

**DYE & DURHAM (UK) LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 25 FEBRUARY 2019 TO 30 JUNE 2020**



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<b>Directors</b>	M W Proud Dye & Durham Corporation
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<b>Registered number</b>	11844231
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<b>Registered office</b>	Courtyard House The Square Lightwater GU18 5SS
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<b>Independent auditors</b>	Azets Audit Services Statutory Auditor 2 <sup>nd</sup> Floor, Regis House 45 King William Street London EC4R 9AN
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**DIRECTORS' REPORT  
FOR THE PERIOD FROM 25 FEBRUARY 2019 TO 30 JUNE 2020**

The directors present their report and the financial statements for the period from 25 February 2019 to 30 June 2020.

**Results and dividends**

The loss for the period amounted to £410,387. Dividends were paid in the period of nil. This is the first set of financial statements prepared by the entity and no comparatives are available. The entity was incorporated on 25 February 2019.

**Principal activities**

The principal activity of the company in the period was that of a holding company.

**Directors**

The directors who served during the period were :

Matthew Proud (appointed on 25 February 2019)

Dye & Durham Corporation (appointed on 25 February 2019)

**Disclosure of information to auditors**

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

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that 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's auditors are aware of that information.

Azets Audit Services were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

**Directors' responsibilities statement**

The directors are responsible for preparing 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 period. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the EU and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period and otherwise comply with the Companies Act 2006. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards as adopted by the EU have been followed for the financial statements, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

This report was approved by the board on 24 February 2021 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'MW Proud', written in a cursive style.

MW Proud  
Director

**Dye & Durham (UK) Limited  
INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF DYE & DURHAM (UK) LIMITED  
FOR THE PERIOD FROM 25 FEBRUARY 2019 TO 30 JUNE 2020**

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**Opinion**

We have audited the financial statements of Dye & Durham (UK) Limited (the 'company') for the period from 25 February 2019 to 30 June 2020 which comprise the Statement of Profit or Loss and Total Comprehensive Loss, the Balance Sheet, the Statement of Changes in Equity, the 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 Standards 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.

**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.

## **Dye & Durham (UK) Limited**

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 directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditors](http://www.frc.org.uk/auditors) responsibilities. This description forms part of our auditor's report.

**Dye & Durham (UK) Limited**

**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.

*Azets Audit Services*

Anil Kapoor (Senior Statutory Auditor)

For and on behalf of Azets Audit Services

2<sup>nd</sup> Floor, Regis House

45 King William Street

London

EC4R 9AN

Date: 25 February 2021



**Dye & Durham (UK) Limited**  
**Statement of Profit or Loss and Total Comprehensive Loss**

	Notes	Period from 25 February to 30 June 2020 £
<b>Revenue</b>		-
<b>Cost of sales</b>		-
<b>Gross profit</b>		-
<b>Administrative expenses</b>		(410,387)
<b>Loss before taxation</b>	1	(410,387)
<b>Taxation</b>		-
<b>Loss for the financial period and total comprehensive loss for attributable to the Company's equity shareholders</b>		(410,387)

**Dye & Durham (UK) Limited**  
**Balance Sheet**

	Notes	30 June 2020 £
<b>Assets</b>		
<b>Current assets:</b>		
Prepayments and other assets	5	142,132
		<u>142,132</u>
<b>Non-current assets:</b>		
Investments	4	12,829,198
		<u>12,829,198</u>
<b>Total assets</b>		<u>12,971,330</u>
<b>Equity and liabilities</b>		
<b>Current liabilities:</b>		
Trade and other payables	7	10,331,221
Deferred consideration		<u>1,280,284</u>
		11,611,505
<b>Non-current liabilities:</b>		
Deferred consideration	8	<u>1,770,112</u>
		<u>1,770,112</u>
<b>Total liabilities</b>		<u>13,381,617</u>
<b>Net assets</b>		<u>(410,287)</u>
<b>Capital and reserves</b>		
Share capital	6	100
Retained deficit		<u>(410,387)</u>
<b>Shareholders' deficit</b>		<u>(410,287)</u>
<b>Total equity and liabilities</b>		<u>12,854,785</u>

