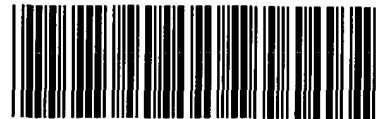


REGISTERED NUMBER: 12415435 (England and Wales)

**Strategic Report, Directors' Report and
Financial Statements for the Year Ended 31st March 2023
for
Taranis Parentco Limited**

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Taranis Parentco Limited (Registered number: 12415435)

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for the Year Ended 31st March 2023**

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Taranis Parentco Limited

Company Information for the Year Ended 31st March 2023

Directors:	Mr R J Sparkes Mr A F Lilley
Secretary:	Oakwood Corporate Secretary Limited
Registered office:	Ropemaker Place 28 Ropemaker Street London EC2Y 9HD
Registered number:	12415435 (England and Wales)
Independent auditors:	PricewaterhouseCoopers LLP Atria One 144 Morrison Street Edinburgh EH3 8EX

Taranis Parentco Limited (Registered number: 12415435)

**Strategic Report
for the Year Ended 31st March 2023**

The directors present their strategic report for the year ended 31st March 2023.

Principal activities

The principal activity of the company during the year was that of a holding company; the principal activities of its subsidiaries are those of multi-utility infrastructure installation, and adopting, operating, and maintaining new electrical distribution networks.

Review of business

The result for the financial year ended 31 March 2023 was £Nil consistent with the result of £Nil in the previous period.

The operating result for the year ended 31 March 2023 was £Nil, consistent with the prior period.

Transactions recorded during the year primarily related to interest charges on intercompany balances.

During the financial year the company issued £1,906,197 of new ordinary shares of which it used the proceeds to purchase additional shares in its direct subsidiary.

As at 31 March 2023, the company had net assets of £36.5m (2022: £34.6m).

Key performance indicators

The company uses a limited range of performance measures to monitor and manage the business effectively, both financial and non-financial, as the company mainly operates as a holding company. The key performance indicators for the company are as follows:

	Year to 31-Mar-23	Year to 31-Mar-22
Result before tax	£Nil	£Nil
Investment carrying value	£36,503,842	£34,597,645

The Statement of Financial Position remains strong, with shareholders' funds of £36.5 million (31-Mar-22 - £34.6 million).

Principal risks and uncertainties

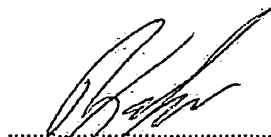
General risks

The principal risk facing the company is the risk of under performance of the subsidiary investments. The directors feel confident that the investments will continue to perform and grow. The sustained growth of the asset base in line with the further enhancement of the construction arm of the group remains key to the forward strategy of the group.

Future developments

The company is expected to continue as a holding company.

On behalf of the board:



Mr R J Sparkes - Director

Date: 11 December 2023

Taranis Parentco Limited (Registered number: 12415435)

Directors' Report for the Year Ended 31st March 2023

The directors present their report with the audited financial statements of the company for the year ended 31 March 2023.

Principal activities

The principal activities of the company in the year under review were those of a holding company.

Dividends

The directors do not recommend any dividends for the year (2022 - £Nil)

Results

The result for the year, after taxation, amounted to £Nil (2022 - £Nil).

Future developments

The company is expected to continue as a holding company. With the anticipated growth within the group the directors are hopeful that the company's performance can be consolidated in future years.

Directors

Mr R J Sparkes has held office during the whole of the period from 1st April 2022 to the date of this report.

Other changes in directors holding office are as follows:

Mr P M J Beck - resigned 27th April 2022

Mr A F Lilley - appointed 27th April 2022

Financial instruments and financial risk management objectives and policies

The company uses various financial instruments including trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The company does not use derivative financial instruments to hedge risk.

The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below. The main risk arising from the company's financial instruments is credit risk.

The directors review and agree policies for managing each of these risks and they are summarised below.

Credit risk

The company is exposed to credit risk on loans; however, there is no expectation that there will be significant deterioration in credit risk. The company is not exposed to credit risk in regards to trading activities.

