination options.

Valuation of brand

The Group have recognised a brand intangible asset on the acquisition of Voice Nation Inc. A number of assumptions and estimates have been used in the valuation of this asset including; forecast revenue growth, the royalty, tax and discount rates used in the calculation and the useful economic life attributed to the brand.

Valuation of technology

The Group have recognised an intangible for the internally developed technology. Key estimates included in the valuation of this technology include estimations of the cost to recreate and the useful life of the technology.

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Turnover and other revenue

	2021 £	2020 £
Turnover analysed by class of business		
Provision of communication services	53,387,209	47,070,834
Commission received	895,822	823,208
	<u>54,283,031</u>	<u>47,894,042</u>
	2021 £	2020 £
Turnover analysed by geographical market		
United Kingdom	40,799,139	36,285,686
United States	13,483,892	11,608,356
	<u>54,283,031</u>	<u>47,894,042</u>
	2021 £	2020 £
Other significant income		
Interest income	698	16,991
Grants received	19,380	789,534
	<u></u>	<u></u>

During the period, the group received government grants of £19,380 (2020: £789,534) under the UK Government Job Retention Scheme.

4 Exceptional item

	2021 £	2020 £
Expenditure		
Management restructuring	229,453	-
Onerous lease and building relocation costs	665,730	-
	<u>895,183</u>	<u>-</u>

Management restructuring relates to realignment of the operational structure of the Group in the UK and the US.

The Group determined that some of its current leased premises were no longer fully required and has recognised the future costs as an onerous leases along with relocation costs that are one-off in nature.

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	-	(12,435)
Government grants	(19,380)	(789,534)
Depreciation of owned tangible fixed assets	1,331,557	1,187,694
Loss on disposal of tangible fixed assets	26,655	1,000
Amortisation of intangible assets	3,718,655	3,521,840
(Profit)/loss on disposal of intangible assets	-	59,183
Operating lease charges	469,971	421,386
	<u> </u>	<u> </u>

6 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	6,900	5,000
Audit of the financial statements of the company's subsidiaries	55,146	41,553
	<u>62,046</u>	<u>46,553</u>
For other services		
Audit-related assurance services	-	17,456
Taxation compliance services	69,182	43,535
Other taxation services	1,560	26,761
	<u>70,742</u>	<u>87,752</u>

7 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Employees	<u>1,134</u>	<u>942</u>	<u>4</u>	<u>4</u>

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Employees

(Continued)

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	25,265,481	22,938,345	-	-
Social security costs	2,044,243	1,461,129	-	-
Pension costs	419,769	364,888	-	-
	<u>27,729,493</u>	<u>24,764,362</u>	<u>-</u>	<u>-</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2020 - 3).

The Directors' receive remuneration from another group company in the current year and are employed by that company.

8 Interest receivable and similar income

	2021 £	2020 £
Interest income		
Interest on bank deposits	667	9,594
Other interest income	31	7,397
Total income	<u>698</u>	<u>16,991</u>

9 Interest payable and similar expenses

	2021 £	2020 £
Interest on bank overdrafts and loans	-	5,083
Interest payable to group undertakings	929,809	1,152,062
Other interest on financial liabilities	-	62,419
Total finance costs	<u>929,809</u>	<u>1,219,564</u>

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	1,586,653	1,348,496
Adjustments in respect of prior periods	(1)	(1,986)
Total current tax	<u>1,586,652</u>	<u>1,346,510</u>
Deferred tax		
Origination and reversal of timing differences	(85,099)	(107,687)
Changes in tax rates	66,720	27,724
Previously unrecognised tax loss, tax credit or timing difference	-	(1,983)
Other adjustments	(16,735)	-
Total deferred tax	<u>(35,114)</u>	<u>(81,946)</u>
Total tax charge for the year	<u>1,551,538</u>	<u>1,264,564</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	<u>6,367,124</u>	<u>5,046,479</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	1,209,754	958,831
Expenses not deductible for tax purposes	150,438	229,845
Tax effect of utilisation of tax losses not previously recognised	(460,237)	(497,294)
Effect of change in corporation tax rate	96,982	27,724
Amortisation on assets not qualifying for tax allowances	655,763	614,487
Other permanent differences	183	-
Under/(over) provided in prior years	(1)	(1,986)
Deferred tax adjustments in respect of prior years	(102,535)	-
Foreign exchange differences	7,636	-
Deferred tax not recognised	-	(67,043)
Differences in overseas tax rates	(6,445)	-
Taxation charge for the year	<u>1,551,538</u>	<u>1,264,564</u>

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2021 £	2020 £
In respect of:			
Property, plant and equipment	13	-	(24,438)
Recognised in:			
Administrative expenses		-	(24,438)

The impairment losses in respect of financial assets are recognised in other gains and losses in the profit and loss account.

