

Company Registration No. 14060428 (England and Wales)

CHELSEA GREEN TOPCO LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 SEPTEMBER 2022

PART OF SECTION 4(1) EXEMPTION FOR
COMPANY NUMBER 00242420

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CHELSEA GREEN TOPCO LIMITED

COMPANY INFORMATION

Directors	F J C Gauci A R J Gilmore D J Orange E A Pickens R J Renwick J R E Ronson C S A Welch
Company number	14060428
Registered office	Cadogan House 239 Acton Lane Park Royal London United Kingdom NW10 7NP
Auditor	RSM UK Audit LLP Chartered Accountants 25 Farringdon Street London EC4A 4AB

CHELSEA GREEN TOPCO LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

The directors present the strategic report for the period ended 30 September 2022.

Fair review of the business

In May 2022, Chelsea Green Topco Limited announced the acquisition of Artifex Topco Limited. Artifex was the holding company of the Cadogan Tate Group ("Cadogan Tate" or the "Group").

Following the acquisition, Chelsea Green Topco Limited now acts as the holding company for Cadogan Tate. The Group's indirect subsidiary undertakings operate as a leading provider of storage and handling services focused on fine art and other valuable possessions, with a broad customer base including private individuals, art galleries, museums, interior designers, and auction houses.

Cadogan Tate was founded in 1977 in London. Having grown significantly over the last 45 years, the Group now has a global presence with facilities in London, Paris, New York, Los Angeles, Chicago, Miami and San Francisco (through the acquisition of Lawrence Fine Art in May 2022), allowing the business to deliver a premium, local service across a global network.

Cadogan Tate's FY2022 financial performance was strong, with revenue of £32.5 million and gross profit of £12.4 million for the reporting period. Revenue growth was predominantly organic and strong across all geographies, whilst gross profit was driven by an improved service mix and continued focus on operational excellence.

The Group remains focused on maintaining a strong balance sheet underpinned by stable operating cashflows and an optimal capital allocation structure. At year-end, cash was £5.6 million. In addition, at year-end, the Group had Credit Facilities totalling \$43 million (£38.5 million) funds available.

The consolidated results for this period are set out on page 13.

Business model

The Group's business model is based on providing premium storage, moving and shipping services across a global network. The Group has continued to invest in these key business channels: developing its global storage footprint; enhancing the premium moving capabilities globally; and simplifying the complexities of transporting valuable possessions internationally.

As we enter FY2023, the Group is well positioned to take advantage of the prospects of wider economic recovery. Although macro-economic uncertainties exist, the market fundamentals remain positive, and we are looking forward with confidence.

Future developments

Cadogan Tate will continue to focus on developing its multi-channel offering in the UK, US and France and explore opportunities for further enhancements to the network to satisfy the growing needs and expectations of its customers.

The Group is well positioned to take advantage of opportunities to grow the business organically and through strategic acquisitions.

Risks and uncertainties

Cadogan Tate's principal risk map assesses the financial profit impact of a risk materialising over one year. The Group has a framework to continuously identify and review both the principal and emerging risks to the Group.

This includes an assessment of principal risks for each geographical location and regular reporting of operational and financial KPIs to the Executive Team. The Directors' assessment of the Group's principal risks is aligned to the strategic business planning process.

As part of the Board's ongoing assessment of the principal and emerging risks, the Board has considered the performance of the Group, its markets, the changing regulatory landscape, and the Group's future strategic direction and ambition.

CHELSEA GREEN TOPCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Risks and uncertainties (continued)

Risks are still subject to ongoing monitoring and appropriate mitigation, and the table on the following page details each principal business risk, the controls and risk mitigating actions available.

	Principal risks	Controls & mitigating actions
1.	<p>Adverse Macro Economic Environment impacts business performance</p> <p><u>Foreign Exchange Risk</u> – risk that greater volatility in currency markets leads to enhanced uncertainty over earnings</p> <p><u>Interest Rate Risk</u> – risk that increasing interest rates lead to higher interest charges and put pressure on bank covenants</p> <p><u>Brexit</u> – risk of increased complexity and cost of doing business between the UK and the EU</p> <p><u>Pandemic</u> – (or similar global event) places increased pressure on operating model presenting a risk to short term (or longer term) cashflows</p> <p><u>Price Inflation</u> – higher core inflation of key input costs (notably labour, fuel, shipping costs and packaging materials) puts pressure on CT margins</p>	<p>The Group seeks to operate natural hedges as far as possible by ensuring that where possible currency of revenues match the currency of costs being incurred.</p> <p>Further, debt profile is structured to match forecast cashflows</p> <p>Ongoing monitoring of cashflows, and cash management ensures that sufficient headroom exists in relation to bank covenants. Strong relationships with key lenders established with regular communication of business performance</p> <p>Investment in key internal capability to ensure that export/import requirements understood, and compliance needs met.</p> <p>Strong customer relationships to enable the business to see this as a commercial opportunity vs competitors</p> <p>Effect of potential business interruption assessed as part of periodic going concern papers. Resilience of Cadogan Tate's operating model (where storage revenues underpin cash generation) has been proven out during the pandemic thus far</p> <p>Relative inelasticity of Cadogan Tate's services (and customer base) provides scope for the business to review pricing regularly in response to input cost pressures. Ongoing monitoring of gross margins by service by location prompts regular review of the company's pricing.</p>

CHELSEA GREEN TOPCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Risks and uncertainties (continued)

