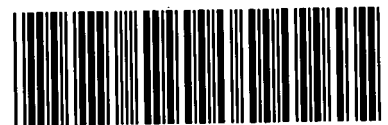


MEURSAULT II TOPCO LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

FRIDAY



ACGIR4DL

A22

17/11/2023

#102

COMPANIES HOUSE

MEURSAULT II TOPCO LIMITED

COMPANY INFORMATION

Directors	D W Chislett S J Goodenough J E Hawkins
Registered number	13743750
Registered office	30 City Road London EC1Y 2AB
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 2nd Floor St John's House Haslett Avenue West Crawley West Sussex RH10 1HS

MEURSAULT II TOPCO LIMITED

CONTENTS

	Page
Group Strategic Report	1 - 3
Directors' Report	4 - 5
Independent Auditor's Report	6 - 10
Consolidated Statement of Comprehensive Income	11
Consolidated Balance Sheet	12
Company Balance Sheet	13
Consolidated Statement of Changes in Equity	14
Company Statement of Changes in Equity	15
Consolidated Statement of Cash Flows	16 - 17
Notes to the Financial Statements	18 - 46

MEURSAULT II TOPCO LIMITED

GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2022

The directors present their strategic report for the period from 15 November 2021, the date of the company's incorporation, to 31 December 2022.

Business review

The Group, being Meursault II Topco Limited and its subsidiaries, provides Enterprise Database Managed Services and Technical Consultancy in Oracle, SQL Server and Multi Cloud technology. The client base includes start-ups, mid-market growth organisations and large enterprise who operate on mission-critical database architectures.

In December 2021, YFM Equity Partners invested an additional £8m to enable the Group to continue its organic and acquisitive growth plans. The result of this investment created a new group structure, to which Meursault Topco Limited was acquired.

The Group has continued to grow both organically and through the acquisition of Claremont IT Services Limited in May 2022. The acquisition of Claremont reinforces the Group's position as the UK's most experienced Oracle Partner, and uniquely brings together the Group's existing core Oracle Database technology and Cloud skillsets, with Claremont's undoubted pedigree in the delivery of Oracle E-Business Suite and Private Cloud Hosting services.

At the period end total loans repayable, being initial capital plus interest, was £30.5m. The loans contribute to the net liability position at period end for the Group of £3.3m and incurred finance costs in the period of £2.3m, resulting in a loss before tax of £3.8m.

Principal risks and uncertainties

The principal risk and uncertainty is the global economy, and in particular the risk of recession, rising interest rates and the impact upon salaries. The Group is well placed with a large customer base across a range of sectors to continue to grow the business, despite these uncertainties.

Financial key performance indicators

The Group monitor the following key financial performance indicators:

	PE22
Revenue	£30.8m
Trading Profit ¹	£16.0m
Gross Profit	£8.8m
Adjusted EBITDA ²	£3.7m
Adjusted EBITDA % ³	18%

1. Trading profit is net of revenue less third party direct costs (excluding goodwill amortisation).
2. Adjusted EBITDA (Earnings before interest, tax, depreciation, amortisation and exceptional items) prior to investment of £0.6m, one off and exceptional items of £1.4m.
3. Adjusted EBITDA as a % of net revenue, net revenue being gross revenue less third party costs for technology sales.

MEURSAULT II TOPCO LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022**

Other key performance indicators

The Group monitor the following other key performance indicators:

Number of managed service contracts

PE22
290

Future developments

Following the investment from the Company's shareholders, coupled with the acquisition of Claremont IT Services Limited, as noted in Post balance sheet events, the Company is well positioned to build on the Group's "Oracle Anywhere" strategy.

Research and development

During the period, the Group has undertaken a number of discrete research and development projects during the period, some continuing from previous years and other new projects commenced during the period.

Post balance sheet events

On 14 July 2023 Database Service Provider Global Limited reached an agreement to acquire the entire share capital of Eclipsys Solutions Inc. a business with a long history of providing Oracle solutions and services to leading organisations across Canada, both in the Public Sector and Commercially. The acquisition has enabled the Group to expand across North America, becoming a multi-national provider of Oracle technology and services. The cash consideration payable was £25,163,810 funded by LDC (Managers) Limited and Ares Management Limited.

On 22 September 2023 LDC (Managers) Limited and Ares Management Limited reached an agreement with the shareholders of the Company to become minority shareholders of the Group as Meursault II Topco Limited was acquired by Ensco 1506 Limited. The first consolidated statements of Ensco 1506 Limited will be prepared for the financial period ended 31 December 2023. At completion, the existing Santander debt and Loan notes were repaid in full and replaced with new debt, security and loan notes.

