

Yukon Topco Limited

Report and Financial Statements

Year Ended

30 April 2020

Company Number 11011005

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Yukon Topco Limited

Company Information

Directors	N Holgate R Atkins E Pliner
Registered number	11011005
Registered office	50 Floral Street London WC2E 9DA
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

Yukon Topco Limited

Contents

	Page
Group strategic report	1 - 4
Directors' report	5 - 7
Independent auditor's report	8 - 10
Consolidated statement of comprehensive income	11
Consolidated statement of financial position	12
Company statement of financial position	13
Consolidated statement of changes in equity	14
Company statement of changes in equity	15
Consolidated statement of cash flows	16
Notes to the financial statements	17 - 37

Yukon Topco Limited

Group Strategic Report for the Year Ended 30 April 2020

Introduction

The directors present their strategic report for Yukon Topco Limited ("YSC", "Group") together with the audited financial statements for the year ended 30 April 2020.

Strategic review and future developments

The principal activity of the Group remains the provision of Leadership Strategy Services to Board members and senior leaders in national and global organisations. Yukon Topco Limited is a holding company.

YSC's foundation was built from behavioural science, and the Group seamlessly blends the commercial context unique to client organisations with its knowledge of the latest methodologies in leadership assessment, development, analytics and inclusive leadership to ensure client people practices are aligned with their business strategy.

YSC largely focuses on the top five to ten percent of leaders within the organisations that it partners with globally. Through this partnership, leaders and organisations more mindfully, purposefully and intentionally make judgments, direct their drive and extend their influence to create transformational change.

YSC offers a number of leadership strategy services to enable the sustained success of client's commercial performance and creates unique solutions specific to each individual client leadership challenge. Such services include CEO succession planning and board effectiveness, executive assessment, leadership coaching and team development, identifying and developing potential, and diversity and inclusion services.

Principal risks and uncertainties

The financial and non-financial performance of the Group is reviewed on a monthly basis by the Board. The directors utilise various Key Performance Indicators in order to measure the performance of the business. These include pipeline, revenues, utilisation, margin operating profit and debtor days.

In the opinion of the directors the principal risks faced by the business, other than economy-wide risks (such as the Covid-19 pandemic covered in more detail under Going concern below, Brexit and wider economic downturns), are: the risk of significant client loss, failure to manage the pool of talent correctly, exchange rate fluctuations and cash flow management.

The Group seeks to manage the risk of losing clients by continuing to broaden the product offering and the service sectors in which the Group operates. On an individual client level the Group also ensures a high level of client satisfaction by close account management.

The products offered by the Group are continually reviewed by the directors of the Group, with new offerings often developed in conjunction with existing clients.

The Group values its employees highly and implements market appropriate policies to ensure high levels of employee retention. These remain under constant review.

The development of the international offices allows the performance of global contracts, whilst potentially opening up new markets to the Group. Fees in the international offices are predominantly received in the local currency to match the cost base and to minimise exchange risk.

The business sectors in which the Group operate are regularly reviewed by the directors of the Group to ensure no over-reliance in one market area. Potential markets are also identified, allowing business development activity to source new clients.

Yukon Topco Limited

Group Strategic Report (continued) for the Year Ended 30 April 2020

Going concern

The Group meets its day to day working capital requirements through long term bank financing, a revolving credit facility and ongoing operating cashflows.

On 31 January 2020 the World Health Organisation declared a global pandemic due to the Covid-19 virus that has spread across the globe, causing different governments and countries to enforce restrictions on people movements, international travel and other precautionary measures. This has had a widespread impact economically, with many industries being heavily impacted, potential uncertainty around cash collection from clients and a more general need to reconsider whether budgets and targets previously set remain realistic in light of these events.

The performance of the Group was severely impacted by Covid-19 towards the end of the 30 April 2020 financial year, with revenue from some clients dropping significantly against original forecast projections. As a result a number of mitigating actions were implemented in order to protect existing client revenue, minimise on-going costs within the business and to maximise the cash available to sustain the Group as a going concern. Detailed reforecasting and stress testing was also undertaken in order to consider the likely future performance of the Group and how much forecasts would have to reduce by in order to cause cash or other constraints, and the likelihood of those scenarios occurring.

The business also reviewed the financial covenants around its bank and revolver facility financing to consider whether it was likely that a breach might occur. Whilst the Group has continued to hold a significant level of cash throughout the period through to the date of the financial statements, agreement was reached with the Group's lending banks to waive certain financial covenants, to defer one repayment for £750,000 due in April 2020 over the remaining life of the Group's facilities, and to rebase the future financial covenants to take account of the impact of Covid-19 on the Group. As a result, taking into account the reforecasting work undertaken, the directors have a reasonable expectation that the Group will not be in breach of any financial covenants for at least 12 months from the date the accounts were authorised for issue.

The level of monthly client revenues have subsequently started to increase, and the Group continues to hold a satisfactory level of cash. As a result, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date the accounts were authorised for issue. Therefore it is considered appropriate that the Group continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Future developments

The Group continually invests in its people, new services, enhancement of existing services and in its own bespoke technology solutions. The directors remain confident that these initiatives, coupled with YSC's independent market positioning, will continue to create further growth and strategic opportunities.