<p>2. Failure to Execute Business Strategy</p> <p>Lack of clear business strategy and vision leads to lack of clarity over business priorities and/or conflicting messages</p> <p>Failure (inability) to integrate acquisitions results in value creation expectations not being met</p> <p>Failure to respond to market conditions impacts profit margins</p> <p>Inability to recruit / retain sufficient trained staff impacts the ability of the business to meet its growth aspirations</p> <p>Failure to plan storage capacity sufficiently in advance stifles growth</p>	<p>Clear articulation of business strategy internally and externally. Strong internal governance and engagement with the shareholders, to challenge priorities and ensure potential conflicts are addressed</p> <p>Investment in appropriate integration resource across all key functions, coupled with the development of a standard integration playbook</p> <p>Lack of contractual nature of customer relationships, relative price insensitivity of customer base, and focus on service/ value add enables the business to respond quickly to market conditions</p> <p>Robust internal business performance review processes and the development of leading indicators to quickly establish emerging trends and address potential performance issues</p> <p>Development of world leading employee brand and internal procedures to support this (learning & development, succession planning.)</p> <p>Ensure competitive remuneration packages and market competitive T&Cs</p> <p>Appropriate internal focus on storage utilisation, regular (Board level) review of current and forecast capacity utilisation</p>
<p>3. Business IT Systems and cyber-security risks</p>	<p>The Group continues to develop its IT strategy to support its business strategy, strengthening the team with both strategic and operational resource</p> <p>The Group routinely assesses the cyber security risk landscape and has established layered proactive and reactive information security controls to mitigate common threats</p> <p>Business Continuity Plans at all locations includes provision to support short term outages</p>

CHELSEA GREEN TOPCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Risks and uncertainties (continued)

4. Reputational Risk Lack of adequate controls around Sanctions / KYC results in the business dealing with customers that subsequently lead to CT reputation being tarnished Failure to meet service expectations of customer base results in poor media attention and impacts CT reputation	 Development of robust internal policies and procedures that utilise best in class 3rd party monitoring of the external environment. Appropriate KPIs are currently being developed to enable monitoring of control effectiveness Internal standard operating procedures (SOPs) ensure best practice operating procedures are understood and documented. These are periodically reviewed to ensure they remain fit for purpose
5. Regulatory Risk Failure to stay abreast of the changing regulatory requirements as the Group operates in a broad & expanding geographical market Failure to be compliant with current Tax legislation in all jurisdictions	 Establish an Audit and Risk Committee to ensure principal risks to the business are identified and ensure robust internal policies and procedures are in place and that their effectiveness is periodically reviewed Development of a Group Tax governance framework, identifying key areas of risk and improving Internal SOPs to ensure best practice operating procedures are understood and documented. These are periodically reviewed to ensure they remain fit for purpose

Going concern

The directors have prepared and considered detailed trading and cash flow projections for at least 12 months from the date of signing these financial statements which indicate that the Group will be profitable at an operating level, cash generative in order to continue to service its financial obligations as and when they fall due and is able to trade within the agreed financial covenants attached to its funding facilities, which comprises of term loans and credit facilities from Deutsche Bank (the Group's key lender).

Management has taken the macro-economic situation into consideration, in addition to our robust trading, when performing an assessment of the financial impact on the business in the preparation of the financial statements. The budget/financial plan was prepared with the principal risks in mind. Early indications for trading in the first quarter of the new financial year continue to remain positive with the businesses trading in line with expectations.

In summary, the directors believe the Group has a reasonable expectation that the Group and company have adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Post Balance Sheet Events

Subsequent to the reporting date the Group has acquired the shares of 3 separate groups of companies. Following these acquisitions, the Group has cash and credit facilities available in excess of £20m.

CHELSEA GREEN TOPCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Streamlined Energy and Carbon Reporting (SECR) Framework

Chelsea Green Topco Limited is a low energy user and is entitled to exclude energy and carbon information from its group reporting since each subsidiary is exempt under size criteria from the obligation to individually report under the SECR framework.

Key performance indicators

The key measures of performance used by the group are turnover, gross profit and gross profit margin. These KPIs below are for the period ended 30 September 2022.

	2022
Turnover	£32.5m
Gross Profit	£12.4m
Gross profit margin	38%

Statement of director's duties to stakeholders

The directors are aware of their duty under section 172 of the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote the success of the Company and in doing so have regard (amongst other matters) to:

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

Engagement with employees

The business actively engages with its people to engender a proactive and entrepreneurial culture. A flexible recognition and reward programme, using bonus and commission structures to reward business success, is complemented by a structured performance review programme that seeks to reinforce the behaviours we expect our colleagues to demonstrate both internally, and externally. The Company is an equal opportunity employer and is fully committed to a policy of treating all its employees and job applicants equally. Equal Opportunities covers two broad areas: the promotion of diversity and the protection of employees from harassment and discrimination of any kind.

Engagement with suppliers, customers and others in a business relationship with the company

Customers

The reputation of the business with our customers is fundamental to continued success, and this is engendered through a constant focus on exceeding expectations of the customer. Word of mouth and referral is a key source of new business, and this is a result of over 30 years delivering on our promises with the customer. The Cadogan Tate brand is associated with quality in its service offer and the way that these services are delivered by the Account Management and Operational capabilities across the business. A high quality team of well-trained customer services, art technician and delivery crew employees reinforce the quality of service.

Suppliers

We engage with our key suppliers to build trusting relationships from which we can mutually benefit, and to ensure they are performing to our standards and conducting business to our expectations.

