

Registered number: NI601280

## LOGICEARTH LEARNING SERVICES LTD

UNAUDITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020



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**LOGICEARTH LEARNING SERVICES LTD**

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**COMPANY INFORMATION**

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**Directors**  
P Carlin  
B S Jackson (appointed 8 April 2020)  
P D McKay  
M Morrow (appointed 8 April 2020)  
D M Sharrock (appointed 8 April 2020)

**Registered number** NI601280

**Registered office**  
Pinsent Masons Llp  
1 Lanyon Place  
Belfast  
Northern Ireland  
BT1 3LP

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**LOGICEARTH LEARNING SERVICES LTD**

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**LOGICEARTH LEARNING SERVICES LTD**

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**STRATEGIC REPORT  
FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**Introduction**

The Directors present their report and the financial statements for the year ended 31 December 2020.

**Business review**

The Company provides e-learning services and is expected to continue to do so in the foreseeable future.

On 8th April 2020, Huntsworth plc (now Huntsworth Limited) acquired 70% of LogicEarth Learning Services Limited through direct interests.

On 1 May 2020, the Company's ultimate parent undertaking, Huntsworth plc, was acquired by Clayton, Dubilier & Rice Holdings, LLC.

The Company is now a subsidiary of Hunter Holdco 3 Limited, for which the key performance indicators have been identified as revenue and profit before tax growth.

The Directors aim to maintain the management policies that have been applied to the Company in the period.

**Principal risks and uncertainties**

The ultimate parent of the Company reviews the principal risks and uncertainties facing the Group and individual companies. The Company's key risks and uncertainties are identified as: economic downturn; political instability; currency risk; service offering fails to evolve to meet changing market needs; client dissatisfaction and loss of key clients; loss of key talent; poor profitability; information systems access and security; unethical business practices and legal and regulatory compliance.

This report was approved by the board on 30 September 2021

and signed on its behalf.



**D M Sharrock**  
Director

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## LOGICEARTH LEARNING SERVICES LTD

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### DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

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The Directors present their report and the financial statements for the period ended 31 December 2020.

#### Results and dividends

The profit for the period, after taxation, amounted to £175,597 (2020 - £73,997).

The Directors did not recommend the payment of a dividend in the period (YE 31/03/2020: paid £59,000).

#### Directors

The Directors who served during the year and subsequently were:

P Carlin  
B S Jackson (appointed 8 April 2020)  
P D McKay  
M Morrow (appointed 8 April 2020)  
D M Sharrock (appointed 8 April 2020)

#### Future developments

The Directors expect that the company will continue with its existing operations for the foreseeable future.

#### Engagement with suppliers, customers and others

Our Anti-Corruption and Anti-Bribery Policies outline the expected standards of conduct that employees, contractors, suppliers and any other third parties who act for and on behalf of Huntsworth, are obliged to follow. During 2019 the Group issued its Modern Slavery Statement. As part of this process, the Company's supply chain was reviewed to ensure suppliers are able to demonstrate that they operate in accordance with recognised standards that uphold human rights and safety, prohibit modern slavery and promote sustainable sourcing.

#### Post balance sheet events

On 16 August 2021 Nenelite Limited, (a newly incorporated company and affiliate of Clayton, Dublier & Rice LLC) acquired the entire issued share capital of UDG Healthcare plc. Nenelite Limited is a wholly owned subsidiary of Hunter Holdco 3 Limited.

This report was approved by the board on 30 September 2021 and signed on its behalf.



**D M Sharrock**  
Director

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## **LOGICEARTH LEARNING SERVICES LTD**

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### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2020**

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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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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**LOGICEARTH LEARNING SERVICES LTD**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 DECEMBER 2020**

