ANNUAL REPORT AND

FINANCIAL STATEMENTS FOR THE PERIOD 1 APRIL 2018 TO 31 DECEMBER 2018

FOR

VISTRA IE BIDCO LIMITED
(FORMER NAME: RADIUS BIDCO LIMITED)

(Company Registration No. 08615979)

# VISTRA IE BIDCO LIMITED

## CONTENTS OF THE FINANCIAL STATEMENTS
## FOR THE PERIOD 1 APRIL 2018 TO 31 DECEMBER 2018

# VISTRA IE BIDCO LIMITED

## COMPANY INFORMATION
## FOR THE PERIOD 1 APRIL 2018 TO 31 DECEMBER 2018

| | |
|---|---|
| **DIRECTOR:** | L Sheehan<br>E Rowell |
| **REGISTERED OFFICE:** | Whitefriars<br>Lewins Mead<br>Bristol<br>United Kingdom<br>BS1 2NT |
| **REGISTERED NUMBER:** | 08615979 (England and Wales) |
| **AUDITOR:** | Deloitte LLP<br>Bristol<br>United Kingdom |

**VISTRA IE BIDCO LIMITED**

**DIRECTORS REPORT**
**FOR THE PERIOD 1 APRIL 2018 TO 31 DECEMBER 2018**

The Directors present their Annual Report and the audited financial statements for the period from 1 April 2018 to 31 December 2018 to comply with S414C of Companies Act.

Details of key performance indicators, principal risks, review of the business and future developments have been included in the Strategic Report and form part of this report by cross-reference.

**PRINCIPAL ACTIVITY**
The principal activity of the company is the provision of group financing and holding company services. The company does not anticipate any changes to its activity in the foreseeable future.

**REVIEW OF BUSINESS**
The loss for the period after tax and interest on borrowings was US $83,487,134(Year ended 31 March 2018: US $33,772,194).

**DIVIDENDS**

No dividends will be distributed for the period ended 31 December 2018 (Year ended 31 March 2018: US $nil).

**DIRECTORS**
The Directors who have help office during the period from 1 April 2018 to the date of this report, unless otherwise stated are as follows:

B Rocchio - resigned 21 May 2018
T Toepfer - resigned 21 May 2018
S Chipman - appointed 21 May 2018, resigned 28 June 2019
J Fullman - appointed 21 May 2018, resigned 12 November 2018
A Mathers - appointed 14 November 2018, resigned 15 March 2019
L Conley - resigned 31 May 2019
E Rowell – appointed 31 August 2019

L Sheehan and E Rowell were appointed as a directors after 31 December 2018 but prior to the date of this report.

S Chipman, L Conley and A Mathers ceased to be directors after 31 December 2018 but prior to the date of this report.

**GOING CONCERN**
The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they adopt the going concern basis in preparing the financial statements. The company is funded by the group which has the ability to ensure that the company continues as a going concern and provided a letter of support to evidence support for a minimum of 12 months from the date of approval of these financial statements.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**
As far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and all directors have taken all steps they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**AUDITOR**
The auditor, Deloitte LLP, will be proposed for re-appointment at the forthcoming Board Meeting.

**ON BEHALF OF THE BOARD:**

.............................................................
E Rowell - Director

Date: 16 Sept 19

VISTRA IE BIDCO LIMITED

STRATEGIC REPORT
FOR THE PERIOD 1 APRIL 2018 TO 31 DECEMBER 2018

The Directors present their Strategic Report for the period from 1 April 2018 to 31 December 2018 to comply with s414C of the Companies Act 2006.

**STRATEGY AND BUSINESS MODEL**
Vistra IE Bidco Limited (the "company"), formerly known as Radius Bidco Limited is a part of the Radius group (the "group") which assists businesses with moving into new markets, managing overseas operations or outsourcing of entire global accounting and administration functions from offices in the UK, US, India, China, Singapore, Brazil, Netherlands and Japan. Primary services offered include integrated international accounting, banking, tax, HR, legal and compliance services as well as a cloud-based software platform to aid management of overseas operations.

