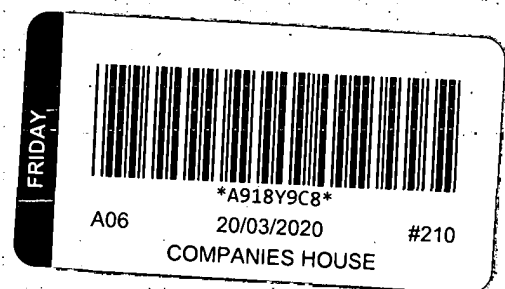


Registered number: 10849976

ATEC GROUP (HOLDCO) LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**



ATEC GROUP (HOLDCO) LIMITED

COMPANY INFORMATION

Director	J B Bibby
Registered number	10849976
Registered office	CETA House Cromwell Business Park Oxfordshire England OX7 5SR
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 3140 Rowan Place John Smith Drive Oxford Business Park South Oxford Oxfordshire OX4 2WB

ATEC GROUP (HOLDCO) LIMITED

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ATEC GROUP (HOLDCO) LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

Introduction

The directors' present their strategic report for the year ended 30 September 2019.

Business review

The company acts as an intermediary holding company for the group. It holds Intercompany debt and is financed from income on intercompany loans. It aims to generate sufficient income from group companies to cover its debt servicing costs.

Principal risks and uncertainties

The key risk faced by the company is that subsidiaries do not generate sufficient profits to service the interest payable commitments. This risk is mitigated as the interest on the intercompany debt commitment is from the parent company.

Financial key performance indicators

Key financial performance indicators are not monitored by the board at an entity level. These are monitored on a consolidated level for the group.

Other key performance indicators

Other key performance indicators are monitored by the board at a consolidated level.

This report was approved by the board on 28/1/2020 and signed on its behalf.



J B Bibby
Director

ATEC GROUP (HOLDCO) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2019

The directors present their report and the financial statements for the year ended 30 September 2019.

Results and dividends

The loss for the year, after taxation, amounted to £124 (2018 - £Nil).

Directors

The directors who served during the year were:

J B Bibby
A H Elston (resigned 1 May 2019)

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company 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;
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

The directors confirm that:

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

ATEC GROUP (HOLDCO) LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

Auditor

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

This report was approved by the board on 28/1/2020 and signed on its behalf.



J B Bibby
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATEC GROUP (HOLDCO) LIMITED

Opinion

We have audited the financial statements of ATEC Group (Holdco) Limited (the 'Company') for the year ended 30 September 2019, which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATEC GROUP (HOLDCO) LIMITED
(CONTINUED)**

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 this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matter on which we are required to report under the Companies Act 2006

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 material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

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

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATEC GROUP (HOLDCO) LIMITED
(CONTINUED)**

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement on page 2, 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 Financial Reporting Council's website at: 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.

Grant Thornton UK LLP

Mark Bishop FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Oxford
Date: 28 January 2020

ATEC GROUP (HOLDCO) LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	30 September 2019 £	<i>Period ended 30 September 2018 £</i>
Administrative expenses	(128)	-
Operating (loss)/profit	(128)	-
Interest receivable and similar income	1,247,135	<i>1,030,164</i>
Interest payable and similar expenses	(1,247,131)	<i>(1,030,164)</i>
(Loss)/profit before tax	(124)	-

There were no recognised gains and losses for 2019 or 2018 other than those included in the income statement.

The notes on pages 10 to 16 form part of these financial statements.

ATEC GROUP (HOLDCO) LIMITED
REGISTERED NUMBER:10849976

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Investments	9	2,171,827	2,171,827
		<u>2,171,827</u>	<u>2,171,827</u>
Current assets			
Debtors: amounts falling due within one year	10	11,822,413	9,614,837
Cash at bank and in hand	11	96	-
		<u>11,822,509</u>	<u>9,614,837</u>
Creditors: amounts falling due within one year	12	(11,822,633)	(9,614,837)
Net current liabilities		<u>(124)</u>	<u>-</u>
Total assets less current liabilities		<u>2,171,703</u>	<u>2,171,827</u>
Net assets		<u>2,171,703</u>	<u>2,171,827</u>
Capital and reserves			
Called up share capital	13	21,718	21,718
Share premium account	14	2,150,109	2,150,109
Profit and loss account	14	(124)	-
		<u>2,171,703</u>	<u>2,171,827</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
28-01-2020



J B Bibby
Director

The notes on pages 10 to 16 form part of these financial statements.

ATEC GROUP (HOLDCO) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 October 2018	21,718	2,150,109	-	2,171,827
Comprehensive income for the year				
Loss for the year	-	-	(124)	(124)
At 30 September 2019	21,718	2,150,109	(124)	2,171,703

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2018**

	Called up share capital	Share premium account	Total equity
	£	£	£
Shares issued during the period	21,718	2,150,109	2,171,827
At 30 September 2018	21,718	2,150,109	2,171,827

The notes on pages 10 to 16 form part of these financial statements.