Going concern

At 31 December 2022, the Group had net current liabilities of £6.8m, net liabilities of £3.3m and a cash balance of £1.2m. The Group has bank loans and loan notes. The various terms and repayment thereof are set out in note 20. The bank loan outstanding at the balance sheet date represented a refinancing of the previous loan on more favourable terms. Upon completing the acquisition of Meursault II Topco Limited by Ensco 1506 Limited, the existing Santander debt and Loan notes were repaid in full.

The directors have considered the financial position of the Company and the Group and the Groups cash flow forecasts, including the impact of current economic environment. Due to the increased level of uncertainty, the directors have considered the impact of sensitivities applied to the Group's cash flow forecasts. After reviewing the Group's forecasts and projections, which includes an assessment of the ongoing compliance with ongoing covenants associated with the borrowings, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the period to 31 March 2025 and that there are no material uncertainties.

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

MEURSAULT II TOPCO LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022**

Financial risk management

Liquidity risk

Liquidity risk is the risk of the Company being unable to meet its future financial commitments. The Group continues to monitor cash balances closely and the board is satisfied that current cash flows and balances will allow obligations to be met when due.

Interest rate risk

At the balance sheet date, the Group had £3.2m of bank loans, £5.2m drawn down from a revolving credit facility and £22.1m of loan notes. Interest on the bank debt is chargeable at the Bank of England base rate plus margin of 3.8% and 4.5%, however interest rates on the loan notes are fixed at 9%.

The Group is susceptible to changes in the base rate of interest set by the Bank of England. The Group continually monitors its debt and liquidity positions to ensure any such change will not impact the liquidity risk presented to the Group.

Exposure to risks

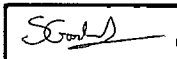
Principle risks and uncertainties

The board are aware of their responsibility for managing risk, with all key material risks discussed at the monthly board meeting. Specific risks are carefully reviewed with mitigating policies / action plans created for each and monitored by the Executive management team.

This report was approved by the board on

15/11/2023

and signed on its behalf.



S J Goodenough
Director

MEURSAULT II TOPCO LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the period ended 31 December 2022.

The Company was incorporated on 15 November 2021 and on 17 December 2021 acquired 100% of the share capital of Meursault Topco Limited.

Results and dividends

The loss for the period, after taxation, amounted to £3,612,270.

A dividend of £Nil was paid in the period.

Directors

The directors who served during the period were:

D W Chislett (appointed 17 December 2021)
S J Goodenough (appointed 15 November 2021)
J E Hawkins (appointed 17 December 2021)

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Group for that period. 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

MEURSAULT II TOPCO LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022**

Qualifying third party indemnity provisions

Third party directors and officers insurance, a qualifying third party indemnity provision, was provided for all directors and officers of the Company during the period and at the date of approval of the financial statements under a policy in the name of the Company.

Matters covered in the Group Strategic Report

Information in respect of future development, post balance sheet events, financial risk management and exposure to risks are not shown in the Directors' Report because they are presented in the Strategic Report in accordance with s414c(ii) of the Companies Act 2006.

Disclosure of information to auditor

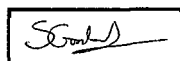
The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, was appointed as auditor during the period and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 15/11/2023 and signed on its behalf.



S J Goodenough
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEURSAULT II TOPCO LIMITED

Opinion

We have audited the financial statements of Meursault II Topco Limited (the 'parent Company') and its subsidiaries (the 'Group') for the period, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2022 and of the Group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and of the parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group and the parent Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and of the parent Company's business model including effects arising from macro-economic uncertainties such as the cost of living crisis and increases in interest rates, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's and of the parent Company's financial resources or ability to continue operations over the going concern period.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEURSAULT II TOPCO LIMITED
(CONTINUED)**

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.

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 Group's and of the parent 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.

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the Annual Report. 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.

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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEURSAULT II TOPCO LIMITED
(CONTINUED)**

Matters on which we are required to report by exception

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

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities 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 Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Group and parent Company are subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if noncompliance were to occur: FRS 102 'The Financial Reporting Standard applicable in the UK and Ireland' and Companies Act 2006 and tax legislation;



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEURSAULT II TOPCO LIMITED
(CONTINUED)**