CHELSEA GREEN TOPCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Engagement with suppliers, customers and others in a business relationship with the company (continued)

The Environment

The directors of the business take their Corporate Social Responsibility seriously, as outlined in the company's CSR Policy. The Group also seeks to play a role at an industry level in driving environmental change. For example, we are a member of The Gallery Climate Coalition – a cross industry group looking at ways the Fine Art world can reduce its impact on the environment through a reduced carbon footprint with a stated ambition of reducing the carbon footprint of the industry by 50% by 2030.

Business Conduct

The directors ensure that industry standards of best practice are maintained through the active membership of relevant professional bodies (for example – B.A.R. – the British Association of Removers).

Others

The business also maintains a positive relationship with Deutsche Bank (our key lender), primarily through the relationship with the business's Relationship Director, but also through fostering contact with all key contacts within the bank.

On behalf of the board



.....
D J Orange
Director

29/03/23
Date:

CHELSEA GREEN TOPCO LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

The directors present their annual report and financial statements for the period ended 30 September 2022.

Principal activities

In the period under review the principal activity of the company was that of a holding company, and the principal activity of the group was that of the provision of packing, moving, storage, shipping and management services both within the United Kingdom and in multiple international locations.

The company was incorporated on 21 April 2022 and these financial statements are for the 5 month period to 30 September 2022 which aligns with the reporting date of the group.

Results and dividends

The results for the period are set out on page 13.

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

Directors

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

F J C Gauci	(Appointed 24 May 2022)
A R J Gilmore	(Appointed 21 April 2022)
D J Orange	(Appointed 24 May 2022)
E A Pickens	(Appointed 21 April 2022)
R J Renwick	(Appointed 24 May 2022)
J R E Ronson	(Appointed 21 April 2022)
C S A Welch	(Appointed 21 April 2022)

Qualifying third party indemnity provisions

Qualifying third party indemnity provisions (as defined by the Companies Act 2006) are in force for the benefit of the directors who held office during the period. The company also provides directors' and officers' liability insurance for its directors and other officers.

Disabled persons

The group will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise. There is a training and rehabilitation scheme in operation so that employees who have been injured or disabled in the course of their employment can, where possible, continue in employment with the group. The number of disabled persons employed by the group during the year was nil.

Employee involvement

The group encourages the involvement of its employees in its management through regular meetings for the dissemination of information of particular concern to its employees and for receiving their views on important matters of policy.

Environmental responsibility and health & safety

The group has been accredited to ISO 14001 for several years and ongoing improvements in environmental performance are consistently achieved. The group's commitment to the Health & Safety of its employees is confirmed by the continued holding of OHSAS 18001.

Auditor

RSM UK Audit LLP were appointed as auditor to the company and 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.

CHELSEA GREEN TOPCO LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Disclosure of information in the strategic report

Matters required by schedule 7 of the large and medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the Strategic Report in Accordance with S.414c(11) of the Companies Act 2006.

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 company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



.....
D J Orange

Director

29/03/23
Date:

CHELSEA GREEN TOPCO LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHELSEA GREEN TOPCO LIMITED

Opinion

We have audited the financial statements of Chelsea Green Topco Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 30 September 2022 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 of the parent company's affairs as at 30 September 2022 and of the group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 group and parent 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 or the 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.

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 period 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHELSEA GREEN TOPCO LIMITED (CONTINUED)

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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the 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 set out on page 9, 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 group's and 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 group or the parent 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.

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 group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group and parent company operates in and how the group and parent company are 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHELSEA GREEN TOPCO LIMITED (CONTINUED)

Legislation / Regulation	Additional audit procedures performed by the audit engagement team included:
FRS 102 and the Companies Act 2006	Reviewed the financial statement disclosures and testing to supporting documentation. Completion of disclosure checklists to identify areas of non-compliance.
Tax compliance regulations	Reviewed the Company's tax computations. Inspected correspondence with external tax advisors. The most significant laws and regulations that have an indirect impact on the financial statements are as follows:
Health and safety	Documented our understanding of the training protocols in place in the business. Reviewed compliance documentation and incident registers where any accidents are reviewed and any commonalities between accidents are assessed. Held discussions with management and reviewed Board meeting minutes to confirm whether there had been any reported significant breaches in respect of health and safety.

The areas that we identified as being susceptible to material misstatement due to fraud were:

Risk	Audit procedures performed by the audit engagement team:
Revenue recognition	Gained an understanding of the processes and controls operated over revenue recognition and performed walk through tests. Used a data analytics tool to test total revenue by tracing through all transactions in the revenue cycle to the cashbook or trade debtors at year end. Performed test of details around cut-off by ensuring that revenue has been recognised in line with the date services have been provided.
Management override of controls	Tested the appropriateness of journal entries and other adjustments. Assessed whether the judgements made in making accounting estimates are indicative of a potential bias. Evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Use of our report

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

Kerry Norman

Kerry Norman (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

29/03/23

CHELSEA GREEN TOPCO LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2022

		Period ended 30 September 2022 £
	Notes	
Turnover	3	32,476,137
Cost of sales		(20,116,227)
Gross profit		12,359,910
Administrative expenses		(19,471,076)
Operating loss	6	(7,111,166)
Interest receivable and similar income	8	10,689
Interest payable and similar expenses	9	(6,903,531)
Loss before taxation		(14,004,008)
Tax on loss	10	168,301
Loss for the financial period		(13,835,707)
Other comprehensive income net of taxation		
Currency translation differences		9,394,726
Total comprehensive income for the period		(4,440,981)

(Loss)/profit for the financial period is all attributable to the owners of the parent company.

