

REGISTERED NUMBER: 01500217 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
ATEX MEDIA LIMITED**

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ATEX MEDIA LIMITED (REGISTERED NUMBER: 01500217)

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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ATEX MEDIA LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021**

DIRECTOR: D Lee

REGISTERED OFFICE: Hanover House
Queen Charlotte Street
Bristol
BS1 4EX

REGISTERED NUMBER: 01500217 (England and Wales)

AUDITORS: Haines Watts
Chartered Accountants and Statutory Auditors
Advantage
87 Castle Street
Reading
Berkshire
RG1 7SN

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The director presents his strategic report for the year ended 31 December 2021.

REVIEW OF BUSINESS

The Company results are in line with shareholder expectations. Turnover has increased from £3.2m in 2020 to £3.3m in 2021. The market continues to be price sensitive and challenging. Gross margin has remained at 47%.

The Company prides itself in exceptional products and customer services, strengthened by its wider group. The directors are committed to grow the company and wider group through organic growth and acquisitions.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company maintains financing support from other group entities and as such, is exposed to interest rate risk. However, the extent of group financing is such that the impact of changes to interest rates is considered to be minimal, and certainly within manageable limits.

An element of the Company's activities are exposed to foreign currencies, and thus the Company is exposed to exchange rate risk on those activities which are subject to general economic factors. The Company has no measures in place to mitigate the risk of currency fluctuations other than maintaining currency bank accounts, which provides adequate protection.

In addition to the above, there is some exposure to credit risk, and in this regard, the Company carries out appropriate credit checks on potential customers before sales are made, and continually monitors and investigates the ageing of debts.

FINANCIAL KEY PERFORMANCE INDICATORS

The Company considers turnover and gross profit margin to be the key indicators of its performance.

ON BEHALF OF THE BOARD:



.....
D Lee - Director

Date: July 21, 2022
.....

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2021**

The director presents his report with the financial statements of the company for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activity of the Company during the year was the selling and installation of software for the media industry, principally newspapers, magazines and online publications.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2021.

FUTURE DEVELOPMENTS

There are no particular matters that the directors feel will significantly alter the ongoing development of the business in the short and medium term. The Company aims to continue its policy of providing both exceptional level of service and excellent product quality, in order to maintain existing customer relationships, and to allow it to exploit new opportunities that arise.

DIRECTOR

D Lee held office during the whole of the period from 1 January 2021 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.


ATEX MEDIA LIMITED (REGISTERED NUMBER: 01500217)

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2021**

AUDITORS

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
D Lee - Director

Date: July 21, 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ATEX MEDIA LIMITED

Opinion

We have audited the financial statements of Atex Media Limited (the 'company') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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 company's affairs as at 31 December 2021 and of its profit for the year 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical 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

In auditing the financial statements, we have concluded that the director's 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 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 director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ATEX MEDIA LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

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

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

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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 director determines 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 director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ATEX MEDIA LIMITED

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates. We determined that the following laws and regulations were most significant: FRS102 - the Financial Reporting Standard applicable in the UK & The Republic of Ireland, the companies Act 2006 and relevant tax compliance regulations in the UK.

We obtained an understanding of how the Company is complying with those legal and regulatory frameworks by making enquiries of management.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where management considered there was susceptibility to fraud. Audit procedures performed by the audit team included:

- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Identifying and testing journal entries, with a focus on entries made with unusual accounting combinations;
- Confirming with management whether they have knowledge of any actual, suspected or illegal fraud;
- Evaluating whether there was evidence of bias by management that represents a risk of material misstatement due to fraud.

These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ATEX MEDIA LIMITED**

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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.

Martin Thomas

Martin Thomas FCCA (Senior Statutory Auditor)
for and on behalf of Haines Watts
Chartered Accountants and Statutory Auditors
Advantage
87 Castle Street
Reading
Berkshire
RG1 7SN

Date: 22 July 2022

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	£	2021 £	£	2020 £
TURNOVER	4		3,274,085		3,190,431
Cost of sales			1,710,643		1,679,712
GROSS PROFIT			1,563,442		1,510,719
Distribution costs		142,316		134,381	
Administrative expenses		579,857		713,682	
			722,173		848,063
			841,269		662,656
Other operating income			203,105		206,722
OPERATING PROFIT and PROFIT BEFORE TAXATION			1,044,374		869,378
Tax on profit	7		(1,476,267)		(101,312)
PROFIT FOR THE FINANCIAL YEAR			2,520,641		970,690
OTHER COMPREHENSIVE INCOME			-		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			2,520,641		970,690