**REVIEW OF BUSINESS**
Revenue and operating loss for the period were US $112,229,693 (Year ended 31 March 2018: US $5,085,663) and US $74,422,480 (Year ended 31 March 2018: Profit US $462,333) respectively. The loss for the period after tax and interest on borrowings was US $83,487,134 (Year ended 31 March 2018: US $33,772,194).

**COMPARATIVE FIGURES**
The amounts disclosed in the financial statement are not comparable due to the period change for 31 December 2018 financials. The reporting period is changed to align with group reporting year end. The financial statements for 31 December 2018 covered the period from 1 April 2018 to 31 December 2018 and financial statements for 31 March 2018 covered the period from 1April 2017 to 31 March 2018.

**KEY PERFORMANCE INDICATORS**
The company is an intermediate holding company and turnover is represented by intercompany revenue. On this basis, the directors are of the opinion that analysis of key performance indicators on an individual company basis would be inappropriate.

**FUTURE DEVELOPMENTS**
The Directors do not anticipate any changes to the level of the company's activity and results in the foreseeable future.

On 21 May 2018, the entire share capital of the company was purchased by Accomplish Holdings UK Limited, a company of Vistra Group. See note 15 for further information.

**PRINCIPAL RISKS AND UNCERTAINTIES**
The group, to which the company belongs, is exposed to a number of operational and financial risks of which the following are the most significant:
- foreign exchange risk
- client service levels
- Anti-Money-Laundering/Anti-Bribery and Corruption
- financial risk
- Brexit

The group has systems and controls to perform ongoing management of these risks. Policies and procedures are continually being developed to ensure the company is placed in the best possible position to counteract any adverse movements.

The group operates in multiple geographies and currencies, therefore it is exposed to currency fluctuations impacting both the revenue and cost base. The group seeks to mitigate foreign exchange risk by matching revenue flows to those cost bases on a currency-by-currency basis.

Client service levels are critical to ongoing growth of the business, therefore the group has an active case management system to monitor service levels.

Given the international nature of the business, compliance with Anti-Money-Laundering, Anti-Bribery and Corruption legislation is a critical area monitored by a dedicated compliance department and companywide training is provided for all staff members.

Management is monitoring the impact of the decision from the Brexit referendum and will act accordingly once more is known about the impact of the decision to leave the EU.

**ON BEHALF OF THE BOARD:**

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E Rowell - Director
Date: ....16 Sept 2019......

## VISTRA IE BIDCO LIMITED

## DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD 1 APRIL 2018 TO 31 DECEMBER 2018

The Directors are responsible for preparing the Annual 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) including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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 departure disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VISTRA IE BIDCO LIMITED (FORMERLY KNOWN AS RADIUS BIDCO LIMITED)

**Opinion**

In our opinion the financial statements of Vistra IE Bidco Limited (the 'company'):

- give a true and fair view of the state of company's affairs as at 31 December 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 16.

**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 Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

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

We have nothing to report in respect of these matters.

**Other information**

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

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

We have nothing to report in respect of these matters.

**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 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.

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

**Report on other legal and regulatory requirements**

**Opinions on other matters prescribed by the Companies Act 2006**
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the 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.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

**Matters on which we are required to report by exception**
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

**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.

Andrew Wright

Andrew Wright (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Bristol
United Kingdom