Liquidity risk

The company manages its borrowing requirements in order to minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Interest rate risk

The interest rates assessed are at market value and do not pose a significant risk. Borrowings held at 31 March 2023 are due to related parties with a fixed rate of interest.

Going concern

The directors have assessed the performance of the company and deem it to be a going concern; the financial statements have therefore been prepared on this basis. In making this assessment the directors have considered a period in excess of one year from the date of approval of the financial statements, considering the obligations that the company is expected to need to settle in this period, any committed cash flows, and the financing arrangements currently in place, and assessed the liquidity of the business under these scenarios.

Taranis Parentco Limited (Registered number: 12415435)

**Directors' Report
for the Year Ended 31st March 2023**

Going concern – continued

On 8th December 2023, an indirect subsidiary, Matrix Networks Group Limited successfully raised a £120m committed funding facility to support the Group's ongoing operations and continued expansion of both its ICP construction business and its iDNO adoption business.

The company therefore continues to adopt the going concern basis in preparing its financial statements.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Directors Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and are deemed to have been reappointed in accordance with section 487 of the Companies Act 2006.

On behalf of the board:

.....
Mr R J Sparkes - Director

Date: 11 December 2023

Report of the Independent Auditors to the Members of Taranis Parentco Limited

Report on the audit of the financial statements

Opinion

In our opinion, Taranis Parentco Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its result and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Strategic Report, Directors' Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 March 2023; the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a

Report of the Independent Auditors to the Members of Taranis Parentco Limited

material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Director's report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Director's report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Director's report for the year ended 31 March 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Director's report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax regulation and the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fraudulent journal entries, designed to manipulate the financial performance and/or the position of the company, and management bias in accounting estimates. Audit procedures performed by the engagement team included:

Report of the Independent Auditors to the Members of Taranis Parentco Limited

- Enquiries of management around known or suspected instances of non-compliance with laws and regulations, claims and litigation, and instances of fraud;
- Understanding of management's controls designed to prevent and detect irregularities;
- Review of board minutes;
- Identifying and testing journal entries to assess whether any of the journals appeared unusual and evaluating the business rationale of any one-off significant transactions outside the normal course of business; and
- Challenging management on assumptions and judgements made in their significant accounting estimates, in particular in relation to the carrying value of investments in subsidiaries.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Matthew Kaye (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
11 December 2023

Taranis Parentco Limited (Registered number: 12415435)

**Statement of Profit or Loss and Other Comprehensive Income
for the Year Ended 31st March 2023**

	Note	2023 £	2022 £
Revenue		-	-
Operating result		-	-
Finance costs	4	(1,678,972)	(1,546,650)
Finance income	4	<u>1,678,972</u>	<u>1,546,650</u>
Result before income tax		-	-
Income tax	6	-	-
Result for the year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		<u>-</u>	<u>-</u>

All activities of the company relate to continuing operations.

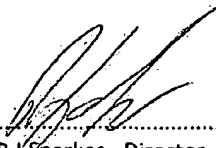
The notes form part of these financial statements

Taranis Parentco Limited (Registered number: 12415435)

**Statement of Financial Position
as at 31st March 2023**

		2023	2022
	Note	£	£
Assets			
Non-current assets			
Investments	7	<u>36,503,842</u>	34,597,645
Trade and other receivables	8	<u>28,005,774</u>	<u>24,094,419</u>
		<u>64,509,616</u>	<u>58,692,064</u>
Current assets			
Trade and other receivables	8	<u>237,361</u>	<u>187,126</u>
Total assets		<u>64,746,977</u>	<u>58,879,190</u>
Equity			
Shareholders' equity			
Called up share capital	9	<u>36,503,842</u>	<u>34,597,645</u>
Total equity		<u>36,503,842</u>	<u>34,597,645</u>
Liabilities			
Non-current liabilities			
Trade and other payables	11	<u>28,005,774</u>	<u>24,094,419</u>
Current liabilities			
Trade and other payables	11	<u>237,361</u>	<u>187,126</u>
Total liabilities		<u>28,243,135</u>	<u>24,281,545</u>
Total equity and liabilities		<u>64,746,977</u>	<u>58,879,190</u>

The financial statements on pages 8 to 24 were approved by the Board of Directors and authorised for issue on 11 December 2023 and were signed on its behalf by:


.....
Mr R J Sparkes - Director

The notes form part of these financial statements

Taranis Parentco Limited (Registered number: 12415435)

**Statement of Changes in Equity
for the Year Ended 31st March 2023**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st April 2021	34,597,645	-	34,597,645
Changes in equity			
Result for the year	-	-	-
Balance at 31st March 2022	<u>34,597,645</u>	<u>-</u>	<u>34,597,645</u>
Changes in equity			
Result for the year	-	-	-
Issue of share capital	<u>1,906,197</u>	<u>-</u>	<u>1,906,197</u>
Balance at 31st March 2023	<u><u>36,503,842</u></u>	<u><u>-</u></u>	<u><u>36,503,842</u></u>

The notes form part of these financial statements

Taranis Parentco Limited (Registered number: 12415435)

**Statement of Cash Flows
for the Year Ended 31st March 2023**

		2023	2022
	Note	£	£
Cash flows from operating activities			
Cash generated from operations	15	-	-
Net cash generated from operating activities		-	-
Cash flows from investing activities			
Purchase of shares in subsidiary		(1,906,197)	-
Interest received		<u>1,678,972</u>	<u>1,546,650</u>
Net cash (used in)/generated from investing activities		<u>(227,225)</u>	<u>1,546,650</u>
Cash flows from financing activities			
Issue of share capital		1,906,197	-
Interest paid		<u>(1,678,972)</u>	<u>(1,546,650)</u>
Net cash (used in)/generated from financing activities		<u>227,225</u>	<u>(1,546,650)</u>
Increase in cash and cash equivalents		-	-
Cash and cash equivalents at 1 April 2022		-	-
and 1 April 2021		-	-
Cash and cash equivalents at 31 March 2023		-	-
and 31 March 2022		-	-

Comparative balances have been reclassified to provide more detail for the reader. Interest paid (£1,546,650) has been reclassified from operating activities to financing activities.

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31st March 2023**

1. Statutory information

Taranis Parentco Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£). The values within the financial statements are rounded to the nearest whole Pound Sterling.

The ultimate controlling party of the entity is Macquarie Group Limited, a company registered in Australia. Further details are set out within note 14.

The principal activities of the company are set out on page 2. The company is domiciled in the United Kingdom.

2. Accounting policies

Basis of preparation

These individual financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The financial statements have been prepared on a going concern basis under the historical cost basis, except for the financial instruments that are measured at their fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

The principal accounting policies adopted are set out below. All policies have been applied consistently.

Preparation of consolidated financial statements

The financial statements contain information about the Company as an individual company and do not contain consolidated financial information as a parent of group. The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in full consolidation in the consolidated financial statements of its ultimate parent Macquarie Group Limited ("MGL"), a company incorporated in Australia.

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

2. Accounting policies - continued

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with UK-adopted International Accounting Standards requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Given the straightforward operations and financial position of the company, there are not considered to be any key sources of judgement or estimation uncertainty within these financial statements.

Going concern

The directors have assessed the performance of the company and deem it to be a going concern; the financial statements have therefore been prepared on this basis. In making this assessment the directors have considered a period in excess of one year from the date of approval of the financial statements, considering the obligations that the company is expected to need to settle in this period, any committed cash flows, and the financing arrangements currently in place, and assessed the liquidity of the business under these scenarios.

On 8th December 2023, an indirect subsidiary, Matrix Networks Group Limited successfully raised a £120m committed funding facility to support the Group's ongoing operations and continued expansion of both its ICP construction business and its iDNO adoption business.

The company therefore continues to adopt the going concern basis in preparing its financial statements.

Financial instruments

The company classifies its financial instruments in the following categories: measured at amortised cost; measured at fair value through profit and loss and cost. The classification is determined at initial recognition and depends on the purpose for which the financial instruments are required.

Measured at amortised cost includes non-derivative financial assets and liabilities with fixed or determinable payments that are not quoted in an active market. Financial assets are included in current assets, except where the maturity date is more than 12 months after the end of the reporting period. They are initially recorded at fair value and subsequently recorded at amortised cost. Financial liabilities are included in current liabilities, except where the maturity date is more than 12 months after the end of the reporting period. They are initially measured at original cost, less amortisation or provisions raised.