- We assessed the susceptibility of the Group and parent Company's financial statements to material misstatement, including how fraud might occur, by making enquiries of management and those charged with governance. We utilised internal and external information to corroborate these enquiries and to perform a fraud risk assessment for the company as a whole. We considered the risk of fraud to be higher through the potential for management override of controls;
- Audit procedures performed by the engagement team included:
 - evaluation of the programmes and controls established to address the risks related to irregularities and fraud;
 - testing manual journal entries, in particular journal entries relating to management estimates,
 - entries processed by unauthorised user, and entries determined to be large or relating to unusual transactions; and
 - identifying and testing related party transactions.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit;
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - knowledge of the industry in which the client operates; and
 - understanding of the legal and regulatory requirements specific to the Group and parent Company.
- We understood how the Group and parent Company are complying with those legal and regulatory frameworks by making inquiries of management and those charged with governance. We corroborated our inquiries through our review of board minutes provided by management.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEURSAULT II TOPCO LIMITED
(CONTINUED)**

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Jonathan Oakey FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Crawley
Date: 15/11/2023

MEURSAULT II TOPCO LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2022**

	Note	Period ended 31 December 2022 £
Turnover	4	30,840,704
Cost of sales		(22,065,265)
Gross profit		8,775,439
Administrative expenses (including exceptional administrative expenses of £1,387,390 - note 12)		(10,304,776)
Operating loss	5	(1,529,337)
Interest receivable and similar income	9	29
Interest payable and similar expenses	10	(2,302,390)
Loss before taxation		(3,831,698)
Tax on loss	11	219,428
Loss for the financial period		(3,612,270)

There were no recognised gains and losses for 2022 other than those included in the Consolidated Statement of Comprehensive Income.

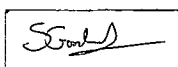
The notes on pages 18 to 46 form part of these financial statements.

MEURSAULT II TOPCO LIMITED
REGISTERED NUMBER: 13743750

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £
Fixed assets		
Intangible assets	13	28,622,930
Tangible assets	14	154,935
		<u>28,777,865</u>
Current assets		
Debtors: amounts falling due within one year	16	10,933,593
Cash at bank and in hand	17	1,249,383
		<u>12,182,976</u>
Creditors: amounts falling due within one year	18	(18,985,173)
Net current liabilities		<u>(6,802,197)</u>
Total assets less current liabilities		<u>21,975,668</u>
Creditors: amounts falling due after more than one year	19	(24,390,664)
Provisions for liabilities		
Deferred taxation	21	(141,850)
Other provisions	22	(752,229)
		<u>(894,079)</u>
Net liabilities		<u><u>(3,309,075)</u></u>
Capital and reserves		
Called up share capital	23	94,018
Share premium account	24	368,792
Other reserves	24	(159,615)
Profit and loss account	24	(3,612,270)
		<u>(3,309,075)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15/11/2023



S J Goodenough
Director

The notes on pages 18 to 46 form part of these financial statements.

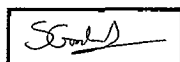
MEURSAULT II TOPCO LIMITED
REGISTERED NUMBER: 13743750

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £
Fixed assets		
Investments	15	1
Current assets		
Debtors: amounts falling due within one year	16	992,924
Cash at bank and in hand	17	12,812
		<u>1,005,736</u>
Creditors: amounts falling due within one year	18	(130,251)
Net current assets		<u>875,485</u>
Total assets less current liabilities		<u>875,486</u>
Net assets		<u><u>875,486</u></u>
Capital and reserves		
Called up share capital	23	94,018
Share premium account	24	368,792
Other reserves	24	(159,615)
Profit for the period		572,291
Profit and loss account carried forward		572,291
		<u><u>875,486</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15/11/2023

S J Goodenough
 Director



The notes on pages 18 to 46 form part of these financial statements.

MEURSAULT II TOPCO LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2022**

	Called up share capital £	Share premium account £	Treasury shares £	Profit and loss account £	Total equity £
Comprehensive income for the period					
Loss for the period	-	-	-	(3,612,270)	(3,612,270)
Shares issued during the period	94,018	368,792	-	-	462,810
Purchase of shares	-	-	(159,615)	-	(159,615)
Total transactions with owners	94,018	368,792	(159,615)	-	303,195
At 31 December 2022	94,018	368,792	(159,615)	(3,612,270)	(3,309,075)

The notes on pages 18 to 46 form part of these financial statements.

MEURSAULT II TOPCO LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2022

	Called up share capital £	Share premium account £	Treasury shares £	Profit and loss account £	Total equity £
Comprehensive income for the period					
Profit for the period	-	-	-	572,291	572,291
Shares issued during the period	94,018	368,792	-	-	462,810
Purchase of shares	-	-	(159,615)	-	(159,615)
Total transactions with owners	94,018	368,792	(159,615)	-	303,195
At 31 December 2022	94,018	368,792	(159,615)	572,291	875,486

The notes on pages 18 to 46 form part of these financial statements.