Date: 16 September 2019

## VISTRA IE BIDCO LIMITED

## STATEMENT OF COMPREHENSIVE INCOME
## FOR THE PERIOD 1 APRIL 2018 TO 31 DECEMBER 2018

| | Notes | Period 1.4.18 to 31.12.18 $ | Year Ended 31.3.18 $ |
|---|---|---|---|
| Turnover | | 2,590,920 | 5,085,663 |
| Dividend income | | 109,638,773 | - |
| **TURNOVER** | | 112,229,693 | 5,085,663 |
| Administrative expenses | | (186,652,173) | (4,623,330) |
| **OPERATING (LOSS) / PROFIT** | | (74,422,480) | 462,333 |
| Interest payable and similar expenses | 4 | (9,064,654) | (34,234,527) |
| **LOSS BEFORE TAXATION** | 5 | (83,487,134) | (33,772,194) |
| Tax on loss | 6 | - | - |
| **LOSS FOR THE FINANCIAL PERIOD** | | (83,487,134) | (33,772,194) |
| **TOTAL COMPREHENSIVE LOSS FOR THE PERIOD** | | (83,487,134) | (33,772,194) |

Turnover and operating profit are all derived from continuing operations.

The notes form part of these financial statements

**VISTRA IE BIDCO LIMITED (REGISTERED NUMBER: 08615979)**

**BALANCE SHEET**
**31 DECEMBER 2018**

| | Notes | 31 December 2018<br>$ | 31 March 2018<br>$ |
|---|---|---|---|
| **FIXED ASSETS** | | | |
| Investments | 8 | 70,863,068 | 255,213,166 |
| **CURRENT ASSETS** | | | |
| Debtors | 9 | 25,784,624 | 14,827,099 |
| Cash at bank | | 73,515 | - |
| **TOTAL CURRENT ASSETS** | | 25,858,139 | 14,827,099 |
| **CREDITORS** | | | |
| Amounts falling due within one year | 10 | (134,923,331) | (347,606,061) |
| **NET CURRENT LIABILITIES** | | (109,065,192) | (332,778,962) |
| **NET LIABILITIES** | | (38,202,124) | (77,565,796) |
| **CAPITAL AND RESERVES** | | | |
| Called up share capital | 11 | 175,707,634 | 52,856,827 |
| Retained earnings | 12 | (213,909,758) | (130,422,623) |
| **SHAREHOLDERS' DEFICIT** | | (38,202,124) | (77,565,796) |

The financial statements were approved by the Board of Directors on 16 Sept 19 and were signed on its behalf by:

E Rowell - Director

The notes form part of these financial statements

## VISTRA IE BIDCO LIMITED

## STATEMENT OF CHANGES IN EQUITY
## FOR THE PERIOD 1 APRIL 2018 TO 31 DECEMBER 2018

| | Called up share capital $ | Retained earnings $ | Total equity $ |
|---|---|---|---|
| **Balance at 1 April 2017** | 52,856,827 | (96,650,429) | (43,793,602) |
| **Changes in equity** | | | |
| Total comprehensive loss | - | (33,772,194) | (33,772,194) |
| **Balance at 31 March 2018** | 52,856,827 | (130,422,623) | (77,565,796) |
| **Changes in equity** | | | |
| Issue of share capital (note 11) | 122,850,807 | - | 122,850,807 |
| Total comprehensive loss | - | (83,487,134) | (83,487,134) |
| **Balance at 31 December 2018** | 175,707,634 | (213,909,758) | (38,202,124) |

The notes form part of these financial statements

## 1. STATUTORY INFORMATION

Vistra IE Bidco Limited is a private company, limited by shares, incorporated in the United Kingdom and registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

## 2. ACCOUNTING POLICIES

**Basis of preparation**
The financial statements are presented in US dollars which is the currency of the primary economic environment the group operates in.

The financial statements have been prepared under the historical cost convention and modified to include certain items at fair value in accordance with applicable accounting standards.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payment, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, certain disclosure in respect of revenue from contracts with customers, impairment of assets and certain related party transactions.

**Adoption of new and revised Standards**

**Amendments to IFRS Standards and the new Interpretation that are mandatorily effective for the current year**
In the current year, the company has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 April 2016. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

**Impact of initial application of IFRS 9 *Financial Instruments***
In the current year, the company has applied IFRS 9 Financial Instruments (as revised in July 2014) and the related consequential amendments to other IFRS Standards that are effective for an annual period that begins on or after 1 January 2018.
IFRS 9 introduced new requirements for:
1. The classification and measurement of financial assets and financial liabilities,
2. Impairment of financial assets, and
3. General hedge accounting.