The financial statements were approved by the Board of Directors on 24 February 2021 and were signed on its behalf by:



M W Proud  
 Director  
 Registered number: 06194515

**Dye & Durham (UK) Limited**

**Statement of Changes in Equity**

	<b>Share capital £</b>	<b>Retained earnings £</b>	<b>Total £</b>
<b>For the period from 25 February 2019 to 30 June 2020</b>			
Loss for the period	-	(410,387)	(410,387)
<b>Total comprehensive loss</b>	-	(410,387)	(410,387)
<b>Transactions with owners:</b>			
Share capital issued	100	-	100
<b>Balance as at 30 June 2020</b>	<b>100</b>	<b>(410,387)</b>	<b>(410,287)</b>

**Dye & Durham (UK) Limited**  
**Statement of Cash Flows**

**Period from**  
**25 February to**  
**30 June 2020**

	£
<b>Cash flow from operating activities</b>	
Loss for the financial period before tax	(410,387)
	<u>(410,387)</u>
<b>Changes in working capital</b>	
Increase in trade and other receivables	(142,132)
Increase in trade and other payables	552,519
	<u>410,387</u>
<b>Cash flow from operating activities</b>	<u>-</u>
<b>Cash flow from investing activities</b>	<u>-</u>
<b>Cash flow from financing activities</b>	<u>-</u>
	-
<b>Net change in cash and cash equivalents</b>	<u>-</u>
Cash and cash equivalents at beginning of financial period	<u>-</u>
<b>Cash and cash equivalents at end of financial period</b>	<u>-</u>

Note: The company does not have a bank account and all the transactions involving movement of cash such as issue of share capital, addition of investments was done through another group company shown under cash flow from operating activities. As such, there is no movement in cash during the period.

**Dye & Durham (UK) Limited**  
**Notes to the financial statements**

**Principal accounting policies**

**Company information**

Dye & Durham (UK) Limited is a private limited company incorporated and domiciled in the United Kingdom, registered at Courtyard House, The Square, Lightwater, GU18 5SS.

**Basis of preparation**

The financial statements of Dye & Durham (UK) Limited ("the Company") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the European Union, IFRIC interpretations, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

IFRS is subject to amendment and interpretation by the IASB and the IFRS Interpretations Committee, and there is an on-going process of review and endorsement by the European Commission. These accounting policies comply with each IFRS that is mandatory for accounting periods ending on 30 June 2019.

The principal accounting policies set out below have been consistently applied to all periods presented.

***Exemption from preparation of consolidated financial statements***

The financial statements contain information about Dye & Durham (UK) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of the exemption conferred by s401 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the consolidated accounts of a larger group.

**Reporting period**

The financial statements are presented for the period from 25 February 2019 to 30 June 2020. The company was incorporated on 25 February 2019 and this is the first set of financial statements presented by the company.

**Going concern**

The accounts are prepared on a going concern basis. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern.

The directors have considered the impact of the COVID-19 virus on the future viability of the company. At the date of preparing these financial statements, the full impact on the business cannot be quantified. At the period end, the company's balance sheet presents net current liabilities of £11,352,828, however the directors have a reasonable expectation that the company will have sufficient funds to continue to meet its liabilities as they fall due for the foreseeable future and have therefore prepared the financial statements on a going concern basis. This has been confirmed by the support of the group's parent undertaking for a minimum period of 12 months from the date of signing these financial statements. The directors are confident that the company can continue to meet its obligations as they fall due. The directors therefore consider it appropriate to continue to apply the going concern basis for preparing the financial statements.

**Investments**

Investments in subsidiaries are stated at cost. Investments are tested for impairment when circumstances indicate that the carrying value may be impaired.