MEURSAULT II TOPCO LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

	2022 £
Cash flows from operating activities	
Loss for the financial period	(3,612,270)
Adjustments for:	
Amortisation of intangible assets	3,139,409
Depreciation of tangible assets	107,362
Interest charged	2,302,390
Interest received	(29)
Taxation charge	(219,428)
Increase in debtors	(3,376,989)
Increase in creditors	2,153,617
Increase in provisions	752,229
Corporation tax paid	(121,866)
Net cash generated from operating activities	<u>1,124,425</u>
Cash flows from investing activities	
Payments to acquire intangible fixed assets	(307,390)
Payments to acquire tangible fixed assets	(84,060)
Acquisitions of subsidiaries, net of cash acquired	(11,294,424)
Net cash from investing activities	<u>(11,685,874)</u>

MEURSAULT II TOPCO LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022

2022
£

Cash flows from financing activities

Issue of ordinary share capital	238,453
Redemption of shares	(159,615)
New secured bank loans	6,100,000
New secured loan notes	7,870,777
Repayment of bank loans	(785,000)
Interest received	29
Interest paid	(531,685)
Repayment of loan notes	(922,127)

Net cash derived from financing activities

11,810,832

Net increase in cash and cash equivalents

1,249,383

Cash and cash equivalents at the end of period

1,249,383

Cash and cash equivalents at the end of period comprise:

Cash at bank and in hand	1,249,383
	<hr/> 1,249,383 <hr/>

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

1. General information

Meursault II Topco Limited is a private company limited by shares & incorporated in England and Wales. Its registered head office is located at 30 City Road, London, EC1Y 2AB.

2. Accounting policies**2.1 Basis of preparation of financial statements**

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

The Company's financial statements are presented in Sterling and all values are rounded to the nearest pound (£) except when otherwise stated.

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

In preparing the separate financial statements of Meursault II Topco Limited, advantage has been taken of the following disclosure exemptions available in FRS 102 on the basis the information is included in the consolidated financial statements:

- The requirement to present a statement of cash flows and the related notes;
- Financial instruments disclosures (except for intercompany balances) including:
 - categories of financial instruments;
 - items of income, expenses, gains or losses relating to financial instruments; and
 - exposure to and management of financial risks.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

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

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

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**2.3 Going concern**

At 31 December 2022, the Group had net current liabilities of £6.8m, net liabilities of £3.3m and a cash balance of £1.2m. The Group has bank loans and loan notes. The various terms and repayment thereof are set out in note 20. The bank loan outstanding at the balance sheet date represented a refinancing of the previous loan on more favourable terms. Upon completing the acquisition of Meursault II Topco Limited by Ensco 1506 Limited, the existing Santander debt and Loan notes were repaid in full.

The directors have considered the financial position of the Company and the Group and the Groups cash flow forecasts, including the impact of current economic environment. Due to the increased level of uncertainty, the directors have considered the impact of sensitivities applied to the Group's cash flow forecasts. After reviewing the Group's forecasts and projections, which includes an assessment of the ongoing compliance with ongoing covenants associated with the borrowings, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the period to 31 March 2025 and that there are no material uncertainties.

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

2.4 Foreign currency translation**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

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

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

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**2.5 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Revenue from provision of managed services and consultancy services is recognised by reference to the stage of completion. Stage of completion is measured by reference to the performance of the Group over the period of the contract, which is generally on a straight line basis over the duration of the contract with an additional amount received at the start of contract to reflect the additional work required to on-board new customers.

Revenue from the sale of hardware is recognised on delivery.

Revenue from the sale of third party licences is recognised when the licence is provided to the customer.

Deferred revenue is the invoicing of goods and services to its customers before such goods and services have been delivered or performed. The revenue is reported under deferred revenue, a liability, until such time that the goods or services have been delivered or performed and the revenue is then included in the Consolidated Statement of Comprehensive Income.

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**2.6 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 Interest income

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

2.8 Finance costs

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

2.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.10 Pensions**Defined contribution pension plan**

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.11 Treasury shares

Treasury shares are the equity instruments of an entity that have been issued and subsequently reacquired by the entity. The fair value of the consideration received for the treasury shares is deducted to the equity. Gain or loss is recognised in profit or loss on the purchase, sale, transfer or cancellation of treasury shares.

2.12 Current and deferred taxation

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

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.12 Current and deferred taxation (continued)

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

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

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

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

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**2.13 Intangible assets****Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life. Its useful economic life is considered to be 10 years.