Measured at fair value through profit and loss includes financial assets and liabilities. They are classified according to maturity date, within current and non-current assets and liabilities respectively.

Measured at cost includes equity instruments. Initial recognition is the amount of cash or cash equivalents paid or the fair value of the other consideration given at the time of its acquisition.

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

2. Accounting policies – continued

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Investments

Subsidiaries are all entities (including structured entities) over which the company has the power to direct the relevant activities of the entity, exposure, or rights, to significant variable returns and the ability to utilise power to affect the company's own returns.

The determination of control is based on current facts and circumstances and is continuously assessed. The company has power over an entity when it has existing substantive rights that give it the current ability to direct the entity's relevant activities. Relevant activities are those activities that significantly affect the entity's returns.

Subsidiaries held by the company are carried in the financial statements at cost.

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

2. Accounting policies - continued

Trade and other receivables

Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is established when based on an expected loss model. The amount of the provision is the difference between the asset's carrying amount and the expected value of the amounts to be received.

Other receivables are measured initially at transaction price, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. These are classified as current liabilities if payment is due in one year or less. If payment is due at a later date, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss over the period of the borrowings, using the effective interest method.

Finance income and expense

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

Impairment of investment in subsidiary

Investments in subsidiaries in the company's financial statements are reviewed annually for indicators of impairment or more frequently if events or changes in circumstance indicate that the carrying amount may not be recoverable. An impairment is recognised for the amount by which the investment's carrying amount exceeds its recoverable amount, being the higher of fair value less costs to sell and value in use.

Expected credit losses

The expected credit losses (ECL) requirements applies to the company's financial assets measured at amortised cost. The company applies a simplified approach to measuring the ECL based on changes in the financial asset's underlying credit risk and includes forward-looking or macro-economic information. It is modelled as the product of the probability of default, the loss given default and the exposure at default.

Share capital

Ordinary shares are classified as equity.

3. Employees and directors

There were no staff costs for the year ended 31st March 2023 nor for the year ended 31st March 2022.

Taranis Parentco Limited (Registered number: 12415435)

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

3. Employees and directors - continued

The average number of employees during the year was as follows:

	2023	2022
	No.	No.
Directors	2	2
Secretaries	1	1
	<u>3</u>	<u>3</u>
	2023	2022
	£	£
Directors' remuneration	-	-
	<u>-</u>	<u>-</u>
	2023	2022
	£	£
Directors remunerated by subsidiary companies	557,522	314,440
	<u>557,522</u>	<u>314,440</u>

During the financial year directors were employed by and received emoluments from parent and subsidiary entities. The directors perform duties for multiple group members and as such emoluments are not recharged.

The highest paid director received remuneration of £283,391, being £274,781 salary and £8,610 pension (2022: £173,200, being £164,500 salary and £8,610 pension).

4. Net finance costs

	2023	2022
	£	£
Finance income:		
Interest receivable	<u>1,678,972</u>	<u>1,546,650</u>
Finance costs:		
Interest payable	<u>1,678,972</u>	<u>1,546,650</u>

Interest receivable is derived from financial assets measured at amortised cost.

Interest payable is derived from financial liabilities measured at amortised cost.

5. Auditors' remuneration

	2023	2022
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	<u>4,830</u>	<u>4,200</u>

The audit fees for the company are borne by a related company and are not recharged.

Non audit services have not been provided by the independent auditors during the year (2022 – Nil).

Taranis Parentco Limited (Registered number: 12415435)

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

6. Income tax

Analysis of tax expense

No expense to UK corporation tax arose for the year ended 31st March 2023 nor for the year ended 31st March 2022.

The current tax expense has been calculated by taking the enacted tax rate of 19%, multiplied by the result before income tax of £Nil to give £Nil. The current tax expense has no other factors affecting the tax expense for the year.

The Finance Bill 2021, which was substantially enacted on 24 May 2021, announced that from 1 April 2023 the Corporation Tax main rate for non-ring fenced profits will be increased to 25%, applying to profits over £250,000. As the company has recognised no deferred tax positions, the change in tax rate has had no impact on these financial statements.