The notes form part of these financial statements

ATEX MEDIA LIMITED (REGISTERED NUMBER: 01500217)

**BALANCE SHEET
31 DECEMBER 2021**

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	8		18,131		7,249
Investments	9		2,861,418		2,861,418
			<u>2,879,549</u>		<u>2,868,667</u>
CURRENT ASSETS					
Debtors	10	11,808,860		7,591,802	
Cash at bank		413,494		82,902	
		<u>12,222,354</u>		<u>7,674,704</u>	
CREDITORS					
Amounts falling due within one year	11	8,255,041		6,042,927	
NET CURRENT ASSETS			<u>3,967,313</u>		<u>1,631,777</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,846,862</u>		<u>4,500,444</u>
PROVISIONS FOR LIABILITIES	12		<u>1,301,895</u>		<u>1,476,118</u>
NET ASSETS			<u><u>5,544,967</u></u>		<u><u>3,024,326</u></u>
CAPITAL AND RESERVES					
Called up share capital	13		1,260,004		1,260,004
Capital contribution	14		2,838,620		2,838,620
Retained earnings	14		1,446,343		(1,074,298)
SHAREHOLDERS' FUNDS			<u><u>5,544,967</u></u>		<u><u>3,024,326</u></u>

The financial statements were approved and authorised for issue by the director and authorised for issue on July 21, 2022 and were signed by:



.....
D Lee - Director

The notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £	Retained earnings £	Capital contribution £	Total equity £
Balance at 1 January 2020	1,260,004	(2,044,988)	2,838,620	2,053,636
Changes in equity				
Total comprehensive income	-	970,690	-	970,690
Balance at 31 December 2020	1,260,004	(1,074,298)	2,838,620	3,024,326
Changes in equity				
Total comprehensive income	-	2,520,641	-	2,520,641
Balance at 31 December 2021	1,260,004	1,446,343	2,838,620	5,544,967

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. STATUTORY INFORMATION

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

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

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

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirement of paragraph 33.7.

Preparation of consolidated financial statements

The financial statements contain information about Atex Media Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Constellation Software Inc, these financial statements may be obtained from Gary Jonas Computing Ltd, 8133 Warden Ave. Suite 400, Markham, Ontario, Canada, L6G 1B3.

Going Concern

The financial statements have been prepared on a going concern basis. The Director has reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. Based on these assessments the Director has concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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:

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 Company 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued

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, on a reducing balance basis.

Depreciation is provided on the following basis:

- Computer equipment - 3 years

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

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

Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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.

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.

Financial instruments

The Company 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 non-puttable 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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued

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.

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.

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. Nonmonetary 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 the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Finance costs

Finance costs are charged to the Statement of Comprehensive Income 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.

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 the Statement of comprehensive income 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.

Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

Provisions for liabilities

Provisions are made where an event has taken place that gives the Company 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021
2. ACCOUNTING POLICIES - continued

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company 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.

Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include the recoverability of trade debtors, the valuation of accrued costs, the assessment and impact of potentially onerous contracts and recoverability of the deferred tax asset.

4. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2021	2020
	£	£
Software and product sales	257,614	264,483
Provision of services	3,016,471	2,925,948
	<u>3,274,085</u>	<u>3,190,431</u>

An analysis of turnover by geographical market is given below:

	2021	2020
	£	£
United Kingdom	1,511,511	1,721,354
Europe	941,711	839,110
Rest of the world	820,863	629,967
	<u>3,274,085</u>	<u>3,190,431</u>

5. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Wages and salaries	1,092,791	952,149
Social security costs	157,128	106,759
Other pension costs	169,507	140,319
	<u>1,419,426</u>	<u>1,199,227</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

5. EMPLOYEES AND DIRECTORS - continued

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

	2021	2020
Technical	13	10
Sales	1	1
Administration	1	1
	<u>15</u>	<u>12</u>
	2021	2020
	£	£
Directors' remuneration	-	-
	<u>-</u>	<u>-</u>

6. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2021	2020
	£	£
Other operating leases	211	211
Depreciation - owned assets	8,211	9,798
Auditors' remuneration	8,000	8,000
Foreign exchange differences	3,968	(23,398)
	<u>3,968</u>	<u>(23,398)</u>

7. TAXATION**Analysis of the tax credit**

The tax credit on the profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	(1,480,256)	(104,982)
Overseas tax	3,989	3,670
	<u>(1,476,267)</u>	<u>(101,312)</u>
Tax on profit		
	<u>(1,476,267)</u>	<u>(101,312)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