Other intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so that it will be available for use or sale.
- The intention to complete the software and use or sell it.
- The ability to use the software or to sell it.
- How the software will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the software.
- The ability to measure reliably the expenditure attributable to the software during its development.

Development costs not meeting these criteria for capitalisation are expenses as incurred.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, use the straight line method. Useful economic life of Software development costs are considered to be 5 years.

2.14 Tangible fixed assets

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

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**2.14 Tangible fixed assets (continued)**

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

Depreciation is provided on the following basis:

Leasehold improvements	- Over the life of the lease
Fixtures and fittings	- 20% or 33%
Computer equipment	- 20% or 33%

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.15 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGU's). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.17 Debtors

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

2.18 Cash and cash equivalents

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

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**2.19 Creditors**

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

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.21 Financial instruments

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

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

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.21 Financial instruments (continued)

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

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

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

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

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

Preparation of the financial statements requires management to make significant judgements and estimates.

The item in the financial statements where estimation uncertainty have been made include:

- Amortisation of intangible assets as described in note 2.13
- Depreciation of tangible fixed assets as described in note 2.14
- Estimate of the stage of completion to determine revenue recognition as described in note 2.5

The item in the financial statements where significant management judgement have been made include:

Capitalisation of internally developed software

Distinguishing the research and development phases of a new customised software project and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

Revenue from the sale of third party licences

Determining whether the Group is acting as an agent or principal in respect to its sale of third party licences requires judgement and consideration of all the facts and circumstances of the relationship. Management consider that the Group is exposed to the significant risks and rewards associated with these sales and have concluded that it is appropriate to recognise the sales as the principal rather than as an agent.

4. Turnover

An analysis of turnover by class of business is as follows:

	Period ended 31 December 2022 £
Managed services	7,892,569
Cloud services	1,616,766
Consulting	5,657,403
Development services	1,442,724
Hosting	705,856
Technology	13,468,028
Other income	57,358
	<u>30,840,704</u>

No material part of turnover is derived from outside the United Kingdom.

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

5. Operating loss

The operating loss is stated after charging:

	Period ended 31 December 2022 £
Depreciation of tangible fixed assets	107,362
Amortisation of intangible fixed assets	3,139,409
Other operating lease rentals	263,093
	<u> </u>

6. Auditor's remuneration

During the period, the Group obtained the following services from the Company's auditor and its associates:

	Period ended 31 December 2022 £
Fees payable to the Company's auditor and its associates for the audit of the consolidated and parent Company's financial statements	75,406
	<u> </u>
Fees payable to the Group's auditor and its associates in respect of:	
Other accounting services	28,750
Corporation tax compliance service	23,175
	<u> </u>
	<u>51,925</u>

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

7. Employees

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

	Group 2022 £
Wages and salaries	8,650,238
Social security costs	1,104,971
Cost of defined contribution scheme	449,381
	<u>10,204,590</u>

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

	Period ended 31 December 2022 No.
Employees	<u>145</u>

The Company has no employees other than the director, who did not receive any remuneration.

8. Directors' remuneration

	Period ended 31 December 2022 £
Directors' emoluments	449,174
Group contributions to defined contribution pension schemes	1,430
	<u>450,604</u>

During the period retirement benefits were accruing to 1 director in respect of defined contribution pension schemes.

The highest paid director received remuneration of £255,590.

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,321.

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

9. Interest receivable

	Period ended 31 December 2022 £
Bank interest receivable	29

10. Interest payable and similar expenses

	Period ended 31 December 2022 £
Loan notes	1,827,684
Bank interest payable	397,543
Other loan interest payable	77,163
	2,302,390

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

11. Taxation

	Period ended 31 December 2022 £
Corporation tax	
Other	(48,024)
Other permanent difference	(93,684)
Adjustments in respect of previous periods	(146,550)
Total current tax	<u>(288,258)</u>
Adjustments in respect of prior periods	68,830
Total deferred tax	<u>68,830</u>
Taxation on loss on ordinary activities	<u>(219,428)</u>

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

11. Taxation (continued)**Factors affecting tax charge for the period**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	Period ended 31 December 2022 £
Loss on ordinary activities before tax	(3,831,698)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%	(728,023)
Effects of:	
Fixed asset differences	4,177
Expenses not deductible for tax purposes	779,249
Other permanent differences	(268,758)
Additional deduction for R&D expenditure	(2,784)
R&D expenditure credits	10,545
Adjustments to tax charge in respect of previous periods	(146,550)
RDEC	(48,024)
Adjustments to tax charge in respect of previous periods - deferred tax	(68,155)
Remeasurement of deferred tax for changes in tax rates	(79,295)
Deferred tax not recognised	328,190
Total tax credit for the period	(219,428)

Factors that may affect future tax charges

The Finance Bill 2021 was substantively enacted on 10 June 2021, as a result the main rate of corporation tax will rise from 19% to 25% from 1 April 2023. On this basis deferred tax has been calculated at the future rate of 25%.

