

Company Registered Number 09263434

KALLIDUS BIDCO LIMITED

**Report and Financial Statements
for the year ended 30 June 2023**

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KALLIDUS BIDCO LIMITED

FINANCIAL STATEMENTS 2023

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KALLIDUS BIDCO LIMITED

OFFICERS AND PROFESSIONAL ADVISORS

DIRECTORS

R S Caul
A Munday
P J Pyle
S J Read (resigned 17 February 2024)
S G Varnish

REGISTERED OFFICE

5 Fleet Place
London
EC4M 7RD

ACCOUNTANTS

Frost Wiltshire LLP
Unit 2, Green Farm Business Park
Folly Road
Bristol
BS37 9TZ

STRATEGIC REPORT

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

Principal activities

The Company was incorporated on 13 October 2014 and then on 30 January 2015 purchased 100% of the share capital of Kallidus Target Limited.

The principal activities of the Company are that of a holding company and a provider of management services to the wider Group. The Company forms part of a wider Group ultimately owned by Kallidus Holdings Limited. The principal activity of the wider Group is the provision of software systems, e-learning and consultancy services to support the effective development of an organisation's employees.

Review of the business

The Company acquired Kallidus Target Limited and its wholly owned subsidiaries, Kallidus Limited and Intraventure Limited, on 30 January 2015. Kallidus Limited is the main trading subsidiary of the wider Group and its trading for the year ended 30 June 2023 is reviewed within its own strategic report. Kallidus Target Limited is an intermediary holding company and Intraventure Limited is a dormant company.

Key performance indicators

There are no relevant key performance indicators given the Company is a holding company and a provider of management services to the wider Group.

Principal risks and uncertainties

The key risks and uncertainties affecting the wider Group and therefore Company are considered to relate to reduction in product demand, market change, loss of key management personnel, changes in technology, financial risks and damage to reputation. Financial risks are discussed in the Directors' Report below.

Future developments

The directors expect the Company to continue as a holding company and to repay its bank loans in accordance with the loan agreement. Kallidus Limited is anticipated to grow its organic sales, gross margin and EBITDA over the next 12 months to generate cash to service the Company's bank loan repayment obligations.



S G Varnish
Director

26 March 2024

DIRECTORS' REPORT

The directors present their annual report on the affairs of the Company, together with the unaudited financial statements, for the year ended 30 June 2023.

FUTURE DEVELOPMENTS AND EVENTS AFTER THE BALANCE SHEET DATE

Details of future developments can be found in the Strategic Report and form part of this report by cross-reference. There are no post-balance sheet events to report.

GOING CONCERN

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being the year of at least 12 months from the signing of these financial statements. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policy note in the notes to the financial statements.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a number of financial risks, including cash flow risk, credit risk and liquidity risk.

Cash flow risk

The Company has no significant concentration of cash flow risk. Whilst the Group's wider activities occasionally expose it to the financial risk of changes in foreign currency exchange rates, since 16% of the Group's turnover is derived from the UK, the risk associated with such transactions is considered to be relatively low.

Interest rate risk

The Company is exposed to interest rate fluctuations on its borrowings as its bank facilities are at floating rates.

Credit risk

The Company has no significant concentration of credit risk, with the wider Group's exposure to credit risk from trade receivables being spread over a large number of customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing Group operations and future developments, the Company uses long-term term debt finance in the form of a bank term loan. As the Kallidus Group continues to be cash generative, its reliance on such long term debt finance will diminish over time and the Company is repaying the debt in line with the agreed repayment plan.

DIVIDENDS

The directors do not recommend payment of a dividend for the year ended 30 June 2023.

KALLIDUS BIDCO LIMITED

DIRECTORS' REPORT (continued)

DIRECTORS

The directors, who served throughout the year, and subsequently, were as follows:

R S Caul
A Munday
P J Pyle
S J Read (resigned 17 February 2024)
S G Varnish

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, 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). 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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.

Approved by the Board and signed on its behalf by:



S G Varnish
Director

26 March 2024

KALLIDUS BIDCO LIMITED

STATEMENT OF COMPREHENSIVE INCOME For the year ended 30 June 2023

	Note	2023 £'000	2022 £'000
Operating income	3	-	2
Directors' fees	4	-	-
Sundry costs		-	-
OPERATING PROFIT		<u>-</u>	<u>2</u>
Income from investment in subsidiary undertakings		-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>-</u>	<u>2</u>
Tax charge on profit on ordinary activities	6	-	-
PROFIT FOR THE FINANCIAL YEAR		<u>-</u>	<u>2</u>

All of the Company's activities are classified as continuing.

There are no recognised gains or losses for the year other than as stated in the Statement of Comprehensive Income.

KALLIDUS BIDCO LIMITED

STATEMENT OF FINANCIAL POSITION
At 30 June 2023

	Note	2023 £'000	2022 £'000
FIXED ASSETS			
Investments	8	15,606	15,606
CURRENT ASSETS			
Debtors- due within one year		-	-
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	9	(15,119)	(15,119)
NET CURRENT LIABILITIES		(15,119)	(15,119)
TOTAL ASSETS LESS CURRENT LIABILITIES		487	487
NET LIABILITIES		487	487
CAPITAL AND RESERVES			
Called up share capital	10	-	-
Profit and loss account		487	487
SHAREHOLDERS' DEFICIT		487	487

For the year ended 30 June 2023 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 ("the Act") relating to subsidiary companies. The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements of Kallidus Bidco Limited registered number 09263434 were approved by the Board of Directors and authorised for issue on 26 March 2024.