The Group's plan for the next 12 months from the date of the financial statements is one of organic growth from existing and new clients, whilst taking into account the impact of Covid-19 within certain clients and industries, and the potential for further economic downturns, whether driven by Covid-19, Brexit or broader economic factors. The Group is not dependent on any individual client, industry sector or geography. As a result the Group expects to be able to continue to grow in certain markets in order to partially offset the impact of those markets more impacted by Covid-19.

The directors continue to assess the impact of Covid-19, as the situation evolves. To date the Group has responded in an agile manner to mitigate the Covid-19 impact, and the directors will continue to consider and implement appropriate measures to align costs with client demand.

Yukon Topco Limited

Group Strategic Report (continued) for the Year Ended 30 April 2020

Section 172 statement - engaging with stakeholders

The success of the Group is dependent on the support of all stakeholders. Building positive relationships with all stakeholders assists YSC in delivering long-term sustainable success.

The directors make decisions with a long-term view in mind and with the highest standards of conduct in line with Group policies. In order to fulfil their duties, the directors take care to have regard to the likely consequences on all stakeholders of the decisions and actions which they take. Where possible, decisions are carefully discussed with affected groups and are therefore fully understood and supported when taken.

Reports are regularly made to the Group Board by the directors about the strategy, performance and key decisions taken which provides the Board with assurance that proper consideration is given to stakeholder interests in decision-making.

At Group level, the Board is well informed about the views of stakeholders through the regular reporting and it uses this information to assess the impact of decisions on each stakeholder group as part of its own decision-making process. Details of the Group's key stakeholders and how we engage with them are set out below.

Shareholders

As owners of our Group we rely on the support of shareholders and their opinions are important to us. We have an open dialogue with our shareholders through one-to-one meetings, and annual update meetings. Discussions with shareholders cover a wide range of topics including financial performance, strategy, outlook, governance and ethical practices. Shareholder feedback is regularly discussed by the Board and their views are considered as part of decision-making.

Colleagues

Our employees are key to our success and we wish them to be successful individually and as teams. There are many ways we engage with and listen to our people including colleague surveys, team and face-to-face meetings, internal communities and newsletters. Key areas of focus include health and well-being, development opportunities, pay and benefits. Regular reports about what is important to our employees are made to the Board ensuring consideration is given to colleague needs.

Clients

Our ambition is to deliver best-in-class service to our clients. We build strong lasting relationships with our clients and spend considerable time with them to understand their needs and views, and listen to how we can improve our services for them. We use this knowledge to inform our decision-making, for example to continuously develop and enhance our strategic offerings.

Suppliers

We build strong relationships with our suppliers to develop mutually beneficial and lasting partnerships. Engagement with suppliers is primarily through individual meetings and regular feedback sessions. Key areas of focus will include innovation, product development and service levels. The Board recognises that relationships with suppliers are important to the Group's long-term success.

Financial Lenders

The Group is dependent on the support of a small number of financial lenders to provide the necessary long-term funding to enable the Group to fulfil its growth ambitions. Engagement with the lenders is through regular reporting on the performance of the Group, in addition to face-to-face update meetings several times each year. Lender feedback is regularly reported to and discussed by the Board.

Yukon Topco Limited

Group Strategic Report (continued) for the Year Ended 30 April 2020

Section 172 statement - engaging with stakeholders (continued)

During the year ended 30 April 2020 the key decisions taken by the Board considered to be of strategic importance to the Group's stakeholders are as follows:

Appointment of new CEO

In May 2019 Eric Pliner (previously MD of YSC North America and Chief Commercial Officer) was appointed as the Group's new CEO, replacing Robert Sharrock, who remains as a consultant within the YSC European business. The Board ran an internal process to make the appointment. Given the nature of YSC's business and culture, this was considered to be the most appropriate route and in the best interests of the business, its shareholders and employees.

Covid-19 measures undertaken

The Group was quickly and severely impacted by Covid-19 from early March 2020. In order to best protect the interests of all Group stakeholders, the Board rapidly undertook a number of substantive measures. These included the temporary closure of all Group offices and remote working for all employees, significant reductions to operating costs wherever possible and changes to working hours.

Greenhouse gas emissions and energy consumption

The Group takes very seriously its responsibilities to improve its energy efficiency and reduce its carbon footprint. We have already made significant reductions in the level of energy consumed, as outlined within the key points below.

- The annual quantity of emissions in the year was 42 tCO₂e (2019 - 59 tCO₂e)
- The annual quantity of energy consumed was 170,645 kWh (2019 - 217,033 kWh)
- Expressed in terms of office space, the annual emissions were 27.5 tCO₂e per 1,000 square metres (2019 - 39 tCO₂e).
- Energy efficiency improvement measures undertaken in the year have included the continued replacement of older light fittings to low energy LED alternatives, the removal of the majority of the electric fan heaters and the completion of the migration of hardware into the Cloud resulting in reduced electricity and air conditioning costs.