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

12. Exceptional items

	2022 £
Exceptional items - Leeds Office	1,397,390

In August 2022, Explorer (UK) Limited moved out of its office in Leeds, resulting in the lease becoming onerous. As a result, the company has included a provision for the present obligation under the contract and the related costs have been classed as exceptional. The directors believe that no further provision in relation to the lease is required.

13. Intangible assets**Group**

	Research & Development £	Goodwill £	Total £
Cost			
Additions	307,390	30,904,771	31,212,161
On acquisition of subsidiaries	550,178	-	550,178
At 31 December 2022	857,568	30,904,771	31,762,339
Amortisation			
Charge for the period on owned assets	209,960	2,929,449	3,139,409
At 31 December 2022	209,960	2,929,449	3,139,409
Net book value			
At 31 December 2022	647,608	27,975,322	28,622,930

Amortisation on intangible assets is charged to administrative expenses.

Please refer to Note 25 for more information on goodwill.

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

14. Tangible fixed assets**Group**

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
Additions	-	950	83,110	84,060
Acquisition of subsidiary	49,102	37,368	91,767	178,237
At 31 December 2022	<u>49,102</u>	<u>38,318</u>	<u>174,877</u>	<u>262,297</u>
Depreciation				
Charge for the period on owned assets	16,987	14,869	75,506	107,362
At 31 December 2022	<u>16,987</u>	<u>14,869</u>	<u>75,506</u>	<u>107,362</u>
Net book value				
At 31 December 2022	<u><u>32,115</u></u>	<u><u>23,449</u></u>	<u><u>99,371</u></u>	<u><u>154,935</u></u>

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

15. Fixed asset investments**Company**

	Investments in subsidiary companies £
Cost	
Additions	1
At 31 December 2022	<u>1</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company: - with the exception of Meursault II Bidco Limited, all subsidiaries were indirectly held.

Name	Registered office	Class of shares	Holding
Meursault II Bidco Limited*	30 City Road, London, England, EC1Y 2AB	Ordinary	100%
Meursault Topco Limited*	30 City Road, London, England, EC1Y 2AB	Ordinary	100%
Meursault Bidco Limited*	30 City Road, London, England, EC1Y 2AB	Ordinary	100%
Database Service Provider Global Limited*	30 City Road, London, England, EC1Y 2AB	Ordinary	100%
Explorer (UK) Systems Limited*	30 City Road, London, England, EC1Y 2AB	Ordinary	100%
Explorer (UK) Limited*	30 City Road, London, England, EC1Y 2AB	Ordinary	100%
Claremont IT Services Limited*	Rotterdam House, 116 Quayside, Newcastle Upon Tyne, NE1 3DY	Ordinary	100%
Premiertec Consulting Limited*	Rotterdam House, 116 Quayside, Newcastle Upon Tyne, NE1 3DY	Ordinary	100%
Nymad Limited*	30 City Road, London, England, EC1Y 2AB	Ordinary	100%
DSP Newco 2 Limited*	30 City Road, London, England, EC1Y 2AB	Ordinary	100%

*Companies that are entitled to and have taken advantage of the exemption from audit available under Section 479A of the Companies Act 2006 relating to subsidiary companies. In order for the subsidiary to claim this exemption, the parent Company must guarantee all outstanding liabilities that the subsidiary is subject to at the year end under S479A. Accordingly, the Company guaranteed all outstanding liabilities that these companies were subject to as at 31 December 2022.

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

16. Debtors

	Group 2022 £	Company 2022 £
Trade debtors	9,422,781	-
Amounts owed by group undertakings	-	992,574
Other debtors	55,395	1
Tax recoverable	172,188	-
Prepayments and accrued income	1,283,229	349
	<u>10,933,593</u>	<u>992,924</u>

An impairment loss of £17,625 was recognised against trade debtors.

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

17. Cash and cash equivalents

	Group 2022 £	Company 2022 £
Cash at bank and in hand	<u>1,249,383</u>	<u>12,812</u>

18. Creditors: Amounts falling due within one year

	Group 2022 £	Company 2022 £
Bank loans	940,000	-
Revolving credit facility	5,185,000	-
Trade creditors	5,989,800	5,600
Other taxation and social security	934,552	34,400
Other creditors	76,342	-
Accruals and deferred income	5,859,479	90,251
	<u>18,985,173</u>	<u>130,251</u>

Please see note 20 for further detail on the loans interest rates, repayment terms and securities.