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|   | Note | 9 Months<br>ended 31<br>December<br>2020<br>£ | Year ended<br>31 March<br>2020<br>£ |
|---|------|---|-------------------------------------|
| Turnover  | 4    | 1,428,029                                     | 1,566,452                           |
| Cost of sales   |      | (199,634)                                     | (412,871)                           |
| <b>Revenue</b>  |      | <b>1,228,395</b>                              | <b>1,153,581</b>                    |
| Administrative expenses                                       |      | (1,008,056)                                   | (1,064,334)                         |
| Other operating income  |      | -   | 3,669                               |
| <b>Operating profit</b>                                       | 6    | <b>220,339</b>                                | <b>92,916</b>                       |
| Interest receivable and similar income                        | 9    | -   | 4,564                               |
| Interest payable and expenses                                 |      | (2,494)                                       | (11,835)                            |
| <b>Profit before tax</b>                                      |      | <b>217,845</b>                                | <b>85,645</b>                       |
| Tax on profit   | 11   | (42,248)                                      | (11,648)                            |
| <b>Profit for the financial period</b>                        |      | <b>175,597</b>                                | <b>73,997</b>                       |
| <b>Other comprehensive income:</b>                            |      |   |                                     |
| <b>Items that will not be reclassified to profit or loss:</b> |      |   |                                     |
| <b>Total comprehensive income for the period/year</b>         |      | <b>175,597</b>                                | <b>73,997</b>                       |

The notes on pages 8 to 28 form part of these financial statements.

**LOGICEARTH LEARNING SERVICES LTD**  
**REGISTERED NUMBER: NI601280**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

|   | Note | 31<br>December<br>2020<br>£ | 31 March<br>2020<br>£ |
|---|------|-----------------------------|-----------------------|
| Tangible assets   | 12   | 47,367                      | 71,403                |
|   |      | <u>47,367</u>               | <u>71,403</u>         |
| <b>Current assets</b>                                   |      |                             |                       |
| Work in progress  | 13   | 5,524                       | -                     |
| Debtors   | 14   | 787,992                     | 278,653               |
| Cash at bank and in hand                                | 15   | 393,991                     | 44,092                |
|   |      | <u>1,187,507</u>            | <u>322,745</u>        |
| Creditors: amounts falling due within one year          | 16   | (952,475)                   | (266,656)             |
| <b>Net current assets</b>                               |      | <u>235,032</u>              | <u>56,089</u>         |
| <b>Total assets less current liabilities</b>            |      | <u>282,399</u>              | <u>127,492</u>        |
| Creditors: amounts falling due after more than one year | 17   | (16,204)                    | (37,266)              |
|   |      | <u>266,195</u>              | <u>90,226</u>         |
| <b>Provisions for liabilities</b>                       |      |                             |                       |
| Deferred taxation                                       | 19   | (372)                       | -                     |
| <b>Net assets</b>                                       |      | <u><u>265,823</u></u>       | <u><u>90,226</u></u>  |



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LOGICEARTH LEARNING SERVICES LTD  
REGISTERED NUMBER: NI601280

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BALANCE SHEET (CONTINUED)  
AS AT 31 DECEMBER 2020

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|                             | Note | 31 December<br>2020<br>£ | 31 March<br>2020<br>£ |
|-----------------------------|------|--------------------------|-----------------------|
| <b>Capital and reserves</b> |      |                          |                       |
| Called up share capital     | 20   | 4                        | 4                     |
| Profit and loss account     | 21   | 265,819                  | 90,222                |
|                             |      | <u>265,823</u>           | <u>90,226</u>         |

The members have not required the Company to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 September 2021.



**D M Sharrock**  
Director

The notes on pages 8 to 28 form part of these financial statements.

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**LOGICEARTH LEARNING SERVICES LTD**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2020**

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|  | Called up<br>share capital | Profit and<br>loss account | Total equity   |
|--|----------------------------|----------------------------|----------------|
|  | £                          | £                          | £              |
| At 1 April 2020                            | 4                          | 90,222                     | 90,226         |
| <b>Comprehensive income for the period</b> |                            |                            |                |
| Profit for the period                      | -                          | 175,597                    | 175,597        |
| <b>Total transactions with owners</b>      | -                          | -                          | -              |
| <b>At 31 December 2020</b>                 | <b>4</b>                   | <b>265,819</b>             | <b>265,823</b> |

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2020**

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|  | Called up<br>share capital | Profit and<br>loss account | Total equity  |
|--|----------------------------|----------------------------|---------------|
|  | £                          | £                          | £             |
| At 1 April 2019                          | 4                          | 75,225                     | 75,229        |
| <b>Comprehensive income for the year</b> |                            |                            |               |
| Profit for the year                      | -                          | 73,997                     | 73,997        |
| Dividends: Equity capital                | -                          | (59,000)                   | (59,000)      |
| <b>Total transactions with owners</b>    | -                          | (59,000)                   | (59,000)      |
| <b>At 31 March 2020</b>                  | <b>4</b>                   | <b>90,222</b>              | <b>90,226</b> |

The notes on pages 8 to 28 form part of these financial statements.