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

CHELSEA GREEN TOPCO LIMITED**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 30 SEPTEMBER 2022**

	Notes	2022 £	£
Fixed assets			
Goodwill	11	173,973,727	
Other intangible assets	11	51,510,790	
Total intangible assets		225,484,517	
Tangible assets	12	6,079,301	
Investments	13	44,664	
		231,608,482	
Current assets			
Stocks	16	140,774	
Debtors	17	20,323,279	
Cash at bank and in hand		5,633,931	
		26,097,984	
Creditors: amounts falling due within one year	18	(16,555,713)	
Net current assets		9,542,271	
Total assets less current liabilities		241,150,753	
Creditors: amounts falling due after more than one year	19	(232,268,235)	
Provisions for liabilities	22	(12,330,955)	
Net liabilities		(3,448,437)	
Capital and reserves			
Called up share capital	25	9,573	
Share premium account	26	982,971	
Profit and loss reserves	26	(4,440,981)	
Total equity		(3,448,437)	

29/03/23

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



.....
D J Orange
Director

29/03/23

CHELSEA GREEN TOPCO LIMITED**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022**

	Notes	2022 £	£
Fixed assets			
Investments	13	131,741,581	
Current assets			
Debtors	17	6,441,745	
Creditors: amounts falling due within one year	18	(28,009)	
Net current assets			6,413,736
Total assets less current liabilities			138,155,317
Creditors: amounts falling due after more than one year	19	(141,559,497)	
Net liabilities			(3,404,180)
Capital and reserves			
Called up share capital	25	9,573	
Share premium account	26	982,971	
Profit and loss reserves	26	(4,396,724)	
Total equity			(3,404,180)

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's loss for the year was £4,396,724.

29/03/23

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



.....
D J Orange
Director

29/03/23

CHELSEA GREEN TOPCO LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Period ended 30 September 2022:					
Loss for the period		-	-	(13,835,707)	(13,835,707)
Other comprehensive income net of taxation:					
Currency translation differences		-	-	9,394,726	9,394,726
Total comprehensive income for the period		-	-	(4,440,981)	(4,440,981)
Issue of share capital	25	9,573	982,971	-	992,544
Balance at 30 September 2022		9,573	982,971	(4,440,981)	(3,448,437)

CHELSEA GREEN TOPCO LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Period ended 30 September 2022:					
Loss and total comprehensive income for the period		-	-	(4,396,724)	(4,396,724)
Issue of share capital	25	9,573	982,971	-	992,544
Balance at 30 September 2022		9,573	982,971	(4,396,724)	(3,404,180)

CHELSEA GREEN TOPCO LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Notes	2022 £	£
Cash flows from operating activities			
Cash absorbed by operations	27	(18,223,232)	
Interest paid		(5,229)	
Net cash outflow from operating activities		(18,228,461)	
Investing activities			
Acquisition of subsidiary (net of cash acquired)		(177,568,063)	
Purchase of tangible fixed assets		(336,156)	
Purchase of other investments		(350)	
Interest received		10,689	
Net cash used in investing activities		(177,893,880)	
Financing activities			
Proceeds from issue of shares		992,544	
Issue of preference shares		137,162,773	
Repayment of borrowings		(26,759,518)	
Proceeds of new bank loans		90,407,497	
Payment of finance leases obligations		(47,024)	
Net cash generated from/(used in) financing activities		201,756,272	
Net increase in cash and cash equivalents		5,633,931	
Cash and cash equivalents at beginning of period			-
Cash and cash equivalents at end of period		5,633,931	

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

1 Accounting policies

Company information

Chelsea Green Topco Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Cadogan House, 239 Acton Lane, Park Royal, London, United Kingdom, NW10 7NP.

The group consists of Chelsea Green Topco Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of its operations are disclosed in the Directors' Report.

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 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 33 'Related Party Disclosures': Compensation for key management personnel.

Basis of consolidation

The consolidated financial statements incorporate those of Chelsea Green Topco Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 30 September 2022. 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.

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.

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

1 Accounting policies (Continued)

Going concern

The directors have prepared and considered detailed trading and cash flow projections for at least 12 months from the date of signing these financial statements which indicate that the Group will be profitable at an operating level, cash generative in order to continue to service its financial obligations as and when they fall due and is able to trade within the agreed financial covenants attached to its funding facilities, which comprises of term loans and credit facilities from Deutsche Bank (the Group's key lender).

Management has taken the macro-economic situation into consideration, in addition to our robust trading, when performing an assessment of the financial impact on the business in the preparation of the financial statements. The budget/financial plan was prepared with the principal risks in mind. Early indications for trading in the first quarter of the new financial year continue to remain positive with the businesses trading in line with expectations.

In summary, the directors believe the Group has a reasonable expectation that the Group and company have adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Reporting period

The company was incorporated on 21 April 2022 and these financial statements are for the 5 month period to 30 September 2022 which aligns with the reporting date of the group.

Turnover

Revenue in respect of moving, storage handling, international shipping and related insurance services is generally recognised as contract activity progresses such that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed.

Revenue in respects of storage and related insurance services is generally recognised by accruing for services performed on a daily basis.

Revenue not billed to clients is included within accrued income. Storage income billed in advance and deposits received in advance are included in deferred income.

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 5-10 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.

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.

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

1 Accounting policies (Continued)

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	3 to 5 years straight line
Brand	15 years

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:

Short leasehold improvements	Over the period of the lease
Plant and equipment	10% - 15% per annum straight line basis
Fixtures and fittings	10% - 33% per annum straight line basis
Motor vehicles	10% straight line for commercial vehicles and 20% reducing balance for all others

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 credited or charged to profit or loss.