**Impairment of non-financial assets**

At each balance sheet date, the Directors review the carrying amounts of the Company's non-current assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**Dye & Durham (UK) Limited**  
**Notes to the financial statements (continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. If the recoverable amount of a cash-generating unit is less than its carrying amount, the impairment loss is allocated to the assets of the unit pro rata based on the carrying amount of each asset in the unit.

An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior periods. A reversal of an impairment loss is recognised in the Income Statement immediately.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

**Financial instruments**

***Recognition and derecognition***

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

***Classification and initial measurement of financial assets***

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented the Company does not have any financial assets categorised as FVOCI or FVTPL.

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

**Dye & Durham (UK) Limited**  
**Notes to the financial statements (continued)**

***Subsequent measurement of financial assets***

***Financial assets at amortised cost***

Financial assets are measured at amortised cost if the assets meet the following conditions:

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and other receivables fall into this category of financial instruments.

***Impairment of financial assets***

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of these requirements included loans and other debt-type financial assets measured at amortised cost, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

***Classification and measurement of financial liabilities***

The Company's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges are included within finance costs or finance income.

***Taxation***

Current taxation for the Company is based on the local taxable income at the local statutory tax rate enacted or substantively enacted at the balance sheet date and includes adjustments to tax payable or recoverable in respect of previous periods.

**Dye & Durham (UK) Limited**  
**Notes to the financial statements (continued)**

**Deferred taxation**

Deferred taxation is calculated using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised, or the deferred tax liability is settled.

Deferred tax liabilities are provided in full.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the Income Statement, except where they relate to items that are charged or credited directly to equity in which case the related deferred tax is also charged or credited directly to equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

**Foreign currency**

The functional and presentation currency of the Company is GBP. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the period-end date. All differences are taken to the Income Statement.

**Equity**

Equity comprises the following:

- "Share capital" represents amounts subscribed for shares at nominal value.
- "Retained earnings" represents the accumulated profits and losses attributable to equity shareholders.

**International Financial Reporting Standards in issue but not yet effective**

At the date of authorisation of the financial statements, the IASB and IFRS Interpretations Committee have issued standards, interpretations and amendments which are applicable to the Company.

Whilst these standards and interpretations are not effective for, and have not been applied in the preparation of, these financial statements, they are not expected to have a material impact on the Company's financial statements going forward:

New/Revised International Financial Reporting Standards		Effective Date: Annual periods beginning on or after:	EU adopted
IAS 1	Amendments to IAS 1 and IAS 8: Definition of Material	1 January 2020	No
IFRS 3	Definition of a Business – Amendments to IFRS 3	1 January 2020	No
	The Conceptual Framework for Financial Reporting	1 January 2020	No
IAS 1	Classification of Liabilities as Current or Non-Current – Amendments to IAS 1	1 January 2022	No



**Dye & Durham (UK) Limited**  
**Notes to the financial statements (continued)**

Management anticipates that all relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments not listed below are not expected to have a material impact on the Company's financial statements.

There are no other standards and interpretations in issue but not yet adopted that the directors anticipate will have a material effect on the reported income or net assets of the Company.

**Critical accounting judgements and key sources of estimation uncertainty**

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The critical judgements that the directors have made in applying the company's accounting policies and the key sources of estimation uncertainty that have had the most significant effect on the amounts recognised in the financial statements are described below:

Determine whether there are indicators of impairment of the company's investment in the subsidiaries. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

**1. Operating profit**

	<b>Period from 25 February to 30 June 2020 £</b>
<b>Operating profit is stated after charging:</b>	
Professional fees	21,726
Audit and accounting fees	3,700
Insurance	800
Acquisition-related costs	<u>348,161</u>

**Notes to the financial statements (continued)**

**2. Directors and employees**

The aggregate payroll costs of the employees, including both management and Executive Directors, were as follows:

Average monthly number of persons employed by the Company during the period was as follows:

**Period from  
25 February to  
30 June 2020  
Number**

Nil

Key management personnel are identified as the Executive Directors.

