

# Financial Statements

## Mardix Holdings Ltd

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For the financial year ended 31 December 2020



Registered number: 05805292

## Company Information

**Directors**

Alan Cooling  
Jeffrey Mark Drazan  
David Andrew Gardner  
Kevin Geng Yu (appointed 20 November 2020)  
David Hellier (appointed 21 February 2020)  
Timothy Heston (resigned 20 November 2020)  
Shreyas Kataria (resigned 21 February 2020)  
Alan Nordon  
James Peacock  
Kevin Yamashita

**Company secretary**

Alan Cooling

**Registered number**

05805292

**Registered office**

Castle Mills  
Aynam Road  
Kendal  
Cumbria  
LA9 7DE

**Independent auditor**

Grant Thornton  
Chartered Accountants & Statutory Auditors  
13-18 City Quay  
Dublin 2

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## Directors' report

**For the financial year ended 31 December 2020**

The directors present their annual report and the audited financial statements for the financial year ended 31 December 2020.

### **Principal activity**

The principal activity of the Company is that of an investment holding company.

### **Results and dividends**

The loss for the financial year, after taxation, amounted to £9,250 (2019: loss £9,250).

The directors have not recommended the payment of a dividend during the financial year (2019: £Nil).

### **Directors**

The directors who served during the financial year and up to the date of signing this report are set out below.

Alan Cooling  
Jeffrey Mark Drazan  
David Andrew Gardner  
Kevin Geng Yu (appointed 20 November 2020)  
David Hellier (appointed 21 February 2020)  
Timothy Heston (resigned 20 November 2020)  
Shreyas Kataria (resigned 21 February 2020)  
Alan Nordon  
James Peacock  
Kevin Yamashita

### **Review of business and future developments**

The Company's performance for the financial year was in line with expectations.

On 31 January 2020, the United Kingdom (UK) left the European Union (EU). This did not have any significant impact to the Company during the financial year.

The Company is a member of the Anord Mardix Group. The Group is considered a provider of essential service which is the manufacture of products necessary for the supply chain of essential services; computer, electronic and optical products including semi-conductors; electrical equipment, machinery and other equipment. The government also recognises that many companies, including the Anord Mardix Group, are critical to global supply chains that are responding to the COVID-19 crisis, and these companies, perform critical global roles in other aspects of medicine, as well as security, cyber, cloud and data centre infrastructure; as such the COVID-19 crisis did not have a severe impact on the Group. The Group remains open, in business and contingency plans have been put in place to ensure it can continue during this period.

The directors acknowledge that uncertainty around these issues exist and having considered this, believe it is still appropriate to prepare the financial statements on a going concern basis.

## **Directors' report (continued)**

**For the financial year ended 31 December 2020**

### **Going concern**

After reviewing the Company's forecasts and projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

During the financial year, the Company incurred a loss of £9,250 (2019: loss of £9,250). As at 31 December 2020 current liabilities exceed current assets by £5,127,363 (2019: £5,118,112) and the Company was in a net asset position of £10,128,565 (2019: £10,137,815).

The Company's ability to continue as a going concern is dependent on the continued support from its ultimate parent Company. In this regard, the Company has received confirmation from its ultimate parent Company that it will continue to fund the Company's operations in order that it can discharge its liabilities as they fall due for a period of at least one year from the date of approval of these financial statements. Furthermore, the Company has received confirmation that the amounts owed to group undertakings shall not be called for repayment until the Company has sufficient resources to do so.

On the basis of the foregoing, the directors believe it is appropriate for the financial statements to be prepared on a going concern basis.

### **Disclosure of information to auditor**

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Post balance sheet events**

On 1 January 2021, the United Kingdom left the European Union with a trade deal thereby avoiding potential negative consequences of a no deal Brexit. Although the Company is exposed to the uncertainties that long term impact of Brexit may bring to its customers, the directors have plans to mitigate any potential risks that may arise.

There were no other events since the financial year end up to date of approval of the financial statements, that would require revision of the results or financial position of the Company, or disclosure in the financial statements.

### **Auditor**

The auditor, Grant Thornton, have expressed their willingness to continue in office in accordance with section 485 of the Companies Act 2006.

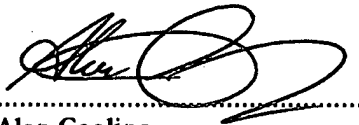
## Directors' report (continued)

For the financial year ended 31 December 2020

### Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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

A handwritten signature in black ink, appearing to read 'Alan Cooling', is written over a horizontal dotted line.