They were signed on its behalf by:



S G Varnish
Director

KALLIDUS BIDCO LIMITED**STATEMENT OF CHANGES IN EQUITY**
For the year ended 30 June 2023

	Called up share capital £'000	Profit and loss account £'000	Total Equity £'000
At 1 July 2021	-	487	487
Profit for the year	-	-	-
At 30 June 2022	-	487	487
Profit for the year	-	-	-
At 30 June 2023	-	487	487

All equity is attributable in full to the equity shareholders of the Company. The result for the year represents the total Company comprehensive income for the year. There are no other recognised gains or losses.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2023

1. ACCOUNTING POLICIES

Basis of preparation

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of accounting

Kallidus Bidco Limited is a company incorporated in the United Kingdom under the Companies Act. The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and applicable United Kingdom law.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006, as it is a wholly-owned subsidiary of Apollo Kallidus Topco Limited which prepares consolidated financial statements which are publicly available.

Going concern

In accordance with their responsibilities as directors, the directors have considered the appropriateness of the going concern basis for the preparation of the financial statements.

The Company meets its loan repayments from cash generated within the wider Kallidus Group, specifically Kallidus Limited. Whilst the level of demand for the Kallidus Limited's products can never be certain, taking account of reasonably possible changes in trading performance, the Kallidus Group and Company's forecasts and projections show that it expects to be able to meet its bank loan repayments and operating expenses for the foreseeable future.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future being the year of at least 12 months from the signing of these financial statements. Thus the directors continue to adopt the going concern basis in preparing the financial statements.

Investments

Fixed asset investments within the Company are shown at cost less any provision for impairment.

Cash flow statement

In accordance with Financial Reporting Standard 102, the Company has taken the exemption from the requirement to prepare a cash flow statement, as it is included within the consolidated financial statements of Apollo Kallidus Topco Limited.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid using rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 30 June 2023

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 1, the directors are required to make judgements, estimates and assumptions 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 year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Critical judgements in applying the Company's accounting policies

The following are the critical judgements that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Impairment of investments

Investments are reviewed for impairment in accordance with the policies as stated in Note 1. The recoverable amounts have been determined based on return on investment calculations or fair value less costs to sell. These calculations require the use of judgements and estimates.

3. OPERATING INCOME

Operating income represents income derived from management services and recharges.

4. INFORMATION REGARDING DIRECTORS

	2023 £'000	2022 £'000
Directors fees	-	-

RS Caul, P J Pyle, A Mundray and S G Varnish are also executive directors of other group companies. They are remunerated by Kallidus Limited. It is not practicable to allocate director remuneration and fees between services as directors of this Company and as directors of other group companies.

5. FINANCE COSTS

	2023 £'000	2022 £'000
Interest	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 30 June 2023

6. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

Analysis of tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 30 June 2023 (2022: £nil).

7. DIVIDENDS PAID

No dividends were paid in the year (2022: £nil).

8. FIXED ASSET INVESTMENTS

	Target Limited £'000
Cost	
At 1 July 2023 and 30 June 2023	15,606

The Company holds more than 20% of the share capital of the following companies:

Subsidiary undertaking	Country of registration or incorporation	Class	Shares held
Kallidus Target Limited	England and Wales	Ordinary	100%
Advorto UK Limited	England and Wales	Ordinary	100%

The principal activity of Kallidus Target Limited for the year ended 30 June 2023 was that of a holding company. Kallidus Target Limited owns 100% of the share capital of Kallidus Limited and Intraventure Limited. The principal activities of Kallidus Limited are the provision of software and services to support the effective development of an organisation's employees. The trade and assets of Intraventure Limited were transferred to Kallidus Limited in May 2011 and Intraventure Limited has since remained dormant.

Acquisition of Advorto UK Limited

On 29 September 2017 Kallidus Bidco Limited acquired 100% per cent of the issued share capital of Advorto UK Limited, a company whose primary activity is a provider of SaaS applicant tracking systems for organisations.

On 3 April 2018 the trade and assets of Advorto UK Limited were transferred into another trading subsidiary of the Group, Kallidus Limited.

The deferred consideration is payable to the vendors of Advorto UK Limited on attaining revenue targets relating to the acquired product and service offerings.

KALLIDUS BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 30 June 2023

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £'000	2022 £'000
Trade creditors	1	1
Amounts owed to group undertakings	15,118	15,118
	<u>15,119</u>	<u>15,119</u>

10. SHARE CAPITAL

	2023 £'000	2022 £'000
Allotted, called-up and fully paid 1 ordinary share of £0.01	-	-
	<u>-</u>	<u>-</u>

11. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS102 section 33 'Related party disclosures' from disclosing balances and transactions with members of the group headed by Apollo Kallidus Topco Limited that are wholly owned on the basis the subsidiary is included in the consolidated financial statements of Apollo Kallidus Topco Limited.

12. CONTINGENT LIABILITIES

At 30 June 2023, Kallidus Bidco Limited had no contingent liabilities (2022: £nil).

13. ULTIMATE CONTROLLING PARTY

The Company's immediate parent company is Kallidus Intermediary Limited, a company incorporated in England and Wales.

In the opinion of the directors, the ultimate controlling party is Apollo Kallidus Topco Limited, a company incorporated in England and Wales, which is the parent company of the largest group into which the results of the Company are consolidated and for which consolidated financial statements are available. The smallest group into which the results of the Company are consolidated for which consolidated financial statements are available is Apollo Kallidus Midco Limited. Copies of the group financial statements can be obtained from the company secretary at the company's registered office.