The Directors received remuneration of £nil.

**3. Taxation**

**2020  
£**

**Loss before tax**

(410,387)

Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)

(77,974)

Tax effects of:

Expenses not deductible for tax purposes

72,991

Unrelieved tax losses carried forward

4,983

**Corporation tax charge**

-

The Company has accumulated tax losses of approximately £4,983. No deferred tax asset was recognised in respect of these accumulated tax losses as there is insufficient evidence that the amount will be recovered in future years.

**4. Investments**

**Investments in  
subsidiaries**

**Cost**

As at 25 February 2019

-

Additions during the period

12,829,198

As at 30 June 2020

12,829,198

**Net book value**

As at 30 June 2020

12,829,198

**Dye & Durham (UK) Limited**  
**Notes to the financial statements (continued)**

**4. Investments (continued)**

The investments are principally held in the following subsidiaries as at 30 June 2020:

<b>Subsidiary</b>	<b>Country of incorporation</b>	<b>Ownership percentage</b>	<b>Type of share</b>	<b>Principal activity</b>
Easy Convey Limited	United Kingdom	100%	Ordinary	Search and conveyancing services
Index PI Group Limited	United Kingdom	100%	Ordinary	Search and conveyancing services
Index Insure Limited	United Kingdom	100%	Ordinary	Insurance services for conveyancing
Index Franchising Limited	United Kingdom	100%	Ordinary	Search and conveyancing services
Stanley Davis Group Limited	United Kingdom	100%	Ordinary	Company registration and search services
Formations Direct Limited	United Kingdom	100%	Ordinary	Company formations
Brady & Co (Law Searchers) Ltd.	Republic of Ireland	100%	Ordinary	Property search agent
Hibernian Legal (International) Ltd	Republic of Ireland	100%	Ordinary	Property search agent

The following companies are all dormant subsidiaries incorporated in England and Wales. All dormant group companies take advantage of the exemption from having their accounts audited. The registered office of the subsidiaries is One George Yard, London, EC3V 9DF with the exception of those marked (\*) where it is Elizabeth House, 13-19 Queen Street, Leeds, LS1 2TW and those marked (\*\*) where it is Woodberry House, 2 Woodberry Grove, North Finchley, London, N12 0DR.

JH Management Services Limited

JH VAT Services Limited

Brighton Company Formations Limited

Hanover Company Formations Limited

Limited Company Restorations Limited

Hanover Company Services Limited

Eurolife Company Services Limited

QF Registrars Limited (\*\*)

Quick Formations Limited (\*\*)

York Place Company Services Limited (\*)

Blue Sky Formations Limited (\*\*)

**Dye & Durham (UK) Limited**  
**Notes to the financial statements (continued)**

**4. Investments (continued)**

Investments in subsidiary undertakings are tested for impairment annually by comparing the carrying value of the investment with the aggregate recoverable amount of the underlying subsidiaries. The directors consider there to be no impairment as at 30 June 2020 or post year end.

**5. Prepayments and other assets**

	<b>30 June 2020</b>
	<b>£</b>
Prepayments	125,469
Other debtors	16,663
	<u>142,132</u>

**6. Share capital**

**Allotted, issued, and fully paid:**

	<b>Number</b>	<b>£</b>
As at 25 February 2019	-	-
Issued during the period:		
100 Ordinary shares £1.00 each	100	100
As at June 30 2020	<u>100</u>	<u>100</u>

As regards income and capital distributions, all categories of shares rank pari passu as if the same constituted one class of share.

**7. Trade and other payables**

	<b>30 June 2020</b>
	<b>£</b>
Trade payables	94,631
Accruals	4,338
Amounts payable to group undertakings	10,232,252
Deferred consideration	1,280,284
	<u>11,611,505</u>

**8. Deferred consideration – non current**

	<b>30 June 2020</b>
	<b>£</b>
Deferred consideration	1,770,112
	<u>1,770,112</u>

## **9. Financial instruments**

### **Categories of financial instruments**

The tables below set out the Company's accounting classification of each class of its financial assets and liabilities.