Details of these new requirements as well as their impact on the company's financial statements are described below.

*Classification and measurement of financial assets*
The date of initial application (i.e. the date on which the company has assessed its existing financial assets and financial liabilities in terms of the requirements of IFRS 9) is 1 April 2018.

All recognised financial assets that are within the scope of IFRS 9 are required to be measured subsequently at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Specifically:
- debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at amortised cost;
- debt instruments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at fair value through other comprehensive income (FVTOCI);
- all other debt investments and equity investments are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the company may make the following irrevocable election / designation at initial recognition of a financial asset:
- the company may irrevocably elect to present subsequent changes in fair value of an equity investment that is not held for trading in other comprehensive income; and
- the company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

## 2. ACCOUNTING POLICIES – continued

**Adoption of new and revised Standards - continued**

The directors of the company reviewed and assessed the company's existing financial assets as at 1 April 2018 based on the facts and circumstances that existed at that date and concluded that the initial application of IFRS 9 has had no impact on the company's financial assets as regards their classification and measurement.

*Impairment of financial assets*
In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Specifically, IFRS 9 requires the company to recognise a loss allowance for expected credit losses on:

1. Debt investments measured subsequently at amortised cost; and,
2. Trade receivables and contract assets.

In particular, IFRS 9 requires the company to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit-impaired financial asset. However, if the credit risk on a financial instrument has not increased significantly since initial recognition (except for a purchased or originated credit-impaired financial asset), the company is required to measure the loss allowance for that financial instrument at an amount equal to 12-months ECL. IFRS 9 also requires a simplified approach for measuring the loss allowance at an amount equal to lifetime ECL for trade receivables and contract assets in certain circumstances. No additional loss allowance has been identified.

*Classification and measurement of financial liabilities*
A significant change introduced by IFRS 9 in the classification and measurement of financial liabilities relates to the accounting for changes in the fair value of a financial liability designated as at FVTPL attributable to changes in the credit risk of the issuer. Specifically, IFRS 9 requires that the changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability be presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.

The application of IFRS 9 has had no impact on the classification and measurement of the company's financial liabilities.

*General hedge accounting*
The company does not have any hedge accounting activities and therefore there is no impact arising from the changes in IFRS 9.

**Impact of initial application of IFRS 15 Revenue from Contracts with Customers**
In the current year, the company has applied IFRS 15 Revenue from Contracts with Customers (as amended in April 2016) which is effective for an annual period that begins on or after 1 January 2018. IFRS 15 introduced a 5-step approach to revenue recognition. More prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Details of the new requirements as well as their impact on the Company's financial statements are described below.

The company has applied IFRS 15 in accordance with the fully retrospective transitional approach without using the practical expedients for completed contracts in IFRS 15.

IFRS 15 uses the terms 'contract asset' and 'contract liability' to describe what might more commonly be known as 'accrued revenue' and 'deferred revenue', however the Standard does not prohibit an entity from using alternative descriptions in the balance sheet. The company has adopted the terminology used in IFRS 15 to describe such balances.

The company's accounting policies for its revenue streams are disclosed in detail in below. The directors have assessed the application of IFRS 15 has not had a significant impact on the financial position and/or financial performance of the company.

## 2 ACCOUNTING POLICIES – continued

**Turnover**
Turnover represents amounts receivable from intercompany services.

**Dividend income**
Dividend income from investments is recognised when the Company's rights to receive payment have been established provided that it is probable that the economic benefits will flow to the Company and the amount of dividend income can be measured reliably.

**Taxation**
The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except when a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

**Foreign currencies**
Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the exchange rate ruling at the date of the transition. All differences are recognised in the Statement of Comprehensive Income.