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## LOGICEARTH LEARNING SERVICES LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

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#### 1. General information

LogicEarth Learning Services Ltd ('the Company') provides e-learning services and operates predominantly in Europe. The Company is a private limited company and is incorporated and domiciled in Northern Ireland. The address of its registered office is Pinsent Masons LLP, 1 Lanyon Place, Belfast, Northern Ireland, BT1 3LP.

#### 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 101 'Reduced Disclosure Framework' and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 101 is given in note 25.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

##### First time application of FRS 100 and FRS 101

In the current period the Company has adopted FRS 100 and FRS 101. In previous years the financial statements were prepared in accordance with applicable UK accounting standards.

This change in the basis of preparation has not materially altered the recognition and measurement requirements previously applied in accordance with UK GAAP. Consequently the principal accounting policies are unchanged from the prior year. The change in basis of preparation has enabled the Company to take advantage of all of the available disclosure exemptions permitted by FRS 101 in the financial statements, the most significant of which are summarised below. There have been no other material amendments to the disclosure requirements previously applied in accordance with UK GAAP.

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## LOGICEARTH LEARNING SERVICES LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

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## 2. Accounting policies (continued)

### 2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

### 2.3 New and amended standards adopted by the Company

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2020 that have a material impact on the company's financial statements.

### 2.4 New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the Company. The standards, that are not yet effective, are expected to not have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

### 2.5 Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the strategic report. The Company participates in the Group's centralised treasury arrangements and so shares banking arrangements with Hunter Holdco 3 Limited and fellow subsidiaries.

On the basis of their assessment of the Company's financial position the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The COVID-19 pandemic has not affected the treasury and banking arrangements and has had no effect on the going concern assessment.

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## LOGICEARTH LEARNING SERVICES LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.6 Turnover and Revenue

Turnover represents amounts received or receivable from clients, exclusive of value added tax, for the rendering of services and comprises charges for fees, commissions, rechargeable expenses incurred on behalf of clients and sales of marketing products.

Revenue is turnover less amounts payable on behalf of clients to external suppliers where they are retained to perform part of a specific client project or service, and represents fees, commissions and mark-ups on rechargeable expenses and marketing products.

Turnover and revenue reflect the fair value of the proportion of the work carried out in the year by recording turnover and related costs as service activity progresses. Revenue derived from retainers is recognised over time as the performance obligations are satisfied over the term of the retainer contract. Revenue for time-charge based work is recognised at the amount for which the Company has the right to invoice, therefore revenue is recognised based on number of hours worked at the agreed rate, subject to any fee cap.

For fixed fee projects, revenue is only recognised once the final outcome can be assessed with reasonable certainty. The stage of completion is determined relative to the total number of hours or significant milestones expected to complete the work or provision of services as this reflects the satisfaction of the performance obligations within the contract.

Revenue in the form of commissions on media placements and fees for creative and production services provided is recognised as the services are performed.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Consequently, the Company does not adjust any of the transaction prices for the time value of money.

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## LOGICEARTH LEARNING SERVICES LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

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## 2. Accounting policies (continued)

### 2.7 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 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'.

### 2.8 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved.

### 2.9 Leases

#### The Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. The incremental borrowing rate has been determined using a build-up approach that starts with a risk-free interest rate adjusted for credit risk of leases and making adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;

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## LOGICEARTH LEARNING SERVICES LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

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## 2. Accounting policies (continued)

### 2.9 Leases (continued)

- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

The lease liability is included in 'Creditors' on the Balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are included in the 'Intangible Assets', 'Tangible Fixed Assets' and 'Investment Property' lines, as applicable, in the Balance sheet.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

### 2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

### 2.11 Government grants

Government grants received on capital expenditure are initially recognised within deferred income on the Company's Balance sheet and are subsequently recognised in profit or loss on a systematic basis over the useful life of the related capital expenditure.

Grants for revenue expenditure are presented as part of the profit or loss in the periods in which the expenditure is recognised.

### 2.12 Interest income

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

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## LOGICEARTH LEARNING SERVICES LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.13 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.

##### 2.14 Pensions

###### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company 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 Company in independently administered funds.