The calculations were compiled independently by energy consultants following the 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standards. The energy data was collated using a mix of existing reporting mechanisms (ESOS Phase 2 for 2018/19) and benchmark data. These methodologies provided a continuous record of electricity and heat use within the buildings occupied by the Group. This energy data was converted to carbon emissions using emission factors provided by the Department of Business, Energy and Industrial Strategy. The associated emissions are divided into the combustion of fuels and the operation of facilities (scope 1), purchased electricity, heating and cooling (scope 2) and in-direct emissions that occur as a consequence of company activities (scope 3). Energy and thermal data was not available for some of the Group's buildings as the energy is included within the service and rental charge. In these cases benchmark figures have been used to estimate the annual energy use. In buildings where electricity contracts are held or the supply is metered by the landlord, data prior to the ESOS Phase 2 reporting was unavailable and so estimates have been used.

This report was approved by the board and signed on its behalf.



E Pliner
Director

Date: 7 Dec 2020

Yukon Topco Limited

Directors' Report for the Year Ended 30 April 2020

The directors present their report and the financial statements for the year ended 30 April 2020.

Directors' responsibilities

The directors are responsible for preparing the group strategic report, the directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 the group 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 for the group's financial statements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group and to 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the year, after taxation, amounted to £5,500,000 (2019 - £3,141,000).

The directors do not recommend the payment of a dividend (2019 - £Nil).

Directors

The directors who served during the year were:

N Holgate
R Atkins
E Pliner (appointed 1 May 2019)
R Sharrock (resigned 1 May 2019)

Political and charitable contributions

During the year the group made charitable contributions of £28,000 (2019 - £4,000) and no political donations (2019 - £Nil).

Engagement with employees

The company places considerable value on the involvement of its employees, and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

Yukon Topco Limited

Directors' Report (continued) for the Year Ended 30 April 2020

Engagement with suppliers, customers and others

We seek to grow our business organically and sustainably by acquiring new clients, retaining existing ones, and increasing our share of their trading spend. To achieve this, we put our clients' interests first and aim to provide them with a high value service that yields incremental value as the relationship and our service offering evolves.

As part of engaging with clients, the senior management including the CEO and senior staff members meet with key clients to obtain feedback on the service. Our team also attend and host industry related events, which provide us with the opportunity to engage with new and existing clients on a range of topics enabling the firm to understand the challenges and objectives of our client base.

Our suppliers play a key part in enabling us to deliver a leading level of service to our clients by amplifying our capabilities and efficiencies. We seek to choose the best products and services to meet our requirements, and then develop strong, long-term relationships with the suppliers that provide them, in order to create strong and enduring mutual value over time. We regularly look for ways to support our suppliers beyond simply providing our custom, whether through providing testimonials, sharing knowledge or recommending them to others we work with. Ensuring that the firm uses the most appropriate third-party vendors, to promote the interests of its clients and of the shareholders, a robust review process is undertaken prior to the commencement of any relationship with a third-party supplier and this is then periodically reviewed to ensure ongoing suitability.

Disabled employees

The group is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind, including the training and promotion of disabled employees to ensure that their career development is not unfairly restricted by their disability, or perceptions of it.

The group's HR procedures make clear that full and fair consideration must be given to applications made by and the promotion of disabled persons. Where an employee becomes disabled whilst employed by the group, the HR procedures also require that reasonable effort is made to ensure they have the opportunity for continued employment within the group. Retraining of employees who become disabled whilst employed by the group is offered where appropriate.

Qualifying third party indemnity provisions

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The group also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Matters covered in the strategic report

As permitted by paragraph 1A of schedule 7 to the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008, certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report on page 1 - 4. These matters relate to the principal activity and financial risk.

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

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

Yukon Topco Limited

Directors' Report (continued) for the Year Ended 30 April 2020

Post balance sheet events

There were no significant events post the year end date.

Auditor

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

This report was approved by the board and signed on its behalf.


.....
N Holgate
Director

Date: 7 October 2020

Yukon Topco Limited

Independent Auditor's Report to the Members of Yukon Topco Limited

Opinion

We have audited the financial statements of Yukon Topco Limited ("the parent company") and its subsidiaries ("the group") for the year ended 30 April 2020 which comprise the consolidated statement of comprehensive income, the consolidated and company statements of financial position, the consolidated and company statements of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and of the parent company's affairs as at 30 April 2020 and of the group's loss for the period 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 group and the 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

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 group or the parent 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.

Yukon Topco Limited

Independent Auditor's Report to the Members of Yukon Topco Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the group strategic report and directors 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 directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's 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, 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.

Yukon Topco Limited

Independent Auditor's Report to the Members of Yukon Topco Limited (continued)

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 at 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 parent 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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'BDO LLP', with a horizontal line drawn underneath it.