**Group financial statements**
The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group financial statements as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Accomplish Holdings UK Limited, a company incorporated in England and Wales, and is included in the consolidated financial statements of that company.

**Going concern**
The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Although the company has net liabilities of US $38,202,124 (2018: US $77,565,796), the company has deemed it reasonable to adopt the going concern status as it has a letter of support from its parent company to evidence support for a minimum of 12 months from the date of approval of these financial statements.

**Fixed assets investments**
Fixed asset investments are stated at cost less impairment.

**Financial instruments**
Financial assets and financial liabilities are recognised in the company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**Financial assets**
All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

## 2 ACCOUNTING POLICIES – continued

**Financial assets - continued**

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Trade receivables, defined as loans and receivables in accordance with IAS 39 'Financial Instruments: Recognition and Measurement' are recorded initially at fair value and are subsequently measured at amortised cost.

**Financial liabilities**

Trade and other payables are recognised and initially measured at cost, due to their short term nature. All loans and borrowings are initially recognised at the fair value of the consideration received less attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at cost using the effective interest method. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds.

## 3. EMPLOYEES AND DIRECTORS

| | Period 1.4.18 to 31.12.18 $ | Year Ended 31.3.18 $ |
|---|---|---|
| Wages and salaries | 1,088,015 | 1,760,834 |
| Social security costs | 144,078 | 201,698 |
| Other pension costs | 119,036 | 137,111 |
| | 1,351,129 | 2,099,643 |

| | Period 1.4.18 to 31.12.18 | Year Ended 31.3.18 |
|---|---|---|
| Average number of employees during the period | 18 | 22 |

The directors' remuneration for the year was as follows:

| | Period to 1.4.2018 US $ 000 | Year ended 31.3.18 US $ 000 |
|---|---|---|
| Wages and salaries | 138,538 | - |
| Social security costs | 44,851 | - |
| Other pension costs | 22,903 | - |
| | 206,292 | - |

In respect of the highest paid director:

| | Period to 1.4.2018 US $ 000 | Year ended 31.3.18 US $ 000 |
|---|---|---|
| Wages and salaries | 111,705 | - |
| Social security costs | 33,867 | - |
| Other pension costs | 19,683 | - |
| | 165,255 | - |

## 4. INTEREST PAYABLE AND SIMILAR EXPENSES

| | Period 1.4.18 to 31.12.18 $ | Year Ended 31.3.18 $ |
|---|---|---|
| Interest payable | 9,064,654 | 34,234,527 |

Interest of $3,930,615 is due to Accomplish Holdings UK limited (2018: Nil)

## 5. LOSS BEFORE TAXATION

The loss before taxation is stated after charging:

| | Period 1.4.18 to 31.12.18 | Year Ended 31.3.18 |
|---|---|---|
| | $ | $ |
| Audit of the financial statements | 28,500 | 11,500 |
| Other audit services | 113,100 | - |
| Impairment of investment | 183,038,773 | - |

## 6. TAXATION

**Analysis of tax expense**
No liability to UK corporation tax arose for the period ended 31 December 2018 nor for the year ended 31 March 2018.

**Factors affecting the tax expense**
The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

| | Period 1.4.18 to 31.12.18 | Year Ended 31.3.18 |
|---|---|---|
| | $ | $ |
| Loss before income tax | (83,487,134) | (33,772,194) |
| Loss multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%) | (15,862,556) | (6,416,717) |
| Effects of: | | |
| Expenses non-deductible for tax purposes | 15,779,601 | 6,618,234 |
| Change in unrecognised deferred tax assets | - | (178,384) |
| Effect of other tax rates | 82,955 | (23,133) |
| Tax expense | - | - |

**Factors that may affect future tax charges**

The UK corporation tax rate will reduce from 19% to 17% from 1 April 2020. This will reduce the group's future current tax charge accordingly.