##### 2.15 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.

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 operates and generates 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 Company 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.



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## LOGICEARTH LEARNING SERVICES LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.16 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

|                           |                           |
|---------------------------|---------------------------|
| L/Term Leasehold Property | -                         |
| Fixtures & fittings       | - 25% - 33% straight line |

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.

##### 2.17 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.

Provision for impairment is made when there is objective evidence that the Company will not be able to recover balances in full.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors and contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 December 2020 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information.

Balances are written off when the possibility of recovery is assessed as being remote.

##### 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.

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## LOGICEARTH LEARNING SERVICES LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.19 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

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

##### 2.20 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

##### Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

##### Impairment of financial assets

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

##### Financial liabilities

##### At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

##### 2.21 Work in progress

Work in progress is stated at the lower of cost and net realisable value and consists of third party costs incurred on behalf of clients which have still to be recharged.

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## LOGICEARTH LEARNING SERVICES LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

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

In the application of the Company's accounting policies, the Directors are required to make judgements and assumptions about the future, based on historical experience and other factors which are considered to be relevant. The resulting accounting estimates will, by definition, seldom equal the related actual results.

##### **Carrying value of investments**

The Company tests annually whether investments have suffered any impairment. The recoverable amounts of investments have been determined based on value in use calculations. The value in use calculation requires estimates the future cash flows expected to arise from investment and a suitable discount rate in order to calculate present value.

##### **Revenue recognition**

The Company recognises revenue on projects based on the proportion of work completed at the balance sheet date.

Judgement is required in assessing the fair value of the proportion of work completed and hence the appropriate value of revenue to be recognised in the year. Management make this judgement using estimates of expected hours required to complete the project against the budget, alongside any milestones set out in the contract.

For fixed fee projects, revenue is only recognised once the final outcome can be assessed with reasonable certainty. The stage of completion is determined relative to the total number of hours or significant milestones expected to complete the work or provision of services as this reflects the satisfaction of the performance obligations within the contract.

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**LOGICEARTH LEARNING SERVICES LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**4. Turnover**

Analysis of turnover by country of destination:

|                   | 2020<br>£        | 2020<br>£        |
|-------------------|------------------|------------------|
| United Kingdom    | 110,300          | 375,948          |
| Rest of Europe    | 1,317,729        | 1,127,845        |
| Rest of the world | -                | 62,659           |
|                   | <u>1,428,029</u> | <u>1,566,452</u> |

Timing of revenue recognition:

|  | 31<br>December<br>2020<br>£ | 31 March<br>2020<br>£ |
|--|-----------------------------|-----------------------|
| Goods and services transferred over time | 1,428,029                   | 1,566,452             |
|  | <u>1,428,029</u>            | <u>1,566,452</u>      |

The Company applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

The amount of revenue recognised in 2020 from performance obligations satisfied (or partially satisfied) in previous periods is £NIL

**5. Other operating income**

|                              | 2020<br>£ | 2020<br>£    |
|------------------------------|-----------|--------------|
| Government grants receivable | -         | 3,669        |
|                              | <u>-</u>  | <u>3,669</u> |

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**LOGICEARTH LEARNING SERVICES LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**6. Operating profit**

The operating profit is stated after charging:

|                                       | 2020<br>£ | 2020<br>£      |
|---------------------------------------|-----------|----------------|
| Depreciation of tangible fixed assets | 24,036    | 67,753         |
| Exchange differences                  | 4,234     | 8,177          |
| Defined contribution pension cost     | 17,677    | -              |
|                                       | <u>-</u>  | <u>-</u>       |
| Government grants                     | <u>-</u>  | <u>(3,669)</u> |

**7. Employees**

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

|                                     | 2020<br>£      | 2020<br>£      |
|-------------------------------------|----------------|----------------|
| Wages and salaries                  | 669,053        | 688,390        |
| Social security costs               | 84,779         | 99,886         |
| Cost of defined contribution scheme | 17,677         | 14,646         |
|                                     | <u>771,509</u> | <u>802,922</u> |

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

|                                | 2020<br>No. | 2020<br>No. |
|--------------------------------|-------------|-------------|
| Public relations professionals | <u>20</u>   | <u>20</u>   |