Andrew Viner (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date: 07/12/2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Yukon Topco Limited

Consolidated Statement of Comprehensive Income for the Year Ended 30 April 2020

	Note	2020 £000	2019 £000
Turnover	4	41,642	42,831
Cost of sales		(21,163)	(21,775)
Gross profit		20,479	21,056
Administrative expenses		(16,763)	(16,530)
Operating profit	5	3,716	4,526
Interest receivable and similar income	9	14	23
Interest payable and similar charges	10	(6,893)	(6,668)
Loss before taxation		(3,163)	(2,119)
Taxation	11	(2,337)	(1,022)
Loss for the financial year		(5,500)	(3,141)
Other comprehensive income for the year			
Currency translation differences		20	103
Total comprehensive loss for the year		(5,480)	(3,038)

All amounts relate to continuing operations.

The notes on pages 17 to 37 form part of these financial statements.

Yukon Topco Limited
Registered number:11011005

**Consolidated Statement of Financial Position
as at 30 April 2020**

	Note	2020 £000	2019 £000
Fixed assets			
Intangible assets	12	61,061	64,820
Tangible assets	14	602	639
		<u>61,663</u>	<u>65,459</u>
Current assets			
Debtors	15	11,397	14,866
Cash and cash equivalents		17,069	9,938
		<u>28,466</u>	<u>24,804</u>
Creditors: amounts falling due within one year	16	(26,078)	(23,779)
Net current assets		<u>2,388</u>	<u>1,025</u>
Total assets less current liabilities		<u>64,051</u>	<u>66,484</u>
Creditors: amounts falling due after more than one year	17	(48,216)	(45,169)
Net assets		<u><u>15,835</u></u>	<u><u>21,315</u></u>
Capital and reserves			
Share capital	21	13	13
Share premium account	22	26,775	26,775
Profit and loss account	22	(10,953)	(5,473)
Total equity		<u><u>15,835</u></u>	<u><u>21,315</u></u>

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


N Holgate
Director

Date: 7 DECEMBER 2020

The notes on pages 17 to 37 form part of these financial statements.

Yukon Topco Limited
Registered number:11011005

Company Statement of Financial Position
as at 30 April 2020

	Note	2020 £000	2019 £000
Current assets			
Debtors	15	30,068	30,123
Creditors: amounts falling due within one year	16	(8,219)	(4,687)
Net current assets		21,849	25,436
Creditors: amounts falling due after more than one year	17	(3,362)	(3,362)
Net assets		18,487	22,074
Capital and reserves			
Share capital	21	13	13
Share premium account	22	26,775	26,775
Profit and loss account	22	(8,301)	(4,714)
Total equity		18,487	22,074

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The loss after tax of the parent company for the period was £ 3,587,000 (2019 - £3,195,000).

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

.....
N Holgate
Director

Date: 7 DECEMBER 2020

The notes on pages 17 to 37 form part of these financial statements.

Yukon Topco Limited

Consolidated Statement of Changes in Equity for the Year Ended 30 April 2020

	Share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 May 2019	13	26,775	(5,473)	21,315
Comprehensive loss for the year				
Loss for the year	-	-	(5,500)	(5,500)
Currency translation differences	-	-	20	20
At 30 April 2020	13	26,775	(10,953)	15,835

Consolidated Statement of Changes in Equity for the Year Ended 30 April 2019

	Share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 May 2018	8	26,588	(2,435)	24,161
Comprehensive loss for the year				
Loss for the year	-	-	(3,141)	(3,141)
Currency translation differences	-	-	103	103
Contributions by owners				
Shares issued during the year	5	187	-	192
At 30 April 2019	13	26,775	(5,473)	21,315

The notes on pages 17 to 37 form part of these financial statements.

Yukon Topco Limited

Company Statement of Changes in Equity for the Year Ended 30 April 2020

	Share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 May 2019	13	26,775	(4,714)	22,074
Comprehensive loss for the year				
Loss for the year	-	-	(3,587)	(3,587)
At 30 April 2020	13	26,775	(8,301)	18,487

Company Statement of Changes in Equity for the Year Ended 30 April 2019

	Share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 May 2018	8	26,588	(1,519)	25,077
Comprehensive loss for the year				
Loss for the year	-	-	(3,195)	(3,195)
Contributions by owners				
Shares issued during the year	5	187	-	192
At 30 April 2019	13	26,775	(4,714)	22,074

The notes on pages 17 to 37 form part of these financial statements.

Yukon Topco Limited

Consolidated Statement of Cash Flows for the Year Ended 30 April 2020

	2020 £000	2019 £000
Cash flows from operating activities		
Loss for the financial year	(5,500)	(3,141)
Adjustments for:		
Amortisation of intangible assets	3,858	3,854
Depreciation of tangible assets	262	262
Loss on disposal of tangible assets	1	4
Interest charged to the income statement	6,893	6,668
Interest credit to the income statement	(14)	(23)
Taxation charged to the income statement	2,337	1,022
Decrease in debtors	2,352	78
Decrease in creditors	(465)	(1,294)
UK and foreign tax paid	(950)	(225)
Foreign exchange differences	46	63
Net cash generated from operating activities	8,820	7,268
Cash flows from investing activities		
Purchase of intangible fixed assets	(45)	(1)
Purchase of tangible fixed assets	(238)	(264)
Sale of tangible fixed assets	5	10
Purchase of unlisted and other investments	-	(21)
Goodwill increase	(54)	-
Interest received	14	23
Net cash used in investing activities	(318)	(253)
Cash flows from financing activities		
Issue of ordinary shares	-	192
New secured loans	2,000	-
Repayment of loans	(1,232)	(3,127)
Repayment of other loans	(494)	(1,562)
Interest paid	(1,649)	(1,714)
Net cash used in financing activities	(1,375)	(6,211)
Net increase in cash and cash equivalents	7,127	804
Cash and cash equivalents at beginning of year	9,938	9,134
Cash and cash equivalents at the end of year	17,065	9,938

The notes on pages 17 to 37 form part of these financial statements.