7. Investments

	Shares in group undertakings £
Cost	
At 1st April 2022	34,597,645
Additions	<u>1,906,197</u>
At 31st March 2023	<u>36,503,842</u>
Net book value	
At 31st March 2023	<u>36,503,842</u>
At 31st March 2022	<u>34,597,645</u>

The company's investments at the Statement of Financial Position date in the share capital of subsidiary companies include the following:

Taranis Bidco Limited - (direct subsidiary)

Registered office: Ropemaker Place, 28 Ropemaker Street, London, United Kingdom, EC2Y 9HD

Nature of business: Holding company

	%
Class of shares:	holding
Ordinary	100.00

Matrix Networks Group Limited - (indirect subsidiary)

Registered office: Eleanor House Queenswood Office Park, Newport Pagnell Road, Northampton, Northamptonshire, England, NN4 7JJ

Nature of business: Holding company

	%
Class of shares:	holding
Ordinary	100.00

Taranis Parentco Limited (Registered number: 12415435)

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

7. Investments - continued

Matrix Networks (Holdings) Limited - (indirect subsidiary)

Registered office: Eleanor House Queenswood Office Park, Newport Pagnell Road, Northampton, Northamptonshire, England, NN4 7JJ

Nature of business: Holding company

	%
Class of shares:	holding
Ordinary	100.00

Matrix Networks Limited - (indirect subsidiary)

Registered office: Eleanor House Queenswood Office Park, Newport Pagnell Road, Northampton, Northamptonshire, England, NN4 7JJ

Nature of business: Installation of utility infrastructure

	%
Class of shares:	holding
Ordinary	100.00

UK Power Distribution Limited - (indirect subsidiary)

Registered office: Eleanor House Queenswood Office Park, Newport Pagnell Road, Northampton, Northamptonshire, England, NN4 7JJ

Nature of business: Operation of electricity distribution networks

	%
Class of shares:	holding
Ordinary	100.00

UK Gas Transportation Limited - (indirect subsidiary)

Registered office: Eleanor House Queenswood Office Park, Newport Pagnell Road, Northampton, Northamptonshire, England, NN4 7JJ

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

Matrix Networks Trustee Limited - (indirect subsidiary)

Registered office: Eleanor House Queenswood Office Park, Newport Pagnell Road, Northampton, Northamptonshire, England, NN4 7JJ

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

Matrix Water Limited - (indirect subsidiary)

Registered office: Eleanor House Queenswood Office Park, Newport Pagnell Road, Northampton, Northamptonshire, England, NN4 7JJ

Nature of business: Water collection, treatment and supply

	%
Class of shares:	holding
Ordinary	100.00

Investments in subsidiary companies are held at cost.

Taranis Parentco Limited (Registered number: 12415435)

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

8. Trade and other receivables

	2023 £	2022 £
Current:		
Amounts owed by group undertakings	<u>237,361</u>	<u>187,126</u>
	2023 £	2022 £
Non-current:		
Amounts owed by group undertakings	<u>28,005,774</u>	<u>24,094,419</u>
Aggregate amounts	<u>28,243,135</u>	<u>24,281,545</u>

Interest is charged on amounts owed by group undertakings at 7% per annum, with accrued interest included within the above balances. Further details can be found in note 13.

Non-current balances relate to unsecured redeemable loan notes due to mature on 31 March 2040 of £13,751,857 (2022 - £10,841,441), inclusive of accrued interest, and intercompany balances with group entities of £14,253,917 (2022 - £13,252,978), inclusive of accrued interest.

9. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2022 £
3,650,384,204 (2022 - 3,459,764,525)	Ordinary A	£0.01	<u>36,503,842</u>	<u>34,597,645</u>

190,619,679 Ordinary A shares of £0.01 each were allotted and fully paid for cash at par during the year.

All shares rank equally for voting purposes, with each share carrying one vote. Each share ranks equally for any dividends declared and has equal distribution rights in the event of the winding up of the company. There are no restrictions on the distribution of dividends and the repayment of capital.

10. Reserves

Retained earnings - This reserve records distributable retained earnings and accumulated losses.