<b>Financial liabilities</b>	<b>Measured at amortised cost</b>
	<b>30 June 2020</b>
	<b>£</b>
Amounts payable to group undertakings (note 7)	<u>10,232,252</u>
	<u>10,232,252</u>

In the view of management, all of the above financial liabilities' carrying values approximate to their fair values as at 30 June 2020.

### **Fair value measurements**

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values (due to their nature and short times to maturity).

## **10. Financial instrument risk exposure and management**

The Company's operations expose it to degrees of financial risk that include liquidity risk, credit risk, interest rate risk.

This note describes the Company's objectives, policies and process for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented in notes 5, 7, 8, 9 and 11.

### **Liquidity risk**

Liquidity risk is discussed in note 11 of these financial statements.

### **Credit risk**

The Company's total credit risk amounts to the total of trade and other receivables and cash and cash equivalents.

### **Interest rate risk**

The Company has immaterial exposure to interest rate risk due to the low level of borrowing arrangements.

## 11. Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash balances to ensure the Company can meet liabilities as they fall due.

In managing liquidity risk, the main objective of the Company is therefore to ensure that it has the ability to pay all of its liabilities as they fall due. The Company monitors its levels of working capital to ensure that it can meet its debt repayments as they fall due.

The table below shows the undiscounted cash flows on the Company's financial liabilities as at 30 June 2020 on the basis of their earliest possible contractual maturity.

	Total £	Within 3 months £	Within 3 -6 months £	Within 6 – 12 months £	Within 1-3 years £
<b>At 30 June 2020</b>					
Trade payables	94,631	94,631	-	-	-
Amounts owed to group undertakings	10,232,252	10,232,252	-	-	-
Deferred consideration – current	1,280,284	300,000	256,159	724,125	-
Deferred consideration – non-current	1,770,112	-	-	-	1,770,112
	<u>13,377,279</u>	<u>10,626,883</u>	<u>256,159</u>	<u>724,125</u>	<u>1,770,112</u>

## 12. Capital management

The Company's capital management objectives are:

- To ensure the Company's ability to continue as a going concern; and
- To provide long-term returns to shareholders

The Company defines and monitors capital on the basis of the carrying amount of equity plus any borrowings less cash and cash equivalents as presented on the face of the balance sheet and as follows:

	30 June 2020 £
Equity	(410,287)
Less: Cash and cash equivalents	<u>-</u>
	<u>(410,287)</u>

The Board of Directors monitors the level of capital as compared to the Company's commitments and adjusts the level of capital as is determined to be necessary by issuing new shares. The Company is not subject to any externally imposed capital requirements.

**Dye & Durham (UK) Limited**  
**Notes to the financial statements (continued)**

**12. Capital management (continued)**

These policies have not changed in the period. The Directors believe that they have been able to meet their objectives in managing the capital of the Company.

**13. Related party transactions**

Key management personnel are identified as the Directors, and their remuneration is disclosed in note 2.

**14. Financial commitments**

There are no other financial commitments.

**15. Ultimate controlling party**

Dye & Durham Corporation (incorporated in Canada) is the immediate and ultimate parent company as at 30 June 2020. The registered address of the parent company is 199 Bay St Suite #4610, Toronto, ON M5L 1E9. This is the only group into which the results of the company are consolidated. A copy of the consolidated financial statements of the group is available at [www.sedar.com](http://www.sedar.com).

**16. Events after the balance sheet date**

On 17 July 2020, Dye & Durham Limited acquired 100% of the shares in Dye & Durham Corporation and completed its initial public offering and became a public company listed on Toronto Stock Exchange (TSX).

Subsequent to 30 June 2020, Dye & Durham (UK) Limited completed the acquisition of 100% of the share capital of two companies registered in the UK for total consideration of £4.2 million.