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

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

	Group 2022 £	Company 2022 £
Bank loans	2,255,383	-
Loan notes	22,135,281	-
	<u>24,390,664</u>	<u>-</u>

20. Loans

	Group 2022 £
Amounts falling due within one year	
Bank loans	940,000
Revolving credit facility	5,185,000
	<u>6,125,000</u>
Amounts falling due 1-2 years	
Bank loans	940,000
	<u>940,000</u>
Amounts falling due 2-5 years	
Bank loans	1,315,383
Loan notes	22,135,281
	<u>23,450,664</u>
	<u>30,515,664</u>

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

20. Loans (continued)

During the period ended 31 December 2022, the Group refinanced its bank debt with Santander Bank Plc. The new facility in addition to the existing facility was agreed on 22 May 2022, and is repayable quarterly, with the final payment due on 31 March 2027. The interest rate attributable is the Bank of England base rate plus 3.8% and 4.5%.

Loan notes totalling £22,135,281 carries fixed interest at 9%.

The interest on all loan notes rolled up into the loan value for the period from 1 January 2022 through to 30 September 2023, with the interest arising after 1 September 2023 payable on a quarterly basis in arrears. These loan notes are repayable on 30 November 2025 unless an asset sale, a share sale or a listing (as defined in the Articles of the Company) occurs before this date.

YFM Private Equity Limited and Santander UK plc hold fixed and floating charges over all the assets and undertakings of the Company and the Group in connection with guarantees issued in respect of the secured borrowings of the Group.

21. Deferred taxation**Group**

	2022 £
Charged to profit or loss	(68,830)
Deferred tax on acquisition	(73,020)
At end of year	(141,850)

	Group 2022 £	Company 2022 £
Fixed asset timing differences	(177,181)	-
Short term timing difference	4,992	-
Losses and other deductions	30,339	-
	(141,850)	-

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

22. Provisions**Group**

	Onerous lease £
Charged to profit or loss	752,229
At 31 December 2022	752,229

In August 2022, Explorer (UK) Limited moved out of its office in Leeds resulting in the lease becoming an onerous lease, therefore the associated costs have been classed as exceptional within the period. A provision has been included for the present obligation under the contract of £1,466,333. The obligation has been discounted to its present value of £752,229 at an interest rate of 10%. The directors confirm that no further provision in relation to the lease is required.

23. Share capital

	2022 £
Allotted, called up and fully paid	
62,303 Ordinary A shares of £1.00 each	62,303
7,424 Ordinary B shares of £1.00 each	7,424
18,636 Ordinary C1 shares of £1.00 each	18,636
5,655 Ordinary C2 shares of £1.00 each	5,655
	94,018

During the period, the Company issued 62,303 ordinary A shares of £1 each.
During the period, the Company issued 7,424 ordinary B shares of £1 each.
During the period, the Company issued 18,636 ordinary C1 shares of £1 each.
During the period, the Company issued 5,655 ordinary C2 shares of £1 each.

All shares have equal voting rights, no right to fixed income, but are entitled to any distribution made out of profits in the form of a cumulative participating dividend.

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

24. Reserves

Share premium account

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

Treasury shares

The treasury share reserve is a reserve for shares purchased by the Company.

Profit and loss account

The profit and loss account includes all current and prior periods retained profits and losses.

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

25. Business combinations

During the period, the group made the following acquisitions:

- 17 December 2021: 100% of the share capital of Meursault Topco Limited
- 20 May 2022: 100% of the share capital of Claremont IT Services Limited

The details of each acquisition is as follows:

Acquisition of Meursault Topco Limited**Recognised amounts of identifiable assets acquired and liabilities assumed**

	Book value £	Fair value adjustments £	Fair value £
Fixed Assets			
Tangible	156,404	-	156,404
Intangible	550,178	-	550,178
	<u>706,582</u>	<u>-</u>	<u>706,582</u>
Current Assets			
Debtors	5,780,890	-	5,780,890
Cash at bank and in hand	949,962	-	949,962
	<u>7,437,434</u>	<u>-</u>	<u>7,437,434</u>
Total Assets	<u>7,437,434</u>	<u>-</u>	<u>7,437,434</u>
Creditors			
Due within one year	(7,857,666)	-	(7,857,666)
Due after more than one year	(10,085,328)	-	(10,085,328)
Deferred taxation	(73,020)	-	(73,020)
	<u>(10,578,580)</u>	<u>-</u>	<u>(10,578,580)</u>
Total identifiable net liabilities	<u>(10,578,580)</u>	<u>-</u>	<u>(10,578,580)</u>
Goodwill			23,764,612
Total purchase consideration			<u>13,186,032</u>