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

1. General information

Yukon Topco Limited is a private company, limited by shares, and incorporated in England & Wales under the Companies Act. The address of the registered office is given on the Company Information page and the nature of the group's operations and its principal activities are set out in the strategic report.

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.

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

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the year has been presented as the reconciliation for the company and the parent company would be identical;
- No statement of cash flows has been presented for the parent company;
- Disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the company as a whole; and
- Disclosures in respect of the parent company's share-based payment arrangements have not been presented as equivalent disclosures have been provided in respect of the company as a whole; and
- No disclosures have been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the company as a whole.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

2. Accounting policies (continued)

2.3 Going concern

The Group meets its day to day working capital requirements through long term bank financing, a revolving credit facility and ongoing operating cashflows.

On 31 January 2020 the World Health Organisation declared a global pandemic due to the Covid-19 virus that has spread across the globe, causing different governments and countries to enforce restrictions on people movements, international travel and other precautionary measures. This has had a widespread impact economically, with many industries being heavily impacted, potential uncertainty around cash collection from clients and a more general need to reconsider whether budgets and targets previously set remain realistic in light of these events.

The performance of the Group was severely impacted by Covid-19 towards the end of the 30 April 2020 financial year, with revenue from some clients dropping significantly against original forecast projections. As a result a number of mitigating actions were implemented in order to protect existing client revenue, minimise on-going costs within the business and to maximise the cash available to sustain the Group as a going concern. Detailed reforecasting and stress testing was also undertaken in order to consider the likely future performance of the Group and how much forecasts would have to reduce by in order to cause cash or other constraints, and the likelihood of those scenarios occurring.

The business also reviewed the financial covenants around its bank and revolver facility financing to consider whether it was likely that a breach might occur. Whilst the Group has continued to hold a significant level of cash throughout the period through to the date of the financial statements, agreement was reached with the Group's lending banks to waive certain financial covenants, to defer one repayment for £750,000 due in April 2020 over the remaining life of the Group's facilities, and to rebase the future financial covenants to take account of the impact of Covid-19 on the Group. As a result, taking into account the reforecasting work undertaken, the directors have a reasonable expectation that the Group will not be in breach of any financial covenants for at least 12 months from the date the accounts were authorised for issue.

The level of monthly client revenues have subsequently started to increase, and the Group continues to hold a satisfactory level of cash. As a result, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date the accounts were authorised for issue. Therefore it is considered appropriate that the Group continues to adopt the going concern basis of accounting in preparing the annual financial statements.

2.4 Turnover

Turnover represents revenue (excluding VAT) earned under a wide variety of different contracts for the provision of consultancy services and online surveys. Revenue is recognised as the services are provided, and so for incomplete contracts, the recognised portion is the proportion of the project actually delivered in line with contractual obligations. Earned revenue that is not yet invoiced is included in debtors as accrued revenue, and payments made on account before the actual delivery of the consultancy are included in creditors as deferred revenue. Online surveys are recognised monthly for all surveys occurring that month.

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

2. Accounting policies (continued)

2.5 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the income statement over its useful economic life of 20 years. Estimates of useful economic life of goodwill are based on a variety of factors such as the expected use of the acquired business and the expected useful life of the cash generating units to which the goodwill is attributed.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Website development costs are amortised on a straight line basis over three years.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- over term of the lease
Fixtures and fittings	- 10% per annum
Office equipment	- 33.33% per annum
Furniture	- 12.5% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of comprehensive income.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

The carrying value of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

2. Accounting policies (continued)

2.8 Debtors

Short term debtors are measured at transaction price, 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.

2.10 Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

2.11 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.

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

2. Accounting policies (continued)

2.12 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.13 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.14 Pensions

Defined contribution pension plan

The group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid the group has no further payment obligations.

The contributions are recognised as an expense in the consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the group in independently administered funds.

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

2. Accounting policies (continued)

2.15 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 company and the group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

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

The preparation of the financial statements requires management to exercise judgement in applying the Group's accounting policies. Estimates and assumptions used in the preparation of the financial statements are continually reviewed as necessary.

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the Group are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future performance of the asset.
- Revenue is earned through the delivery of leadership consultancy services, psychological assessments by consultants and follow up report delivery. The company also delivers training online. There is a key estimate around revenue recognition and to what extent revenue is earned at the year end. Management assess this through timecards and course delivery records, to confirm all services delivered are either invoiced or accrued for.