12 Intangible fixed assets

Group	Goodwill	Software	Patents	Brand	Technical Development	Total
	£	£	£	£	£	£
Cost						
At 1 January 2021	20,850,181	1,841,976	22,224	1,853,554	1,037,990	25,605,925
Additions - internally developed	-	-	-	-	149,614	149,614
Additions - separately acquired	-	1,125	-	-	616,455	617,580
Exchange adjustments	-	15,500	-	-	-	15,500
At 31 December 2021	20,850,181	1,858,601	22,224	1,853,554	1,804,059	26,388,619
Amortisation and impairment						
At 1 January 2021	6,095,980	1,001,514	16,463	154,463	288,331	7,556,751
Amortisation charged for the year	2,919,845	265,801	1,008	186,004	345,997	3,718,655
Exchange adjustments	-	4,621	-	-	-	4,621
At 31 December 2021	9,015,825	1,271,936	17,471	340,467	634,328	11,280,027
Carrying amount						
At 31 December 2021	11,834,356	586,665	4,753	1,513,087	1,169,731	15,108,592
At 31 December 2020	14,754,201	840,462	5,761	1,699,091	749,659	18,049,174

The company had no intangible fixed assets at 31 December 2021 or 31 December 2020.

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13 Tangible fixed assets

Group	Freehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Building Fixtures £	Total £
Cost						
At 1 January 2021	9,553,367	324,788	1,400,781	1,301,301	4,251,497	16,831,734
Additions	-	192,359	59,667	660,906	-	912,932
Disposals	-	-	(10,212)	(268,621)	-	(278,833)
Transfers	90,373	-	-	-	(90,373)	-
Exchange adjustments	-	3,762	5,971	6,341	-	16,074
At 31 December 2021	9,643,740	520,909	1,456,207	1,699,927	4,161,124	17,481,907
Depreciation and impairment						
At 1 January 2021	1,443,939	147,531	608,566	593,453	1,626,006	4,419,495
Depreciation charged in the year	343,740	150,254	152,978	268,473	416,112	1,331,557
Eliminated in respect of disposals	-	-	(7,995)	(244,183)	-	(252,178)
Transfers	(45,888)	-	-	-	45,888	-
Exchange adjustments	-	1,618	1,938	2,279	-	5,835
At 31 December 2021	1,741,791	299,403	755,487	620,022	2,088,006	5,504,709
Carrying amount						
At 31 December 2021	7,901,949	221,506	700,720	1,079,905	2,073,118	11,977,198
At 31 December 2020	8,109,428	177,257	792,215	707,848	2,625,491	12,412,239

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13 Tangible fixed assets

(Continued)

Company	Freehold land and buildings £	Building Fixtures £	Total £
Cost			
At 1 January 2021	9,553,367	4,251,497	13,804,864
Transfers	90,373	(90,373)	-
At 31 December 2021	9,643,740	4,161,124	13,804,864
Depreciation and impairment			
At 1 January 2021	1,398,051	1,626,006	3,024,057
Depreciation charged in the year	343,740	416,112	759,852
At 31 December 2021	1,741,791	2,042,118	3,783,909
Carrying amount			
At 31 December 2021	7,901,949	2,119,006	10,020,955
At 31 December 2020	8,155,316	2,625,491	10,780,807

The carrying value of land and buildings comprises:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Freehold land	1,000,000	1,000,000	1,000,000	1,000,000

More information on impairment movements in the year is given in note 11.

14 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	15	-	-	16,572,308	16,572,308

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Fixed asset investments (Continued)

Movements in fixed asset investments Company

Shares in
subsidiaries
£

Cost or valuation

At 1 January 2021 and 31 December 2021

16,572,308

Carrying amount

At 31 December 2021

16,572,308

At 31 December 2020

16,572,308

15 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Callitech Limited	Western Gateway, Wrexham, LL13 7ZB	Communications products and services provider	Ordinary	100.00	-
Callitech US Inc	2915 Premiere Parkway Suite 200, Duluth, GA 30097, United States	Communications products and services provider	Ordinary	100.00	-
Made Simple Group Limited	20-22 Wenlock Road, London, N1 7GU	Online business startup solutions	Ordinary	-	100.00
Simphold Limited	20-22 Wenlock Road, London, N1 7GU	Holding company	Ordinary	100.00	-
Going Beyond LLC	2915 Premiere Parkway Suite 200, Duluth, GA 30097, United States	Holding company	Ordinary	-	100.00
Voice Nation Inc	2915 Premiere Parkway Suite 200, Duluth, GA 30097, United States	Communications products and services provider	Ordinary	-	100.00
Ninja Number LLC	2915 Premiere Parkway Suite 200, Duluth, GA 30097, United States	Communications products and services provider	Ordinary	-	100.00

16 Debtors

	Group		Company	
	2021	2020	2021	2020
Amounts falling due within one year:	£	£	£	£
Trade debtors	2,386,544	2,412,284	-	-
Corporation tax recoverable	258,184	-	-	-
Amounts owed by group undertakings	-	-	39,963	248,489
Other debtors	299,649	437,311	2,238	10
Prepayments and accrued income	1,417,548	1,347,404	-	-
	<u>4,361,925</u>	<u>4,196,999</u>	<u>42,201</u>	<u>248,499</u>