Fixed asset investments

In the separate accounts of the company, 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 group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

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.

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.

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

1 Accounting policies (Continued)

Stocks

Stocks are valued 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. Provisions are made for obsolete and slow-moving items.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, *other short-term liquid investments with original maturities of three months or less.*

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 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.

Basic financial assets

Basic financial assets, which include trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.*

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.

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

1 Accounting policies (Continued)

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

Basic financial liabilities, including trade and other 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.

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

Derecognition of financial liabilities

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

Equity instruments

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

1 Accounting policies (Continued)

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.

The group makes provision for the anticipated cost of settling liabilities arising in the event of loss or damage based on the date of notification by the claimant, net of the anticipated contribution from insurers, where applicable.

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.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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.

Critical judgements

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

Goodwill and intangibles

Management consider that there are no indicators of impairment in respect of goodwill and of the Cadogan Tate brand value intangible fixed asset and that consequently, no impairment is therefore required to be recognised against the value of the group's goodwill or intangibles at the reporting date.

Intangible fixed assets includes £51,484,945 that relates to the Cadogan Tate brand. The fair value of the brand was determined at the date of acquisition using the income approach. The key assumptions of the valuation method are those regarding future cash flows based on an assumed royalty rate of 3.75%, sales growth and EBITDA growth of 4%, Corporation Tax rate of 25% and a Weighted Average Cost of capital rate of 9.6%. The trademark was estimated to have a useful life of approximately 15 years.

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.

Provision for doubtful debts

Management reviews trade receivables on a regular basis and doubtful debts are provided for on the basis of expected recoverability based on credit ratings, knowledge of the customer, market conditions and previous experience.

3 Turnover and other revenue

	2022 £
Turnover analysed by class of business	
Revenue from services	32,476,137
	<hr/>
	2022 £
Other revenue	
Interest income	10,689
	<hr/>

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

3 Turnover and other revenue (Continued)

	2022 £
Turnover analysed by geographical market	
United Kingdom	6,998,434
Rest of Europe	1,869,250
Rest of the World	23,608,453
	<u>32,476,137</u>

4 Employees

The average monthly number of persons (including directors) employed during the period was:

	Group 2022 Number	Company 2022 Number
Office and management	55	7
Operations	488	-
Total	<u>543</u>	<u>7</u>

Their aggregate remuneration comprised:

	Group 2022 £	Company 2022 £
Wages and salaries	9,142,397	-
Social security costs	951,550	-
Pension costs	56,076	-
	<u>10,150,023</u>	<u>-</u>

5 Directors' remuneration

	2022 £
Remuneration for qualifying services	302,879
Company pension contributions to defined contribution schemes	881
	<u>303,760</u>

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

5 Directors' remuneration (Continued)

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

	2022
	£
Remuneration for qualifying services	118,205
Company pension contributions to defined contribution schemes	440
	<u>118,645</u>

6 Operating loss

	2022
	£

Operating loss for the period is stated after charging:

Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	4,536,799
Depreciation of owned tangible fixed assets	453,699
Depreciation of tangible fixed assets held under finance leases	112,178
Amortisation of intangible assets	8,056,046
Operating lease charges	2,896,250
	<u>15,994,972</u>

7 Auditor's remuneration

	2022
	£

Fees payable to the company's auditor and associates:

For audit services

Audit of the financial statements of the group and company	201,600
	<u>201,600</u>

For other services

Services relating to corporate finance transactions	231,000
All other non-audit services	42,250
	<u>273,250</u>

273,250

8 Interest receivable and similar income

	2022
	£

Interest income

Interest on bank deposits	10,689
	<u>10,689</u>

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

9 Interest payable and similar expenses

	2022 £
Interest on bank overdrafts and loans	2,424,255
Dividends on preference shares	4,396,724
Interest on finance leases and hire purchase contracts	2,614
Amortisation of finance costs	79,938
Total finance costs	<u>6,903,531</u>

10 Taxation

	2022 £
Current tax	
UK corporation tax on profits for the current period	794,878
Double tax relief	(197,954)
Total UK current tax	<u>596,924</u>
Foreign current tax on profits for the current period	<u>1,722,462</u>
Total current tax	<u>2,319,386</u>
Deferred tax	
Origination and reversal of timing differences	(2,157,135)
Changes in tax rates	(330,552)
Total deferred tax	<u>(2,487,687)</u>
Total tax credit	<u>(168,301)</u>

The total tax (credit)/charge for the period included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2022 £
Loss before taxation	<u>(14,004,008)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00%	(2,660,762)
Tax effect of expenses that are not deductible in determining taxable profit	3,883,846
Tax effect of income not taxable in determining taxable profit	(7,794)
Change in unrecognised deferred tax assets	302,862
Effect of overseas tax rates	(1,355,901)
Tax rate changes	(330,552)
Taxation credit	<u>(168,301)</u>

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

10 Taxation (Continued)

Changes to UK corporation tax rates were substantively enacted by the Finance Bill 2021 on 24 May 2021. These included an increase of the corporation tax rate to 25% from 1 April 2023. As this change was substantively enacted at the balance sheet date, deferred tax is recognised at a rate of 25% in the current period.

11 Intangible fixed assets

Group	Goodwill £	Software £	Brand £	Total £
Cost				
Additions - business combinations	168,056,028	64,975	52,765,843	220,886,846
Exchange adjustments	12,653,717	-	-	12,653,717
At 30 September 2022	180,709,745	64,975	52,765,843	233,540,563
Amortisation and impairment				
Amortisation charged for the period	6,736,018	39,130	1,280,898	8,056,046
At 30 September 2022	6,736,018	39,130	1,280,898	8,056,046
Carrying amount				
At 30 September 2022	173,973,727	25,845	51,484,945	225,484,517

The company had no intangible fixed assets at 30 September 2022.