11. Trade and other payables

	2023 £	2022 £
Current:		
Amounts owed to group undertakings	<u>237,361</u>	<u>187,126</u>

Taranis Parentco Limited (Registered number: 12415435)

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

11. Trade and other payables – continued

Non-current:

Amounts owed to group undertakings

28,005,774 24,094,419

Aggregate amounts

28,243,135 24,281,545

Interest is charged on amounts owed by group undertakings at 7% per annum, with accrued interest included within the above balances. Further details can be found in note 13.

Non-current balances relate to unsecured redeemable loan notes due to mature on 31 March 2040 of £13,751,857 (2022 - £10,841,441), inclusive of accrued interest, and intercompany balances with group entities of £14,253,917 (2022 - £13,252,978), inclusive of accrued interest.

12. Financial instruments and financial risk management objectives and policies

The company uses various financial instruments including receivables and payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The company does not use derivative financial instruments to hedge risk.

The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below. The main risk arising from the company's financial instruments is credit risk. The directors review and agree policies for managing each of these risks and they are summarised below.

Credit risk

The company is exposed to credit risk on loans; however, there is no expectation that there will be significant deterioration in credit risk. The company is not exposed to credit risk in regards to trading activities.

Liquidity risk

The company manages its borrowing requirements in order to minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Contractual maturity of financial liabilities

	<6 months £	6-12 months £	1-5 years £	5+ years £
31.3.23				
Borrowings	-	237,361	14,253,917	13,751,857
31.3.22				
Borrowings	-	187,126	13,252,978	10,841,441

Within the financial statements all non-current liabilities are undiscounted.

Interest rate risk

The interest rates assessed are at market value and do not pose a significant risk. Borrowings held at 31 March 2023 are due to related parties with a fixed rate of interest.

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

12. Financial instruments and financial risk management objectives and policies - continued

Financial liabilities accruing interest

	2023	2022
	£	£
Current		
- Amounts owed to group undertakings	237,361	187,126
Non-current		
- Amounts owed to group undertakings	<u>28,005,774</u>	<u>24,094,419</u>

Financial assets accruing interest

	2023	2022
	£	£
Current		
- Amounts owed by group undertakings	237,361	187,126
Non-current		
- Amounts owed by group undertakings	<u>28,005,774</u>	<u>24,094,419</u>

Capital management

The company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefit for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group might adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell asset to reduce debt.

Consistent with other in the industry, the group monitors capital on the basis of the gearing ratio of net debt divided by equity.

	31.3.23	31.3.22
	£	£
Net debt	28,243,135	24,281,545
Total equity	36,503,842	34,597,645
Net debt to equity ratio	<u>77.4%</u>	<u>70.2%</u>

13. Related party disclosures

	2023	2022
	£	£
Receivable from related parties		
Taranis Bidco Limited	<u>28,243,135</u>	<u>24,281,545</u>

	2023	2022
	£	£
Payable to related parties		
Taranis Midco Limited	<u>28,243,135</u>	<u>24,281,545</u>

Taranis Parentco Limited (Registered number: 12415435)

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

13. Related party disclosures - continued

Amounts receivable from Taranis Bidco Limited comprises of £11,606,477 (2022 - £9,512,070) in loan notes, £11,720,759 (2022 - £11,532,548) in intercompany loan and £4,915,899 (2022 - £3,236,927) in accrued interest. Loan balances attract interest at 7% and are unsecured; loan notes are due to mature March 2040 and intercompany loans are repayable August 2026.

Amounts payable to Taranis Midco Limited comprises of £11,606,477 (2022 - £9,512,070) in loan notes, £11,720,759 (2022 - £11,532,548) in intercompany loan and £4,915,899 (2022 - £3,236,927) in accrued interest. Loan balances attract interest at 7% and are unsecured; loan notes are due to mature March 2040 and intercompany loans are repayable August 2026.

During the year the following transactions were undertaken between related parties:

	2023 £	2022 £
Income from related parties		
Interest charged to Taranis Bidco Limited	<u>1,678,972</u>	<u>1,546,650</u>

	2023 £	2022 £
Purchases by related parties		
Interest charged by Taranis Midco Limited (parent)	<u>1,678,972</u>	<u>1,546,650</u>

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the company. All key management personnel are directors, their compensation is disclosed within note 3.