**8. Directors' remuneration**

|                       | 2020<br>£      | 2020<br>£     |
|-----------------------|----------------|---------------|
| Directors' emoluments | 135,000        | 21,810        |
|                       | <u>135,000</u> | <u>21,810</u> |

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**LOGICEARTH LEARNING SERVICES LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Interest receivable**

|                           | 2020<br>£ | 2020<br>£    |
|---------------------------|-----------|--------------|
| Other interest receivable | -         | 4,564        |
|                           | <u>-</u>  | <u>4,564</u> |

**10. Interest payable and similar expenses**

|                               | 2020<br>£    | 2020<br>£     |
|-------------------------------|--------------|---------------|
| Bank interest payable         | 1,002        | 9,353         |
| Interest on lease liabilities | 1,492        | 2,482         |
|                               | <u>2,494</u> | <u>11,835</u> |

**11. Taxation**

|  | 2020<br>£     | 2020<br>£     |
|--|---------------|---------------|
| <b>Corporation tax</b>                           |               |               |
| Current tax on profits for the year              | 41,876        | 11,648        |
| <b>Total current tax</b>                         | <u>41,876</u> | <u>11,648</u> |
| <b>Deferred tax</b>                              |               |               |
| Origination and reversal of timing differences   | (403)         | -             |
| Adjustment in respect of prior period            | 775           | -             |
| <b>Total deferred tax</b>                        | <u>372</u>    | <u>-</u>      |
| <b>Taxation on profit on ordinary activities</b> | <u>42,248</u> | <u>11,648</u> |

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LOGICEARTH LEARNING SERVICES LTD

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2020

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11. Taxation (continued)

**Factors affecting tax charge for the period/year**

The tax assessed for the period/year is lower than (2020 - *lower than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

|  | 2020<br>£ | 2020<br>£ |
|--|-----------|-----------|
| Profit on ordinary activities before tax   | 217,845   | 85,645    |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%) | 41,391    | 16,273    |
| Effects of:  |           |           |
| Expenses not deductible for tax purposes   | 83        | 28        |
| Recognition and utilisation of tax losses  | -         | (4,653)   |
| Adjustments to tax charge in respect of prior periods  | 774       | -         |
| Total tax charge for the period/year   | 42,248    | 11,648    |

**Factors that may affect future tax charges**

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. As the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. However, had it been substantively enacted by the balance sheet date, the effect of the change would not materially impact the balance sheet.

**LOGICEARTH LEARNING SERVICES LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2020**

**12. Tangible fixed assets**

|                                       | Right of Use<br>Assets<br>£ | Fixtures &<br>fittings<br>£ | Total<br>£ |
|---------------------------------------|-----------------------------|-----------------------------|------------|
| <b>Cost or valuation</b>              |                             |                             |            |
| At 1 April 2020                       | 67,326                      | 4,077                       | 71,403     |
| At 31 December 2020                   | 67,326                      | 4,077                       | 71,403     |
| <b>Depreciation</b>                   |                             |                             |            |
| Charge for the period on owned assets | 21,915                      | 2,121                       | 24,036     |
| At 31 December 2020                   | 21,915                      | 2,121                       | 24,036     |
| <b>Net book value</b>                 |                             |                             |            |
| At 31 December 2020                   | 45,411                      | 1,956                       | 47,367     |
| At 31 March 2020                      | 67,326                      | 4,077                       | 71,403     |

The net book value of owned and leased assets included as "Tangible fixed assets" in the Balance sheet is as follows:

|                                    |                             |
|------------------------------------|-----------------------------|
|                                    | 31<br>December<br>2020<br>£ |
| Tangible fixed assets owned        | 1,956                       |
| Right-of-use tangible fixed assets | 45,411                      |
|                                    | 47,367                      |

Information about right-of-use assets is summarised below:

**Net book value**

45,411



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**LOGICEARTH LEARNING SERVICES LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**13. Work in progress**

|                  | <b>31<br/>December<br/>2020<br/>£</b> | <b>31 March<br/>2020<br/>£</b> |
|------------------|---------------------------------------|--------------------------------|
| Work in progress | <b>5,524</b>                          | -                              |
|                  | <b><u>5,524</u></b>                   | <b><u>-</u></b>                |