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

25. Business combinations (continued)**Consideration**

	£
Deal fees	681,690
Loan notes issued by subsidiary	6,007,933
Equity rolled	224,356
Amount settled in cash	6,272,053
Total purchase consideration	13,186,032

	£
Net cash outflow on acquisition	
Cash	6,272,053
Directly attributable costs	681,690
	6,953,743
Less: Cash and cash equivalents acquired	(949,962)
Net cash outflow on acquisition	6,003,781

The results of Meursault Topco Limited since acquisition are as follows:

	Current period since acquisition £
Turnover	25,049,013
Loss for the period since acquisition	(2,977,822)

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

25. Business combinations (continued)**Acquisition of Clermont IT Services Limited****Recognised amounts of identifiable assets acquired and liabilities assumed**

	Book value £	Fair value adjustments £	Fair value £
Fixed Assets			
Tangible	22,020	-	22,020
Intangible	75,490	-	75,490
	<u>97,510</u>	<u>-</u>	<u>97,510</u>
Current Assets			
Debtors	1,885,860	-	1,885,860
Cash at bank and in hand	2,401,463	-	2,401,463
	<u>4,384,833</u>	<u>-</u>	<u>4,384,833</u>
Total Assets			
Creditors			
Due within one year	(2,819,662)	-	(2,819,662)
Provisions for liabilities	(13,994)	-	(13,994)
	<u>1,551,177</u>	<u>-</u>	<u>1,551,177</u>
Total Identifiable net assets			
			<u>7,140,159</u>
Goodwill			
			<u>8,691,336</u>
Total purchase consideration			
			<u>8,691,336</u>
Consideration			
			£
Deal fees			335,067
Contingent consideration			1,048,516
Deferred consideration			1,124,164
Amount settled in cash			6,183,589
			<u>8,691,336</u>
Total purchase consideration			<u>8,691,336</u>

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

25. Business combinations (continued)**Cash outflow on acquisition**

	£
Cash, less amount owed to acquiror	5,293,589
Contingent consideration paid	1,048,516
Deferred consideration paid	1,000,000
Directly attributable costs	335,067
	<u>7,677,172</u>
Less: Cash and cash equivalents acquired	(2,401,463)
Net cash outflow on acquisition	<u><u>5,275,709</u></u>

The results of Clermont IT Services Limited since acquisition are as follows:

	Current period since acquisition £
Turnover	<u>5,791,691</u>
Profit for the period since acquisition	<u><u>946,713</u></u>

26. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £469,270. Contributions totalling £50,622 were payable to the fund at the balance sheet date and are included in creditors.

MEURSAULT II TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

27. Commitments under operating leases

At 31 December 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £
Not later than 1 year	212,000
Later than 1 year and not later than 5 years	1,060,000
Later than 5 years	194,333
	<u>1,466,333</u>

Included in the above commitments are amounts which have been provided for in relation to an onerous lease totalling £1,466,333 (2021: £Nil).

28. Analysis of net debt

	Cash flows £	From acquisitions £	Non-cash changes £	At 31 December 2022 £
Cash at bank and in hand	12,543,807	(11,294,424)	-	1,249,383
Revolving credit facility	(3,675,000)	(1,500,000)	(10,000)	(5,185,000)
Bank loan	(1,640,000)	(1,530,867)	(24,516)	(3,195,383)
Loan notes	(6,948,650)	(7,378,275)	(7,835,617)	(22,162,542)
	<u>280,157</u>	<u>(21,703,566)</u>	<u>(7,870,133)</u>	<u>(29,293,542)</u>

Non-cash changes for the Loan notes represent £6,007,933 issued as consideration for Meursault Topco Limited and £1,827,684 of accrued interest.

29. Related party transactions

The Company has taken advantage of the exemption covered by paragraph 33.1A of FRS102 "Related party disclosures" not to disclose transactions with members of the Group headed by Meursault II Topco Limited.

Interest of £1,806,294 and management fees of £106,835 have been charged by YFM Private Equity Limited, which is a related party of the Group as a result of its shareholding in the Company. The amount due to YFM Private Equity Limited in respect of loan notes held and rolled up interest totalled £21,862,781 at the period end.

Certain directors hold the Group's loan notes and these had a total value at the period end of £272,500, which includes rolled up interest of £22,500.