Other key sources of estimation uncertainty

- Goodwill is amortised over its estimated useful life of 20 years, with no residual value. Its actual life is assessed annually. When assessing its estimated useful life, management consider factors such as the successful trading history of the Group, historical customer retention and company growth.
- Recoverability of debtors is considered and where necessary a provision is recognised to reflect the balances that management do not think will be recovered.

4. Turnover

Analysis of turnover by country of destination:

	2020 £000	2019 £000
United Kingdom	16,219	18,619
Rest of Europe	2,261	2,814
Americas	14,241	13,365
Asia Pacific	6,956	7,111
Rest of the world	1,965	922
	<u>41,642</u>	<u>42,831</u>

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

5. Operating loss

The operating loss is stated after charging:

	2020 £000	2019 £000
Amortisation of intangible assets, including goodwill (see note 12)	3,858	3,854
Depreciation of tangible fixed assets (see note 14)	262	262
Exchange differences	97	66
Other operating lease rentals	1,726	1,716
	<u> </u>	<u> </u>

6. Auditor's remuneration

	2020 £000	2019 £000
Fees payable to the group's auditor and its associates for the audit of the group's annual financial statements	143	194
Fees payable to the group's auditor and its associates in respect of:		
All other services	99	157
	<u> </u>	<u> </u>

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2020 £000	Group 2019 £000
Wages and salaries	19,741	19,344
Social security costs	1,466	1,331
Cost of defined contribution scheme (see note 23)	892	803
	<u>22,099</u>	<u>21,478</u>

No staff costs are incurred by the Yukon Topco company, therefore the above figures represent the consolidated figures for the group.

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Consultants	99	94
Administration	134	125
	<u>233</u>	<u>219</u>

8. Directors' remuneration

	2020 £000	2019 £000
Directors' emoluments	659	691
Company contributions to defined contribution pension schemes	17	10
	<u>676</u>	<u>701</u>

During the year retirement benefits were accruing to 2 directors (2019 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £352,000 (2019 - £364,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £7,000 (2019 - £Nil).

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

9. Interest receivable and similar income

	2020 £000	2019 £000
Other interest receivable	14	23

10. Interest payable and similar charges

	2020 £000	2019 £000
Bank interest payable	1,553	1,709
Other loan interest payable	2,267	2,158
Preferential interest on equity	3,071	2,792
Other interest payable	2	9
	<u>6,893</u>	<u>6,668</u>

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

11. Taxation

	2020 £000	2019 £000
Corporation tax		
Current tax on loss for the period	425	148
Adjustments in respect of previous periods	149	-
	<u>574</u>	<u>148</u>
Double taxation relief	(62)	(148)
	<u>512</u>	<u>-</u>
Foreign tax		
Foreign tax on income for the year	872	423
Foreign tax in respect of prior periods	177	(133)
	<u>1,049</u>	<u>290</u>
Total current tax	<u>1,561</u>	<u>290</u>
Deferred tax		
Origination and reversal of timing differences	1,153	697
Adjustments in respect of prior periods	(313)	41
Effect of tax rate change on opening balance	(64)	(6)
	<u>776</u>	<u>732</u>
Taxation on loss on ordinary activities	<u>2,337</u>	<u>1,022</u>

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £000	2019 £000
Loss on ordinary activities before tax	(3,163)	(2,119)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(601)	(403)
Effects of:		
Fixed asset differences	13	4
Expenses not deductible for tax purposes	2,392	1,690
Adjustments to tax charge in respect of prior periods (overseas tax)	(38)	(111)
Adjustments to tax charge in respect of prior periods	149	-
Adjustments to tax charge in respect of prior periods - deferred tax	(99)	3
Adjustments to deferred tax average rate	(109)	(95)
Income not taxable for tax purposes	(2)	(88)
Effect of overseas tax rates	149	44
Foreign tax credits	338	(148)
Deferred tax not recognised	145	126
Total tax charge for the year	2,337	1,022

Factors that may affect future tax charges

The U.K. government announced in its budget on 11 March 2020 that the U.K. corporation tax main rate, which was due to decrease from 19.0% to 17.0% from 1 April 2020, will now remain at 19.0%. This will result in the U.K. corporation tax rate applicable to the company remaining at 19.0% from 1 April 2020.

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

12. Intangible assets

Group

	Trademarks £000	Website expenditure £000	Goodwill £000	Total £000
Cost				
At 1 May 2019	7	-	70,427	70,434
Additions	-	45	-	45
Crystallisation of deferred consideration	-	-	54	54
At 30 April 2020	7	45	70,481	70,533
Amortisation				
At 1 May 2019	1	-	5,613	5,614
Charge for the year	1	4	3,853	3,858
At 30 April 2020	2	4	9,466	9,472
Net book value				
At 30 April 2020	5	41	61,015	61,061
At 30 April 2019	6	-	64,814	64,820

13. Analysis of net debt

	At 1 May 2019 £000	Cash flows £000	At 30 April 2020 £000
Cash at bank and in hand	9,938	7,131	17,069
Debt due after 1 year	(45,169)	(3,047)	(48,216)
Debt due within 1 year	(2,647)	772	(1,875)
	(37,878)	4,856	(33,022)