Deferred tax assets and liabilities at 31 December 2018 have been calculated at 17% (31 March 2018: 17%).

## 7. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in Note 2, the management are required to make judgements and estimates about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**Key sources of estimation uncertainty**
The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**Investments**

Determining whether investments are impaired requires an estimation of their recoverable amount and comparing it with the carrying value at the end of each reporting period. The recoverable amount of investments has been determined by the fair value less cost of disposal. Further details of investments' impairment are provided in note 8.

## 8. INVESTMENTS

| | Shares in group undertakings $ |
|---|---|
| **Cost** | |
| At 1 April 2018 | 255,213,166 |
| Impairments | (183,038,773) |
| Disposal | (1,311,325) |
| At 31 December 2018 | 70,863,068 |
| **Net book value** | |
| At 31 December 2018 | 70,863,068 |
| At 31 March 2018 | 255,213,166 |

8. **INVESTMENTS - continued**

**Details of undertakings**

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital either directly or through subsidiaries, are as follows:

| Subsidiary undertaking | Country of Incorporatic | Registered office address | Holding | Proportion of voting rights and shares held | Principal activity |
|---|---|---|---|---|---|
| Radius GGE (Bahamas) Ltd | Bahamas | C/O Lennox Paton, Bayside Executive Park,Building No. 3, West Bay Street & Blake Road,P.O.Box N-4875, Nassau,The Bahamas | Ordinary shares | 100% | Holding company |
| Radius Pledgeco Limited | England and Wales | Whitefriars, Lewins Mead, Bristol, BS1 2NT | Ordinary shares | 100% | Holding company |
| Radius Debtco Limited* | England and Wales | Whitefriars, Lewins Mead, Bristol, BS1 2NT | Ordinary shares | 100% | Holding company |
| Vistra IE (Bristol) Limited* | England and Wales | Whitefriars, Lewins Mead, Bristol, BS1 2NT | Ordinary shares | 100% | Provision of outsourcing and consultancy services |
| Vistra IE (UK) Limited* | England and Wales | Whitefriars, Lewins Mead, Bristol, BS1 2NT | Ordinary shares | 100% | Holding company |
| Vistra IE Commercial Services Limited* | England and Wales | Whitefriars, Lewins Mead, Bristol, BS1 2NT | Ordinary shares | 100% | Holding company |
| Radius (Europe) Limited* | England and Wales | Whitefriars, Lewins Mead, Bristol, BS1 2NT | Ordinary shares | 100% | Provision of outsourcing and consultancy services |
| Radius (Asia) Limited* | Hong Kong | 5/F, Heng Shan Centre, 145 Queen's Road East, Wanchai, Hong Kong | Ordinary shares | 100% | Provision of outsourcing and consultancy services |
| Vistra International Expansion (India) Private Limited* | India | 7th Floor, Tower C, 247 Park, HCC Building, LBS Marg, Vikhroli (West), MUMBAI -400083 | Ordinary shares | 100% | Provision of outsourcing and consultancy services |

| | | | | | |
|---|---|---|---|---|---|
| High Street Partners Japan K.K.* | Japan | Azabu building, Oak Minami, 3-19-23 Minami Azabu, Minato-ku, Tokyo | Ordinary shares | 100% | Dormant |
| Vistra International Expansion Services Processamento E Consoltoria Empresarial Ltda* | Brazil | Avenida Das Nações Unidas, 10.989, 5° andar, conjuntos 51 e 52, Ed. Wilson Mendes Caldeira, Brooklin Paulista, São Paulo, SP | Ordinary shares | 100% | Provision of outsourcing and consultancy services |
| **Joint Ventures** | | | | | |
| Tricor-HSP Japan K.K. | Japan | Oak Minami Azabu Building 2F, 3-19-23 Minami Azabu, Minato-ku, Tokyo, Japan | Ordinary shares | 49% | Provision of outsourcing and consultancy services |
| Tricor HSP Singapore Pte Ltd | Singapore | 80 Robinson Road, #02-00 Singapore (068898) | Ordinary shares | 49% | Provision of outsourcing and consultancy services |

**Impairment of investments in subsidiaries**
On 11 July 2018 Vistra Group carried out company restructure which included dividend distribution from Radius Pledgeco Limited of US $109,638,773 and part-sale of investments of Radius Debtco Limited resulting in reduction of investment value in Radius Pledgeco Limited of US $73,400,000.