**14. Debtors**

|                                    | <b>31<br/>December<br/>2020<br/>£</b> | <b>31 March<br/>2020<br/>£</b> |
|------------------------------------|---------------------------------------|--------------------------------|
| <b>Due within one year</b>         |                                       |                                |
| Trade debtors                      | <b>167,437</b>                        | 262,133                        |
| Amounts owed by group undertakings | <b>102,856</b>                        | -                              |
| Other debtors                      | <b>7,887</b>                          | 14,143                         |
| Prepayments and accrued income     | <b>509,812</b>                        | 2,377                          |
|                                    | <b><u>787,992</u></b>                 | <b><u>278,653</u></b>          |

**15. Cash and cash equivalents**

|                          | <b>31<br/>December<br/>2020<br/>£</b> | <b>31 March<br/>2020<br/>£</b> |
|--------------------------|---------------------------------------|--------------------------------|
| Cash at bank and in hand | <b>393,991</b>                        | 44,092                         |
|                          | <b><u>393,991</u></b>                 | <b><u>44,092</u></b>           |

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**LOGICEARTH LEARNING SERVICES LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**16. Creditors: Amounts falling due within one year**

|                                    | <b>31<br/>December<br/>2020<br/>£</b> | <i>31 March<br/>2020<br/>£</i> |
|------------------------------------|---------------------------------------|--------------------------------|
| Trade creditors                    | <b>124,892</b>                        | 138,348                        |
| Amounts owed to group undertakings | <b>525,625</b>                        | -                              |
| Corporation tax                    | <b>53,524</b>                         | 11,648                         |
| Other taxation and social security | <b>59,410</b>                         | 18,453                         |
| Lease liability                    | <b>30,065</b>                         | 30,060                         |
| Other creditors                    | -                                     | 62,342                         |
| Accruals and deferred income       | <b>158,959</b>                        | 5,805                          |
|                                    | <b>952,475</b>                        | 266,656                        |

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

|                 | <b>31<br/>December<br/>2020<br/>£</b> | <i>31 March<br/>2020<br/>£</i> |
|-----------------|---------------------------------------|--------------------------------|
| Lease liability | <b>16,204</b>                         | 37,266                         |
|                 | <b>16,204</b>                         | 37,266                         |

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LOGICEARTH LEARNING SERVICES LTD

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2020

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18. Leases

Company as a lessee

The company has one lease contract for use of its office building. The amounts recognised in the financial statements in relation to this lease are as follows:

Lease liabilities are due as follows:

|                                 | 2020<br>£     |
|---------------------------------|---------------|
| Not later than one year         | 30,065        |
| Between one year and five years | 16,204        |
|                                 | <u>46,269</u> |

The following amounts in respect of leases, where the Company is a lessee, have been recognised in profit or loss:

|                                       | 2020<br>£    |
|---------------------------------------|--------------|
| Interest expense on lease liabilities | <u>1,492</u> |

19. Deferred taxation

|                                       | 2020<br>£    |
|---------------------------------------|--------------|
| Credit/(charge) to the profit or loss | (372)        |
| At end of year                        | <u>(372)</u> |

The deferred tax asset is made up as follows:

|  | 31<br>December<br>2020<br>£ | 31 March<br>2020<br>£ |
|--|-----------------------------|-----------------------|
| Capital allowances in excess of depreciation | (372)                       | -                     |
|  | <u>(372)</u>                | <u>-</u>              |

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## LOGICEARTH LEARNING SERVICES LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

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#### 20. Share capital

|   | 31<br>December<br>2020<br>£ | 31 March<br>2020<br>£ |
|---|-----------------------------|-----------------------|
| <b>Authorised, allotted, called up and fully paid</b> |                             |                       |
| 4 (2020 - 4) Ordinary shares of £1.00 each            | <u>4</u>                    | <u>4</u>              |

#### 21. Reserves

##### Profit & loss account

Includes all current and prior period retained profits and losses.

#### 22. Contingent liabilities

The Company is registered with HM Revenue & Customs as a member of a group for VAT purposes and as a result is jointly and severally liable on a continuing basis for amounts owing by any other members of that group in respect of unpaid VAT. At the balance sheet date the outstanding VAT group liability was £2.4 million (2019: £1.3 million).

#### 23. Post balance sheet events

On 16 August 2021 Nenelite Limited, (a newly incorporated company and affiliate of Clayton, Dubilier & Rice LLC) acquired the entire issued share capital of UDG Healthcare plc. Nenelite Limited is a wholly owned subsidiary of Hunter Holdco 3 Limited.