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

14. Tangible fixed assets

Group

	Leasehold improvements £000	Fixtures and fittings £000	Office equipment £000	Total £000
Cost				
At 1 May 2019	237	330	487	1,054
Additions	14	38	186	238
Disposals	-	(22)	(5)	(27)
Exchange adjustments	-	(4)	1	(3)
At 30 April 2020	251	342	669	1,262
Depreciation				
At 1 May 2019	91	87	237	415
Charge for the year	57	46	159	262
Disposals	-	(18)	(3)	(21)
Exchange adjustments	(1)	1	4	4
At 30 April 2020	147	116	397	660
Net book value				
At 30 April 2020	104	226	272	602
At 30 April 2019	146	243	250	639

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

15. Debtors

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Trade debtors	6,852	7,232	-	-
Amounts owed by group undertakings	-	-	30,064	30,119
Other debtors	534	454	-	-
Prepayments and accrued income	2,972	5,028	4	4
Tax recoverable	673	992	-	-
Deferred taxation (see note 20)	366	1,160	-	-
	<u>11,397</u>	<u>14,866</u>	<u>30,068</u>	<u>30,123</u>

All debtors are within one year.

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

16. Creditors: Amounts falling due within one year

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Bank loans	1,875	2,153	-	-
Other loans	-	494	-	-
Trade creditors	1,085	1,536	6	4
Corporation tax	783	491	-	-
Other taxation and social security	1,242	746	-	-
Other creditors	1,292	459	70	-
Accruals and deferred income	19,801	17,900	8,143	4,683
	<u>26,078</u>	<u>23,779</u>	<u>8,219</u>	<u>4,687</u>

17. Creditors: Amounts falling due after more than one year

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Bank loans	26,854	25,807	-	-
Other loans	21,362	19,362	3,362	3,362
	<u>48,216</u>	<u>45,169</u>	<u>3,362</u>	<u>3,362</u>

The Other loans in the company relates to unsecured redeemable loan notes repayable in 2027 and interest is payable at a rate of 10% per annum.

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

18. Loans

Analysis of the maturity of the loans is given below:

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Amounts falling due within one year				
Bank loans	1,875	2,153	-	-
Other loans	-	494	-	-
Amounts falling due 1-2 years				
Bank loans	2,250	1,750	-	-
Amounts falling due 2-5 years				
Bank loans	24,604	5,000	-	-
Amounts falling due after more than 5 years				
Bank loans	-	19,057	-	-
Loan notes	21,362	19,362	3,362	3,362
	50,091	47,816	3,362	3,362

Bank loans are shown net of arrangement fees of £772,000 (2019 - £943,000).

19. Financial instruments

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Financial assets				
Financial assets that are debt instruments measured at amortised cost	26,598	21,602	30,064	30,119
Financial liabilities				
Financial liabilities measured at amortised cost	(65,476)	(61,650)	(11,581)	(8,049)

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, accrued income, other debtors and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise loans, trade creditors, other creditors and accrued expenses.

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

20. Deferred taxation

Group

	2020 £000	2019 £000
At beginning of year	1,160	1,845
Charged to income statement	(776)	(732)
Foreign exchange	(18)	47
At end of period	366	1,160

	2020	2019
Company		
At beginning of year	-	22
Credited to income statement	-	(22)
At end of period	-	-

	Group 2020 £000	Group 2019 £000
Other timing differences	366	1,160

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

21. Share capital

	2020 £000	2019 £000
Shares classified as equity		
Allotted, called up and fully paid		
603,241 A1 Ordinary shares of £0.01 each	6	6
126,754 A2 Ordinary shares of £0.01 each	1	1
4,000 B1 Ordinary shares of £1.00 each	4	4
213,254 B2 Ordinary shares of £0.01 each	2	2
	<u>13</u>	<u>13</u>

Voting rights

Each holder of A1 ordinary shares shall, either on a written resolution or on a show of hands, have one vote for each A1 ordinary share it holds, provided that the aggregate number of votes in respect of the A1 ordinary shares shall in no circumstances be less than 80 per cent of the overall votes that may be cast on a written resolution or at a general meeting.

The A2 ordinary shares do not carry voting rights, nor do they entitle the holders of the A2 ordinary shares to attend, receive notice of or vote at general meetings of the company, or to receive copies of or vote on any written resolutions of the company.

Each holder of B1 ordinary shares shall, either on a show of hands or a written resolution, have in aggregate such number of votes in respect of all of the B1 ordinary shares held by him as equals 5 per cent of the total votes that may be cast on the resolution in question, provided that the aggregate number of votes in respect of the B1 ordinary shares shall in no circumstances be more than 20 per cent of the overall votes that may be cast on the resolution in question.

The B2 ordinary shares do not carry voting rights, nor do they entitle the holders of the B2 ordinary shares to attend, receive notice of or vote at general meetings of the company, or receive copies of or vote on any written resolutions of the company.