All amortisation is recognised within administrative expenses.

12 Tangible fixed assets

Group	Short leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
Additions	62,014	133,287	109,854	31,001	336,156
Business combinations	1,976,389	874,436	146,366	2,897,499	5,894,690
Exchange adjustments	206,361	56,125	7,118	144,728	414,332
At 30 September 2022	2,244,764	1,063,848	263,338	3,073,228	6,645,178
Depreciation and impairment					
Depreciation charged in the period	195,370	158,253	26,135	186,119	565,877
At 30 September 2022	195,370	158,253	26,135	186,119	565,877
Carrying amount					
At 30 September 2022	2,049,394	905,595	237,203	2,887,109	6,079,301

The company had no tangible fixed assets at 30 September 2022.

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

12 Tangible fixed assets (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases:

	Group 2022 £	Company 2022 £
Motor vehicles	849,419	-

13 Fixed asset investments

	Notes	Group 2022 £	Company 2022 £
Investments in subsidiaries	14	-	131,741,581
Unlisted investments		44,664	-
		44,664	131,741,581

Movements in fixed asset investments

Group	Investments other than loans £
Cost or valuation	
At 21 April 2022	-
Additions	350
Acquired on business combination	44,314
At 30 September 2022	44,664
Carrying amount	
At 30 September 2022	44,664

Movements in fixed asset investments

Company	Shares in group undertakings £
Cost or valuation	
At 21 April 2022	-
Additions	131,741,581
At 30 September 2022	131,741,581
Carrying amount	
At 30 September 2022	131,741,581

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

14 Subsidiaries

Details of the company's subsidiaries at 30 September 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Chelsea Green Holdco Limited	Cadogan House, 239 Acton Lane, Park Royal, London, NW10 7NP	Intermediate Holding Company	Ordinary	100.00	-
Chelsea Green Midco Limited	As above	Intermediate Holding Company	Ordinary	-	100.00
Chelsea Green Bidco Limited	As above	Intermediate Holding Company	Ordinary	-	100.00
Chelsea Green US Bidco LLC	Corporation Trust Center, 1209 Orange Street, Wilmington, County of New Castle, DE 19801, US	Intermediate Holding Company	Ordinary	-	100.00
Artifex Topco Limited	Cadogan House, 239 Acton Lane, Park Royal, London, NW10 7NP	Intermediate Holding Company	Ordinary	-	100.00
Artifex Bidco Limited	As above	Intermediate Holding Company	Ordinary	-	100.00
Cadogan Tate Group Holdings Limited	As above	Intermediate Holding Company	Ordinary	-	100.00
Cadogan Tate Group Limited	As above	Intermediate Holding Company	Ordinary	-	100.00
Cadogan Tate Limited	As above	International Moving Shipping and Storage	Ordinary	-	100.00
Cadogan Tate London Limited	As above	International Moving Shipping and Storage	Ordinary	-	100.00
Cadogan Tate Los Angeles Limited	As above	International Moving Shipping and Storage	Ordinary	-	100.00
Cadogan Tate Miami Limited	As above	International Moving Shipping and Storage	Ordinary	-	100.00
Cadogan Tate New York Limited	As above	International Moving Shipping and Storage	Ordinary	-	100.00
Cadogan Tate Head Office Treasury Services Limited	As above	Management Services & Ordinary Insurance Intermediation	Ordinary	-	100.00
Eco Man & Van Limited	As above	Dormant	Ordinary	-	100.00
Eco Movers Limited	As above	Dormant	Ordinary	-	100.00
Eco Van & Man Limited	As above	Dormant	Ordinary	-	100.00
Fine Art Logistics Limited	As above	Dormant	Ordinary	-	100.00
Green Removals Limited	As above	Dormant	Ordinary	-	100.00
Molly Millars Lane Limited	As above	Dormant	Ordinary	-	100.00
South of France Limited	As above	Dormant - Intermediate Holding Company	Ordinary	-	100.00
The Eco Group Limited	As above	Dormant	Ordinary	-	100.00
Tooth Transport Limited	As above	Dormant	Ordinary	-	100.00
Mii Storage Limited	As above	Storage	Ordinary	-	100.00
Cadogan Tate Insurance Services Limited	As above	Dormant	Ordinary	-	100.00
CTGMS Limited	As above	Dormant	Ordinary	-	100.00

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

14 Subsidiaries (Continued)

Clapham Tunnels Limited	As above	Dormant	Ordinary	- 100.00
92 Durnsford Limited	As above	Dormant	Ordinary	- 100.00
Alpha House (SW19) Limited	As above	Property Letting & Management Services	Ordinary	- 100.00
239 Acton Lane Limited	As above	Property Letting & Management Services	Ordinary	- 100.00
241 Acton Lane Limited	As above	Property Letting & Management Services	Ordinary	- 100.00
Cadogan Tate Paris SAS	50 Rue Ardoin 93400 St Ouen France	International Moving Shipping and Storage	Ordinary	- 100.00
Wetzel & Sons Moving and Storage Inc	12400 Osbourne Place, Pacoima, CA 91331, US	International Moving Shipping and Storage	Ordinary	- 100.00
Cadogan Tate US Bidco Inc	Corporation Trust Center, 1209 Orange Street, Wilmington, County of New Castle, DE 19801, US	Intermediate Holding Company	Ordinary	- 100.00
Art Care International Inc.	231 Michelle Court, San Francisco, CA 94080, United States	International Moving Shipping and Storage	Ordinary	- 100.00
Cadogan Tate Chicago Limited	Cadogan House, 239 Acton Lane, Park Royal, London, NW10 7NP	International Moving Shipping and Storage	Ordinary	- 100.00

All subsidiaries are incorporated and registered in England and Wales except for Cadogan Tate Paris SAS, which is registered in France, and Wetzel & Sons Moving and Storage, Inc and Cadogan Tate US Bidco Inc, which are registered in the United States.