As a result an impairment loss totalling US $183,038,773 has been recognised in the financial statements of Vistra IE Bidco Limited.

## 9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31 December 2018 | 31 March 2018 |
|---|---|---|
| | $ | $ |
| Amounts owed by group undertakings | 24,992,115 | 14,495,457 |
| Other debtors | 403,333 | 33,506 |
| Social security and other tax | 127,050 | - |
| VAT | - | 11,986 |
| Prepayments | 262,126 | 286,150 |
| | 25,784,624 | 14,827,099 |

Intercompany amounts due are repayable on demand and no interest is charged.

## 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31 December 2018 | 31 March 2018 |
|---|---|---|
| | $ | $ |
| Bank loans and overdrafts | - | 5,636 |
| Trade creditors | 75,450 | 152,128 |
| Amounts owed to group undertakings | 131,965,055 | 339,117,468 |
| Other creditors | 2,511,223 | 7,782,722 |
| Accrued expenses | 371,603 | 548,107 |
| | 134,923,331 | 347,606,061 |

Intercompany amounts due are repayable on demand. Interest at 3.5% is payable on the loan due to Accomplish UK Holdings.

## 11. CALLED UP SHARE CAPITAL

**Allotted, issued and fully paid:**

| Number: | Class: | Nominal value: | 31 December 2018 | 31 March 2018 |
|---|---|---|---|---|
| | | | $ | $ |
| 17,570,763,346 | Ordinary Shares | $0.01 | 175,707,634 | 52,856,827 |

**Share Capital**

| | |
|---|---|
| At 1 April 2018 | 52,856,827 |
| Ordinary shares allotted during the period:<br>12,285,080,600 shares @ $0.01 per share | 122,850,807 |
| At 31 December 2018 | 175,707,634 |

## 12. RESERVES

| | Retained earnings $ |
|---|---|
| At 1 April 2018 | (130,422,623) |
| Loss for the period | (83,487,135) |
| At 31 December 2018 | (213,909,758) |

## 13. PENSIONS SCHEMES

**Defined contribution pension scheme**

The company operates a defined contribution pension scheme. The pension charge for the period represented contributions payable by the company to the scheme and amounted to US $119,036 (Year ended 31 March 2018: US $137,111).

No amounts were outstanding in relation to pension scheme at 31 December 2018 (Year ended 31 March 2018: Nil).

## 14. RELATED PARTIES TRANSACTIONS

The company has taken advantage of the exemption available under IAS24 Related Party Disclosures and has not disclosed transactions with other members of the group.

## 15. ULTIMATE CONTROLLING PARTY

On 21 May 2018, the entire share capital of Radius Bidco Limited was purchased by Accomplish Holdings UK Limited, a company of Vistra Group. Subsequent to the purchase Radius Holdco Limited, the ultimate holding company, was liquidated. As such, the ultimate controlling party as at the date of signing the financial statements is Vistra (Hong Kong) Limited. Vistra Group's registered address is as follows:

Vistra (Hong Kong) Limited
19/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

Copies of the group's financial statements are available upon request at the registered address of the Accomplish Holdings UK Limited:

3rd Floor
1-12 St. James's Square,
London,
United Kingdom
SW1Y 4LB

## 16. POST BALANCE SHEET EVENTS

**Company name change**
With effect from 15 March 2019, the name of the company was changed from Radius (Bidco) Limited to Vistra IE Bidco Limited.