ATEC GROUP (HOLDCO) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

1. General information

ATEC Group (Holdco) Limited is a private company limited by shares and incorporated in England and Wales. Registered number 10849976. Its registered head office is located at CETA House, Cromwell Business Park, Chipping Norton, Oxfordshire, England, OX7 5SR.

The principal activity of ATEC Group (Holdco) Limited is an intermediate holding company.

These financial statements are for a period greater than one year. This is the first set of financial statements since incorporation and the information contained is about the entity not the group.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

These financial statements are presented in Sterling (£), which is the Company's functional currency, and rounded to the nearest £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of ATEC Group Holdings Limited as at 30 September 2019 and these financial statements may be obtained from Companies House.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

ATEC GROUP (HOLDCO) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.4 Going concern

The directors have made an assessment in preparing these financial statements as to whether the Company is a going concern and have concluded that there are no material uncertainties that may cast doubt on the Company's ability to continue as a going concern.

2.5 Interest income

Interest income is recognised in the Income Statement using the effective interest method.

2.6 Finance costs

Finance costs are charged to the Income Statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

ATEC GROUP (HOLDCO) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. The actual amount or values may vary in certain instances from the assumptions and estimates made. Changes will be recorded, with corresponding effect in profit or loss, if and when better information is obtained.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment within the next financial year are included below.

Critical judgments that management have made in the process of applying accounting policies disclosed herein and that have a significant effect on the amounts recognised in the financial statements relate to the following:

Investments in subsidiaries and inter-company receivable

The directors review the Investment carrying values annually for indicators of impairment. If indicators are present, then a provision may be required to reduce the investment carrying value to its recoverable amount. This represents a significant judgement and should a provision for impairment be required this would be a significant estimate.

4. Auditor's remuneration

Audit fees for the group are met by CETA Insurance Ltd, a trading subsidiary.

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

5. Employees

The average monthly number of employees, including directors, during the year was 1 (2018: 2).

ATEC GROUP (HOLDCO) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

6. Director's remuneration

	2019 £	2018 £
Directors' emoluments	301,899	264,433
Company contributions to defined contribution pension schemes	19,661	16,317
	<u>321,560</u>	<u>280,750</u>

The highest paid director received remuneration of £151,105 (2018: £151,034).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £12,161 (2018: £10,692).

The above amounts are paid through CETA Insurance Limited.

7. Interest receivable

	30 September 2019 £	<i>Period ended</i> 30 September 2018 £
Interest receivable from group companies	1,247,131	1,030,164
Other interest receivable	4	-
	<u>1,247,135</u>	<u>1,030,164</u>

8. Interest payable and similar expenses

	30 September 2019 £	<i>Period ended</i> 30 September 2018 £
Interest payable to group undertakings	1,247,131	1,030,164

ATEC GROUP (HOLDCO) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

9. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2018	2,171,827
At 30 September 2019	<u>2,171,827</u>
Net book value	
At 30 September 2019	<u>2,171,827</u>
At 30 September 2018	<u>2,171,827</u>

Subsidiary undertakings

The following were direct and indirect subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
ATEC Group Limited	CETA House, Cromwell Business Park, Oxfordshire, England, OX7 5SR	Holding company	Ordinary	100%
CETA Insurance Ltd*	CETA House, Cromwell Business Park, Oxfordshire, England, OX7 5SR	Insurance services	Ordinary	100%
ARKEL Limited*	One Redcliff Street, Bristol, United Kingdom, BS1 6TP	Insurance services	Ordinary	100%

Companies with a * are indirect subsidiary undertakings.

ATEC GROUP (HOLDCO) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

10. Debtors

	2019 £	2018 £
Amounts owed by group undertakings	<u>11,822,413</u>	<u>9,614,837</u>

11. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>96</u>	<u>-</u>

12. Creditors: Amounts falling due within one year

	2019 £	2018 £
Amounts owed to group undertakings	<u>11,822,633</u>	<u>9,614,837</u>

13. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
2,171,827 (2018 - 2,171,827) Ordinary shares of £0.01 each	<u>21,718</u>	<u>21,718</u>

14. Reserves

Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account

Includes all current & prior periods retained profits & losses.

ATEC GROUP (HOLDCO) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

15. Contingent liabilities

The company entered into a cross guarantee for the bank debt of its' subsidiary company, ATEC Group Limited. At the period end the outstanding liability was £9,960,000 (2018: £9,500,000).

16. Related party transactions

The company has taken advantage of the exemption in FRS 102 from disclosing transactions with wholly owned group companies.

17. Controlling party

The immediate parent undertaking of ATEC Group (Holdco) Limited, the ultimate parent undertaking is ATEC Group (Midco) Limited, a company incorporated in England and Wales whose registered office is CETA House, Oxfordshire.

The smallest and largest group for which consolidated accounts are prepared which include this entity is that headed by ATEC Group Holdings Limited. Copies of the financial statements are available from Companies House.

The ultimate controlling party is Kester Capital LLP.