14. Ultimate controlling party

The company's immediate parent company is Taranis Midco Limited, a company registered in England and Wales. The registered office of the immediate parents is Ropemaker Place, 28 Ropemaker Street, London, EC2Y 9HD.

The ultimate parent undertaking and controlling party of the company is Macquarie Group Limited ("MGL"). The largest and smallest group to consolidate these financial statements is MGL, a company incorporated in Australia. Copies of the consolidated financial statements for MGL can be obtained from the Company Secretary, Level 6, 50 Martin Place, Sydney, New South Wales, 2000 Australia.

15. Reconciliation of result before income tax to cash generated from operations

	2023 £	2022 £
Result before income tax	-	-
Finance costs	1,678,972	1,546,650
Finance income	<u>(1,678,972)</u>	<u>(1,546,650)</u>
Cash generated from operations	<u>-</u>	<u>-</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

16. Adoption of new and revised standards

Impact of the initial application of other new and amended IFRS Standards that are effective for the current period

Amendments to IFRS 3 Reference to the Conceptual Framework (effective 1 January 2022); amendments to IFRS 3 'Business Combinations' that update an outdated reference in IFRS 3 without significantly changing its requirements.

Amendments to IAS 16 Property, Plant and Equipment-Proceeds before Intended Use (effective 1 January 2022); regarding proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

Amendments to IAS 37 Onerous Contracts - Cost of Fulfilling a Contract (effective 1 January 2022); amending the standard regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.

Annual Improvements to IFRS Standards 2018-2020 Cycle - Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture (effective 1 January 2022).

The impact of this on the financial statements is £Nil.

New and revised IFRS Standards in issue but not yet effective

At the date of authorisation of these financial statements, the company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective. Adoption of the following standards will take place in the financial year commencing on or after the effective date:

IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts (effective 1 January 2023): Address concerns and implementation challenges that were identified after IFRS 17 'Insurance Contracts' was published in 2017.

Amendments to IAS 1 Classification of Liabilities as Current or Non-current (effective 1 January 2023): Providing a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date.

Amendments to IAS 12 Deferred Tax (effective 1 January 2023); clarify how companies account for deferred tax on single transactions such as leases and decommissioning obligations.

Amendments to IAS 1 and IFRS Practice Statement 2, Disclosure of accounting policies (effective 1 January 2023); amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements.

Amendments to IAS 8, Definition of Accounting Estimates (effective 1 January 2023); to help entities to distinguish between accounting policies and accounting estimates.

Amendment to IFRS 17, initial application of IFRS 17 and IFRS 9 'Comparative Information' (effective when it first applies to IFRS 17). The amendment permits entities that first apply IFRS 17 and IFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset before.

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

**16. Adoption of new and revised standards - continued
New and revised IFRS standards in issue but not yet effective**

Amendments to IFRS 16 Leases (effective 1 January 2024); clarification how a seller-lessee accounts for a sale and leaseback after the date of the transaction.

Amendments to IAS 1 and IFRS Practice Statement 2, Non-current liabilities with covenants (effective 1 January 2024); aims to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period.

Amendments to IAS 7 and IFRS 7, Supplier Finance Arrangements (effective 1 January 2024); new disclosure requirements, entities will have to disclose the effects of supplier finance arrangements on their liabilities, cash flows and exposure to liquidity risk.

Amendments to IAS 12 Deferred Tax (effective 1 January 2023); provides temporary relief from accounting for deferred taxes arising from the implementation of the Pillar Two model rules. The International Accounting Standards Board (IASB) has also published 'International Tax Reform - Pillar Two Model Rules (Amendments to the 'IFRS for SMEs' standard)' to align the standard's requirements with the amendments to IAS 12.

Amendments to IFRS 1 and IAS 21 The Effects of Changes in Foreign Exchange Rates (effective 1 January 2025); clarification how to assess whether a currency is exchangeable and how to determine a spot exchange rate if it is not.

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the company in future periods. All Standards will be adopted when effective.