The entities listed below have taken the exemption in section 479A of the Companies Act 2006 (the Act) from the requirement in the Act for its individual accounts to be audited. In order for the audit exemption to be taken, the Company has guaranteed all outstanding liabilities of the entities listed below at 30 September 2022 until those liabilities are satisfied in full.

- Chelsea Green Holdco Limited
- Artifex Topco Limited
- Artifex Bidco Limited
- Cadogan Tate Group Holdings Limited
- Cadogan Tate Limited
- Cadogan Tate London Limited
- Mii Storage Limited
- Alpha House (SW19) Limited
- 239 Acton Lane Limited
- 241 Acton Lane Limited
- Cadogan Tate New York Limited
- Cadogan Tate Los Angeles Limited
- Cadogan Tate Chicago Limited
- Cadogan Tate Miami Limited

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

15 Acquisition

On 24 May 2022 the group acquired the entire issued capital of Artifex Topco Limited for consideration of £186,521,231.

	Book Value £	Adjustments £	Fair Value £
Net assets acquired			
Intangible assets	22,167,301	35,231,699	57,399,000
Property, plant and equipment	5,894,690	-	5,894,690
Investments	44,314	-	44,314
Inventories	138,010	-	138,010
Trade and other receivables	9,455,465	-	9,455,465
Cash and cash equivalents	8,953,168	-	8,953,168
Borrowings	(26,759,518)	-	(26,759,518)
Obligations under finance leases	(382,102)	-	(382,102)
Trade and other payables	(17,826,194)	-	(17,826,194)
Current tax debtor	995,158	-	995,158
Provisions	(340,169)	-	(340,169)
Deferred tax	(5,730,512)	(8,807,925)	(14,538,437)
Total identifiable net assets	(3,390,389)	26,423,774	23,033,385
Goodwill			163,487,846
Total consideration			186,521,231
The consideration was satisfied by:			£
Cash			179,411,312
Fees			7,109,919
			186,521,231

Included within the fair value of intangible assets totalling £57,399,000 is £52,765,843 relating to brand, £4,568,182 relating to goodwill and £64,975 of software.

Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:

	£
Turnover	32,476,138
Profit after tax	2,522,878

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

16 Stocks

	Group 2022 £	Company 2022 £
Finished goods and goods for resale	140,774	-

17 Debtors

	Group 2022 £	Company 2022 £
Amounts falling due within one year:		
Trade debtors	7,760,169	-
Amounts owed by group undertakings	-	6,441,745
Other debtors	7,674,598	-
Prepayments and accrued income	4,888,512	-
	20,323,279	6,441,745

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

18 Creditors: amounts falling due within one year

	Notes	Group 2022 £	Company 2022 £
Obligations under finance leases	21	152,427	-
Trade creditors		6,009,530	-
Amounts owed to group undertakings		-	28,009
Corporation tax payable		1,324,228	-
Other taxation and social security		1,105,548	-
Other creditors		1,556,786	-
Accruals and deferred income		6,407,194	-
		16,555,713	28,009

The amounts owed to group undertakings are unsecured, interest free and repayable on demand.

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

19 Creditors: amounts falling due after more than one year

	Notes	Group 2022 £	Company 2022 £
Bank loans	20	90,407,497	-
Obligations under finance leases	21	182,651	-
Other borrowings	20	137,162,773	137,162,773
Other creditors		118,590	-
Accruals and deferred income		4,396,724	4,396,724
		<u>232,268,235</u>	<u>141,559,497</u>

Amounts included above which fall due after five years are as follows:

Payable other than by instalments	90,407,497	-
	<u>90,407,497</u>	<u>-</u>

20 Borrowings

	Group 2022 £	Company 2022 £
Bank loans	90,407,497	-
Preference shares	137,162,773	137,162,773
	<u>227,570,270</u>	<u>137,162,773</u>
Payable after one year	<u>227,570,270</u>	<u>137,162,773</u>

Bank loans

The group has a bank loan of £87,600,716 which is recognised net of loan arrangement fees of £1,693,219. The loan accrues interest at SONIA +6% per annum and is repayable in full in May 2029.

The group also has access to a \$18,500,000 (£16,562,220) revolving credit facility which accrued interest at SONIA +3.5% per annum, of which £4.5m was drawn down at the reporting date, and a \$24,500,000 (£21,933,751) acquisition facility which accrues interest at SONIA +6% per annum and is repayable in full in May 2029, of which £nil was drawn down at the reporting date.

All borrowings are denominated in USD and are secured against the assets of the company and its group.

Preference shares

137,162,773 £0.01 preference shares were issued to shareholders on 24 May 2022 at a subscription price of £1 per share. The preference shares do not carry any equity component and are classified as financial liabilities in their entirety. The shares accrue a fixed cumulative preferential dividend of 9% on the subscription price of £1 per share. The principal and accrued dividend is repayable upon exit.