7. TAXATION - continued

Reconciliation of total tax credit included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2021 £	2020 £
Profit before tax	<u>1,044,374</u>	<u>869,378</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	198,431	165,182
Effects of:		
Utilisation of tax losses	(198,431)	(165,182)
R+D refunds	-	(104,982)
Overseas tax	3,989	3,670
Deferred tax asset	<u>(1,480,256)</u>	<u>-</u>
Total tax credit	<u>(1,476,267)</u>	<u>(101,312)</u>

The Finance (No.2) Act 2015 reduced the main rate of UK corporation tax to 19%, effective from 1 April 2017. A further reduction in the UK corporation tax rate to 17% was expected to come into effect from 1 April 2020 (as enacted by Finance Act 2016 on 15 September 2016).

However, legislation introduced in the Finance Act 2020 (enacted on 22 July 2020) repealed the reduction of the corporation tax, thereby maintaining the current rate of 19%.

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023.

These changes were not substantively enacted at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

8. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 January 2021	32,795
Additions	19,093
	<u>51,888</u>
At 31 December 2021	
DEPRECIATION	
At 1 January 2021	25,546
Charge for year	8,211
	<u>33,757</u>
At 31 December 2021	
NET BOOK VALUE	
At 31 December 2021	<u>18,131</u>
At 31 December 2020	<u>7,249</u>

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2021 and 31 December 2021	<u>5,881,857</u>
PROVISIONS	
At 1 January 2021 and 31 December 2021	<u>3,020,439</u>
NET BOOK VALUE	
At 31 December 2021	<u>2,861,418</u>
At 31 December 2020	<u>2,861,418</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

9. FIXED ASSET INVESTMENTS - continued

The following were the principal subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Atex Media Command AB	Sweden	Ordinary	100%
Atex Software GmbH	Germany	Ordinary	100%
Polopoly AB	Sweden	Ordinary	100%
Atex Media Global Srl	Italy	Ordinary	100%
Atex Global Media Sarl	France	Ordinary	100%
Atex Media OY	Finland	Ordinary	100%
Atex PTE Limited	Singapore	Ordinary	100%
Atex Software OY	Finland	Ordinary	100%

The following were held indirectly via the principal subsidiaries above:

Jaicom AB	Finland	Ordinary	100%
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10. DEBTORS

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	268,533	665,262
Amounts owed by group undertakings	9,882,151	6,739,561
Other debtors	1,251	2,633
Tax	-	104,982
Deferred tax asset	203,695	-
Prepayments and accrued income	176,669	79,364
	<u>10,532,299</u>	<u>7,591,802</u>
Amounts falling due after more than one year:		
Deferred tax asset	<u>1,276,561</u>	<u>-</u>
Aggregate amounts	<u>11,808,860</u>	<u>7,591,802</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	94,798	58,224
Amounts owed to group undertakings	6,339,255	4,349,412
Social security and other taxes	198,931	183,818
Accruals and deferred income	1,622,057	1,451,473
	<u>8,255,041</u>	<u>6,042,927</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

12. PROVISIONS FOR LIABILITIES

	2021 £	2020 £
Other provisions		
Intra-group guarantee	<u>1,301,895</u>	<u>1,476,118</u>
		Deferred tax
		£
Credit to Statement of Comprehensive Income during year		<u>(1,480,256)</u>
Balance at 31 December 2021		<u>(1,480,256)</u>

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2021	2020
Number:	Class:	Nominal value:	£	£
126,000	Ordinary	£10	<u>1,260,000</u>	1,260,000
5	Ordinary	\$1	<u>4</u>	4
			<u>1,260,004</u>	<u>1,260,004</u>

14. RESERVES

	Retained earnings £	Capital contribution £	Totals £
At 1 January 2021	(1,074,298)	2,838,620	1,764,322
Profit for the year	<u>2,520,641</u>		<u>2,520,641</u>
At 31 December 2021	<u>1,446,343</u>	<u>2,838,620</u>	<u>4,284,963</u>

15. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £169,507 (2020 - £140,319).

At the balance sheet date there were outstanding contributions owed to the pension scheme of £27,679 (2020 - £23,285) which have been included in creditors.

16. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption under paragraph 33.1A of FRS 102 not to disclose transactions with other wholly owned group members.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

17. ULTIMATE CONTROLLING PARTY

The immediate parent undertaking is Constellation Software UK Holdco Limited. The ultimate parent undertaking and controlling party is Constellation Software Inc, a company incorporated in Canada. Copies of its group financial statements are available from 1200-20 Adelaide Street East, Toronto ON M5C 2T6.