Dividend rights

Any available profits shall be distributed amongst the holders of the A ordinary shares (being the A1 ordinary shares and the A2 ordinary shares) and B ordinary shares (being the B1 ordinary shares and the B2 ordinary shares) *pari passu* as if the same constituted one class of share, according to the number of such shares held by the relevant shareholder at the relevant time.

Each holder of A ordinary shares shall, in priority to any amounts paid to the holders of the B ordinary shares, be entitled to receive a return in an amount equal to the sum of ten per cent of the amount paid for the A ordinary shares which it holds, having accrued from the date of issue of such A ordinary shares and compounding on each anniversary of that date thereafter (referred to as the "Preferred Return").

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

21. Share capital (continued)

Capital rights on a return of capital (on a liquidation or otherwise)

Each holder of A ordinary shares shall be entitled to:

- First, an amount equal to the Preferred Return in respect of each A ordinary share of which it is the holder
- Second, an amount equal to 100 per cent of the issue price of each A ordinary share
- Third, a distribution from the balance of assets after the above distributions, together with the holders of the B ordinary shares, pari passu as if the same constituted one class of share, according to the number of such shares held by the relevant shareholder at the relevant time.

Each holder of B ordinary shares shall be entitled to:

- A distribution from the balance of assets together with the holders of the A ordinary shares, pari passu as if the same constituted one class of share, after all payments to be made in priority to the holders of the A ordinary shares have been made.

22. Reserves

Share premium account

The share premium account includes the premium on issue of equity shares, net of any issue costs.

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

23. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £892,000 (2019 - £803,000). Contributions totalling £161,000 (2019 - £93,000) were payable to the fund at the reporting date.

24. Commitments under operating leases

At 30 April 2020 the group and the company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £000	Group 2019 £000
Not later than 1 year	1,545	1,617
Later than 1 year and not later than 5 years	1,296	2,733
	<u>2,841</u>	<u>4,350</u>

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

25. Related party transactions

The Company has taken advantage of the exemption conferred by Financial Reporting Standard 102 Section 33 'Related Party Disclosures' paragraph 33.1A not to disclose transactions with certain group companies on the grounds that the subsidiaries party to the transactions are wholly owned members of the group.

26. Post balance sheet events

There were no significant events post the year end date.

27. Controlling party

In the opinion of the directors there is no ultimate controlling party by virtue of the fact that no individual shareholder has a majority shareholding.

Yukon Topco Limited

Notes to the Financial Statements for the Year Ended 30 April 2020

28. Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Young Samuel Psychologists Pty Ltd*	Ordinary	100%	Leadership consultancy
YSC (Americas), Inc*	Ordinary	100%	Dormant company
YSC India Business Psychologists Private Limited*	Ordinary	100%	Leadership consultancy
Young Samuel Chambers SA de CV*	Ordinary	100%	Leadership consultancy
Young Samuel Chambers ("YSC") Limited*	Ordinary	100%	Leadership consultancy
YSC Brasil Consultoria Em Lideranca e Talento Limitada*	Ordinary	100%	Leadership consultancy
YSC Consulting Private Limited*	Ordinary	100%	Leadership consultancy
YSC (Shanghai) Management Consulting Co. Limited*	Ordinary	100%	Leadership consultancy
YSC Limited*	Ordinary	100%	Leadership consultancy
YSC Holdings Limited*	Ordinary	100%	Holding company
Yukon Bidco Limited*	Ordinary	100%	Investment company
Yukon Midco 1 Limited	Ordinary	100%	Investment company
Yukon Midco 2 Limited*	Ordinary	100%	Investment company

*Indirect holding

The registered office of Young Samuel Chambers ("YSC") Limited, YSC Holdings Limited, Yukon Bidco Limited, Yukon Midco 1 Limited and Yukon Midco 2 Limited is the same as the registered office of Yukon Topco Limited and is shown on the company information page.

The registered office of Young Samuel Psychologists Pty Ltd is 35 Ferguson Road, Illovo, Sandton 2196, Johannesburg, South Africa

The registered office of YSC (Americas), Inc is 295 Madison Avenue, 19th Floor, New York NY 10017, USA

The registered office of YSC India Business Psychologists Private Limited is Level 12, Platina, Plot no C-59, Bandra Kurla Complex, Bandra (E), Mumbai 400 051, India

The registered office of Young Samuel Chambers SA de CV is Moliere No 50, Col. Polanco.CP 11550, Del. Miguel Hidalgo, CDMX, Mexico City

The registered office of YSC Brasil Consultoria Em Lideranca e Talento Limitada is Rua Funchal, 418-35 Andar, Vila Olimpia Sao Paulo, State of Sao Paulo, CEP 04551-060, Brazil

The registered office of YSC Consulting Private Limited is 8 Marina Boulevard, Level 11 Tower 1 Marina Bay Financial Centre, Singapore 018981

The registered office of YSC (Shanghai) Management Consulting Co. Limited is Infinitus Suite 26007, 26F, 168 Hubin Road, Shanghai 200021

The registered office of YSC Limited is 295 Madison Avenue, 19th Floor, New York NY 10017, USA.