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

21 Finance lease obligations

	Group 2022 £	Company 2022 £
Future minimum lease payments due under finance leases:		
Less than one year	152,427	-
Between one and five years	182,651	-
	<u>335,078</u>	<u>-</u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term at inception is 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Obligations under finance leases and hire purchase contracts are secured by the related assets and bear finance charges at rates ranging from 1.23% to 4.6% per annum.

22 Provisions for liabilities

	Notes	Group 2022 £	Company 2022 £
Claims for loss or damage		280,205	-
Deferred tax liabilities	23	12,050,750	-
		<u>12,330,955</u>	<u>-</u>

Movements on provisions apart from deferred tax liabilities:

Group	Claims for loss or damage £
Utilisation of provision	(49,302)
Exchange difference	(10,662)
Other movements	340,169
At 30 September 2022	<u>280,205</u>

The above claims provision represents the estimated cost of settling liabilities under claims notified at the balance sheet date. The amount provided represents management's best estimate of the future cash outflows in respect of those claims. The amounts and timing of those outflows are uncertain.

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

23 Deferred taxation

The major deferred tax liabilities and assets recognised by the group and company are:

	Liabilities 2022 £
Group	
Accelerated capital allowances	402,093
Tax losses	(999,591)
On valuation of intangible fixed assets	12,658,238
Short term timing differences	(9,990)
	<u>12,050,750</u>

The company has no deferred tax assets or liabilities.

	Group 2022 £	Company 2022 £
Movements in the period:		
Asset at 21 April 2022	-	-
Credit to profit or loss	(2,487,687)	-
Acquired on business combinations	14,538,437	-
	<u>12,050,750</u>	<u>-</u>
Liability at 30 September 2022		

The net deferred tax liability set out above is expected to reverse after 12 months and relates to accelerated capital allowances, intangibles on business combinations and other timing differences that are expected to mature within the same period.

24 Retirement benefit schemes

	2022 £
Defined contribution schemes	
Charge to profit or loss in respect of defined contribution schemes	<u>56,076</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. Contributions totalling £27,537 were payable to the fund at the period end and are included within other creditors.

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

25 Share capital

	Group and Company	
	2022 Number	2022 £
Ordinary share capital		
Issued and fully paid		
Ordinary A shares of 1p each	850,000	8,500
Ordinary B shares of 1p each	107,250	1,073
	<u>957,250</u>	<u>9,573</u>

A Ordinary shares

The shares have attached to them one vote per share, dividend and capital distribution rights in priority of the B Ordinary shareholders but in precedence of the preference shareholders.

B Ordinary shares

The shares have attached to them no voting rights, dividend and capital distribution rights in precedence of the preference shareholders and A Ordinary shareholders.

26 Reserves

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

27 Cash absorbed by group operations

	2022 £
Loss for the period after tax	(13,835,707)
Adjustments for:	
Taxation credited	(168,301)
Finance costs	6,903,531
Investment income	(10,689)
Amortisation and impairment of intangible assets	8,056,046
Depreciation and impairment of tangible fixed assets	565,877
Foreign exchange differences	(3,683,985)
Decrease in provisions	(49,302)
Movements in working capital:	
Increase in stocks	(2,764)
Increase in debtors	(10,867,814)
Decrease in creditors	(5,130,124)
Cash absorbed by operations	<u>(18,223,232)</u>

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

28 Analysis of changes in net debt - group

	21 April 2022	Cash flows	Acquisitions and disposals	30 September 2022
	£	£	£	£
Cash at bank and in hand	-	5,633,931	-	5,633,931
Borrowings excluding overdrafts	-	(200,810,752)	(26,750,518)	(227,570,270)
Obligations under finance leases	-	47,024	(382,102)	(335,078)
	-	(195,129,797)	(27,141,620)	(222,271,417)

29 Financial commitments, guarantees and contingent liabilities

The company has guaranteed the borrowings of fellow group undertakings as part of the group borrowing arrangements. This guarantee is secured by way of fixed and floating charges over the assets of the company, and also by way of fixed charges issued over the company's shares and also over shares held in its subsidiary undertakings. At 30 September 2022, the amount outstanding subject to this guarantee was £90,407,497.

The company, under a group VAT registration, is jointly and severally liable for VAT due by the company and its subsidiaries. At 30 September 2022 the amount due was £518,084 (2021: £501,983).

30 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 2022 £	Company 2022 £
Within one year	8,162,287	-
Between one and five years	23,296,291	-
In over five years	26,266,749	-
	57,725,327	-

31 Events after the reporting date

Subsequent to the reporting date the Group has acquired the shares of 3 separate groups of companies. Following these acquisitions, the Group has cash and credit facilities available in excess of £20m.

CHELSEA GREEN TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

32 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel of the group, who are also directors, is as follows.

	2022 £
Aggregate compensation	303,759

Transactions with related parties

During the period the group entered into the following transactions with related parties:

	Preference share dividends 2022 £
Group	
Entities with control, joint control or significant influence over the company	3,980,495
Key management personnel	192,455
Company	
Entities with control, joint control or significant influence over the company	3,980,495
Key management personnel	192,455

The following amounts were outstanding at the reporting end date:

	2022 £
Amounts due to related parties	
Group	
Entities with control, joint control or significant influence over the group	124,177,833
Key management personnel	6,003,926
Company	
Entities with control, joint control or significant influence over the company	124,177,833
Key management personnel	6,003,926

33 Controlling party

These consolidated financial statements are those of the largest group to consolidate the company and its subsidiary group.

The immediate and ultimate parent undertaking is considered to be TSG Management GP Ltd a company incorporated in the Cayman Islands.