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

17 Creditors: amounts falling due within one year

	Group 2021 £	2020 £	Company 2021 £	2020 £
Trade creditors	607,265	1,037,686	15,470	-
Amounts owed to group undertakings	18,282,542	19,905,265	9,656,980	10,607,020
Corporation tax payable	-	24,717	28,091	13,412
Other taxation and social security	2,105,818	3,339,273	6,195	6,563
Other creditors	144,126	151,683	-	-
Accruals and deferred income	3,031,443	3,047,265	272,712	277,107
	<u>24,171,194</u>	<u>27,505,889</u>	<u>9,979,448</u>	<u>10,904,102</u>

18 Provisions for liabilities

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Onerous lease and dilapidations		557,985	155,095	-	-
Deferred tax liabilities	19	885,462	920,942	293,616	274,069
		<u>1,443,447</u>	<u>1,076,037</u>	<u>293,616</u>	<u>274,069</u>

Movements on provisions apart from deferred tax liabilities:

Group	Onerous lease and dilapidations £
At 1 January 2021	155,095
Additional provisions in the year	469,057
Utilisation of provision	(66,136)
Unwinding of discount	(31)
At 31 December 2021	<u>557,985</u>

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2021 £	Liabilities 2020 £
Group		
Accelerated capital allowances	401,026	249,632
Assets measured at their fair value	517,377	700,190
Short term timing differences	(32,941)	(28,880)
	<u>885,462</u>	<u>920,942</u>
	Liabilities 2021 £	Liabilities 2020 £
Company		
Accelerated capital allowances	<u>293,616</u>	<u>274,069</u>
	Group 2021 £	Company 2021 £
Movements in the year:		
Liability at 1 January 2021	920,942	274,069
Credit to profit or loss	(31,089)	(44,982)
Effect of change in tax rate - profit or loss	66,720	81,264
Other	(71,111)	(16,735)
	<u>885,462</u>	<u>293,616</u>
Liability at 31 December 2021		

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

20 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>419,769</u>	<u>364,888</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

21 Share capital

Group and company	2021	2020	2021	2020
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary Shares of £1 each	10,826	10,826	10,826	10,826

22 Reserves

Share premium

Consideration received for shares issued above their nominal value.

Capital redemption reserve

The nominal value of shares repurchased.

Profit and loss reserves

Cumulative profit and loss net of distributions to owner.

23 Financial commitments, guarantees and contingent liabilities

The bank loans and loan notes in the wider Group are secured by way of fixed and floating charges over the assets of the Group. As at 31 December 2021, the Group had secured bank loans of £51,015,810 (2020: £50,750,615) and loan notes of £9,835,868 (2020: £9,835,868) and accrued interest of £3,451,992 (2020: £ 2,244,002) outstanding at the year end. Each company of the Group has provided a guarantee over the loan notes in the wider Group to pay any amount due as if it was the principal obligor. The liability across the Group as at 31 December 2021 was £13,287,860 (2020: £12,079,870).

24 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Within one year	793,694	675,816	-	-
Between two and five years	2,760,759	3,347,898	-	-
In over five years	202,500	820,542	-	-
	<u>3,756,953</u>	<u>4,844,256</u>	<u>-</u>	<u>-</u>

25 Related party transactions

Remuneration of key management personnel

Key management personnel receive remuneration from a parent company in the current year and are employed by that company.

TDKP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

25 Related party transactions

(Continued)

Other information

During the year the Group received £917 (2020: £Nil) for the provision of communication services to another company outside of the Group who has a common director. The balance outstanding at the year end was £114 (2020: £Nil).

During the year the Group paid £Nil (2020: £500) for advertising to another company outside of the Group who has a common director. The balance outstanding at the year end was £Nil (2020: £Nil).

26 Controlling party

The company is a wholly owned subsidiary of TDKP Bidco Limited, a company incorporated in England and Wales. The ultimate parent is TDKP Topco Limited, a company incorporated in England and Wales.

The parent of the largest and smallest group in which these financial statements are consolidated is TDKP Topco Limited. These financial statements may be obtained from the Registrar of Companies, Companies Registration Office, Crown Way, Cardiff, CF4 3UZ.

TDKP Topco Limited is owned by a number of private shareholders and companies with no one person with significant control. Accordingly, there is no ultimate controlling party.

27 Cash generated from group operations

	2021 £	2020 £
Profit for the year after tax	4,815,586	3,781,915
Adjustments for:		
Taxation charged	1,551,538	1,264,564
Finance costs	929,809	1,219,564
Investment income	(698)	(16,991)
Loss on disposal of tangible fixed assets	26,655	1,000
(Gain)/loss on disposal of intangible assets	-	59,183
Amortisation and impairment of intangible assets	3,718,655	3,521,840
Depreciation and impairment of tangible fixed assets	1,331,557	1,187,692
Increase/(decrease) in provisions	402,921	(71,195)
Movements in working capital:		
Decrease/(increase) in debtors	93,258	(245,826)
(Decrease)/increase in creditors	(4,239,787)	7,673,087
Cash generated from operations	8,629,494	18,374,833

28 Analysis of changes in net funds - group

	1 January 2021 £	Cash flows £	Exchange rate movements £	31 December 2021 £
Cash at bank and in hand	9,990,044	5,080,116	313,420	15,383,580