**Alan Cooling**  
Director

Date: 30 June 2021

## **Directors' responsibilities statement**

**For the financial year ended 31 December 2020**

The directors are responsible for preparing the Directors' report and the audited financial statements in accordance with applicable law and regulations.

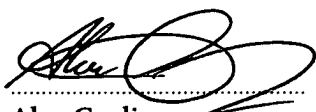
Company law requires the directors to prepare audited financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

This statement was approved by the board and signed on its behalf.



**Alan Cooling**  
Director

Date: 30 June 2021

## Independent auditor's report to the members of Mardix Holdings Ltd

### **Opinion**

We have audited the financial statements of Mardix Holdings Ltd (the "Company"), which comprise the Statement of comprehensive income, the Statement of financial position for the year ended 31 December 2020, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, Mardix Holdings Ltd's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the assets, liabilities and financial position of the Company as at 31 December 2020 and of its financial performance for the year then ended; 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 'Responsibilities of the auditor 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 United Kingdom, namely the FRC's Ethical Standard and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances of the entity. 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

## Independent auditor's report to the members of Mardix Holdings Ltd (continued)

### **Other information**

Other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon, including the Directors' report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the 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 in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Directors' report for the year for which the financial statements are prepared is consistent with the financial statements, and
- the Directors' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment we have obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report or in preparing the Directors' report.

### **Responsibilities of management and those charged with governance for the financial statements**

## Independent auditor's report to the members of Mardix Holdings Ltd (continued)

Management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS102 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Responsibilities of the auditor for the audit of the financial statements**

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

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

***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***  
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatement in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK).

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Data Privacy law and Employment law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and local tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions. We apply professional scepticism through the audit to consider potential deliberate omission or concealment of significant transactions, or incomplete/inaccurate disclosures in the financial statements.

## Independent auditor's report to the members of Mardix Holdings Ltd (continued)

### **Responsibilities of the auditor for the audit of the financial statements (continued)**

#### *Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)*

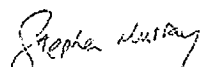
In response to these principal risks, our audit procedures included but were not limited to:

- inquiries of management on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- inspection and review of minutes of directors' meetings during the year to corroborate inquiries made;
- gaining an understanding of the internal controls established to mitigate risk related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- challenging assumptions and judgements made by management in their significant accounting estimates, including their impairment assessment of the investment in subsidiary undertakings; and review of the financial statement disclosures to underlying supporting documentation and inquiries of management.

The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance and management. As with any audit, there remains a risk of non-detection or irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or override of internal controls.

### **The purpose of our audit work and to whom we owe our responsibilities**

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



Stephen Murray (Senior statutory auditor)  
for and on behalf of

**Grant Thornton**  
Chartered Accountants  
& Statutory Auditors  
Dublin 2

Date: 30 June 2021

## Statement of comprehensive income

For the financial year ended 31 December 2020

	Note	2020 £	2019 £
Administrative expenses		(9,250)	(9,250)
<b>Operating loss</b>		<b>(9,250)</b>	<b>(9,250)</b>
Tax on loss	5	-	-
<b>Loss for the financial year</b>		<b>(9,250)</b>	<b>(9,250)</b>

All amounts relate to continuing operations.

There was no other comprehensive income for 2020 (2019: £Nil).

The notes on pages 11 to 18 form part of these financial statements.

Mardix Holdings Ltd

Registered number:05805292

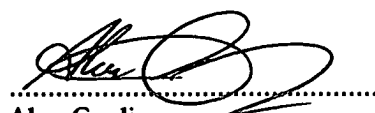
## Statement of financial position

As at 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Investments	6		15,255,928		15,255,927
<b>Current assets</b>					
Debtors: amounts falling due within one year	7	2,705,369		2,705,369	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	8	(7,832,732)		(7,823,481)	
<b>Net current liabilities</b>			(5,127,363)		(5,118,112)
<b>Net assets</b>			10,128,565		10,137,815
<b>Capital and reserves</b>					
Called up share capital	10		1,358		1,358
Capital contribution reserve	11		9,758,000		9,758,000
Profit and loss account	11		369,207		378,457
			10,128,565		10,137,815

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS102 Section 1A – Small Entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
Alan Cooling  
Director

Date: 30 June 2021

The notes on pages 11 to 18 form part of these financial statements.

# Notes to the financial statements

For the financial year ended 31 December 2020

## 1. General information

Mardix Holdings Ltd (the "Company") is a private company limited by shares, incorporated and domiciled in the United Kingdom. The Company's registered office is Castle Mills Units 21, 22, 26 Aynam Road, Kendal Cumbria, LA9 7DE.

The principal activity of the Company is that of an investment holding company.

The Company is tax resident in the United Kingdom.