#### 24. Controlling party

The Company's immediate parent undertaking is Huntsworth Limited.

On 1 May 2020, the Company's ultimate parent undertaking, Huntsworth plc, was acquired by Clayton, Dubilier & Rice Holdings, LLC. The ultimate parent undertaking was subsequently delisted and changed its name to Huntsworth limited.

Following the acquisition, the operating parent company in the Group is CD&R Artemis Holdco 1 Limited, a Jersey incorporated company, which in the opinion of the Company's Directors, is the ultimate controlling party, and is, amongst other things, where the strategic direction of the Group is set. It is noted that CD&R's investment was made through its investment funds, Clayton, Dubilier & Rice Fund X, L.P., Clayton, Dubilier & Rice Fund X-A, L.P. and CD&R Advisor Fund X, L.P. Hunter Holdco 3 Limited is the parent undertaking of the smallest and largest group to consolidate these financial statements at 31 December 2020. Copies of Hunter Holdco 3 Limited's 2020 consolidated financial statements, which include the Company, are available from its registered office at 8th Floor, Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN.

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LOGICEARTH LEARNING SERVICES LTD

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2020

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**25. First time adoption of FRS 101**

The Company transitioned to FRS 101 from previously extant UK GAAP as at 1 April 2019. The impact of the transition to FRS 101 is as follows:

|   | <i>As<br/>previously<br/>stated<br/>31 March<br/>2020</i> | <i>Effect of<br/>transition<br/>31 March<br/>2020</i> | <i>FRS 101<br/>(as restated)<br/>31 March<br/>2020</i> |
|---|---|---|--|
| <b>Note</b>   | <b>£</b>  | <b>£</b>  | <b>£</b>   |
| Fixed assets  | 4,077   | 67,326  | 71,403   |
| Current assets  | 322,745   | -   | 322,745  |
| Creditors: amounts falling due within one year          | (236,596)   | (30,060)  | (266,656)  |
| <b>Net current assets</b>                               | <b>86,149</b>   | <b>(30,060)</b>                                       | <b>56,089</b>  |
| <b>Total assets less current liabilities</b>            | <b>90,226</b>   | <b>37,266</b>   | <b>127,492</b>   |
| Creditors: amounts falling due after more than one year | -   | (37,266)  | (37,266)   |
| Provisions for liabilities                              | -   | -   | -  |
| <b>Net assets</b>                                       | <b>90,226</b>   | <b>-</b>  | <b>90,226</b>  |
| Capital and reserves                                    | 90,226  | -   | 90,226   |

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LOGICEARTH LEARNING SERVICES LTD

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2020

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25. First time adoption of FRS 101 (continued)

|  | Note | As<br>previously<br>stated<br>31 March<br>2020<br>£ | Effect of<br>transition<br>31 March<br>2020<br>£ | FRS 101<br>(as restated)<br>31 March<br>2020<br>£ |
|--|------|---|--|---|
| Turnover   |      | 1,566,452   | -  | 1,566,452   |
| Cost of sales  |      | (412,871)   | -  | (412,871)   |
|  |      | <hr/>   | <hr/>  | <hr/>   |
|  |      | 1,153,581   | -  | 1,153,581   |
| Administrative expenses  |      | (1,066,816)   | 2,482  | (1,064,334)                                       |
| Other operating income   |      | 3,669   | -  | 3,669   |
|  |      | <hr/>   | <hr/>  | <hr/>   |
| <b>Operating profit</b>  |      | 90,434  | 2,482  | 92,916  |
| Interest receivable and similar income   |      | 4,564   | -  | 4,564   |
| Interest payable and similar charges   |      | (9,353)   | (2,482)  | (11,835)  |
| Taxation   |      | (11,648)  | -  | (11,648)  |
|  |      | <hr/>   | <hr/>  | <hr/>   |
| <b>Profit on ordinary activities after taxation and for<br/>the financial year</b> |      | 73,997  | -  | 73,997  |
|  |      | <hr/>   | <hr/>  | <hr/>   |

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**LOGICEARTH LEARNING SERVICES LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**25. First time adoption of FRS 101 (continued)**

Explanation of changes to previously reported profit and equity:

- 1 There have no changes to the brought forward profit and equity balance as a result of transition to FRS101.