## 2. Accounting policies

### 2.1 Basis of preparation of financial statements

The financial statements have been prepared and in accordance with applicable accounting standards, including Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements have been prepared on the historical cost basis except for the modifications to a fair value basis for certain financial instruments as specified in the accounting policies below.

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

The financial statements are presented in GBP (£), which is also the Company's functional currency.

The following principal accounting policies have been applied:

### 2.2 Consolidation

The Company is exempt from the requirement to prepare consolidated financial statements in accordance with s400 of the Companies Act 2006. Therefore, these financial statements present the results of the Company only and not its group.

### 2.3 Going concern

After reviewing the Company's forecasts and projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

During the financial year, the Company incurred a loss of £9,250 (2019: loss of £9,250). As at 31 December 2020 current liabilities exceed current assets by £5,127,363 (2019: £5,118,112) and the Company was in a net asset position of £10,128,565 (2019: £10,137,815).

The Company's ability to continue as a going concern is dependent on the continued support from its ultimate parent Company. In this regard, the Company has received confirmation from its ultimate parent Company that it will continue to fund the Company's operations in order that it can discharge its liabilities as they fall due for a period of at least one year from the date of approval of these financial statements. Furthermore, the Company has received confirmation that the amounts owed to group undertakings shall not be called for repayment until the Company has sufficient resources to do so.

On the basis of the foregoing, the directors believe it is appropriate for the financial statements to be prepared on a going concern basis.

# Notes to the financial statements

For the financial year ended 31 December 2020

## 2. Accounting policies (continued)

### 2.4 Foreign currency translation

#### Functional and presentation currency

The Company's functional and presentational currency is GBP (£).

#### Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income 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 the Statement of comprehensive income within 'other operating income'.

### 2.5 Taxation

Tax is recognised in the Statement of comprehensive income 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 reporting 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 Statement of financial position 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 reporting date.

# Notes to the financial statements

For the financial year ended 31 December 2020

## 2. Accounting policies (continued)

### 2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

### 2.7 Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the Statement of comprehensive income.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of comprehensive income.

### 2.8 Debtors

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

### 2.9 Creditors

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

### 2.10 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 ordinary shares.

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

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

For the financial year ended 31 December 2020

## 2. Accounting policies (continued)

### 2.10 Financial instruments (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.

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

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

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

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The judgments, estimates and assumptions used in the financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from these estimates, and the effect of any change in estimates will be adjusted in the financial statements when they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under these circumstances.

### Judgments

In the process of applying the company's accounting policies, management has not made any judgments, apart from those involving estimations, which have a significant effect on the amounts recognized in the financial statements.

### Estimates and Assumptions

The key estimates and assumptions concerning the future and other key sources of estimation uncertainty at the financial reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### *Consideration of impairment of financial assets*

Determining whether the carrying value of fixed asset investments has been impaired, may require an estimate of the value in use of the investment in subsidiaries. The directors are satisfied that the carrying value of the Company's subsidiary investments are equivalent to their recoverable amount.

# Notes to the financial statements

For the financial year ended 31 December 2020

## 4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2019: £Nil).

## 5. Taxation

	2020 £	2019 £
Tax charge	-	-
<b>Taxation on loss on ordinary activities</b>	<b>-</b>	<b>-</b>

### Factors affecting tax charge for the financial year

The tax assessed for the financial year is higher than (2019 - higher than) the loss for the financial year multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Loss on ordinary activities before tax	(9,250)	(9,250)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(1,758)	(1,758)
<b>Effects of:</b>		
Group relief	1,758	1,758
<b>Total tax charge for the financial year</b>	<b>-</b>	<b>-</b>

### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

# Notes to the financial statements

For the financial year ended 31 December 2020

## 6. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2020	15,255,928
At 31 December 2020	<u>15,255,928</u>

## 7. Debtors: Amounts falling due within one year

	2020 £	2019 £
Amounts owed by group undertakings	<u>2,705,369</u>	<u>2,705,369</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

## 8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	7,823,481	7,804,981
Accruals	9,251	18,500
	<u>7,832,732</u>	<u>7,823,481</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Accruals are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

## 9. Bank security

Glas Trust Corporation Limited holds a floating charge over all property or undertaking of all companies within the group. The charge was registered on 15 February 2018.

# Notes to the financial statements

For the financial year ended 31 December 2020

## 10. Share capital

	2020	2019
	£	£
<b>Allotted, called up and fully paid</b>		
135,775 Ordinary shares of £0.01 each	<u>1,358</u>	<u>1,358</u>

## 11. Reserves

### Share capital

Represents the nominal value of shares that have been issued.

### Capital contribution reserve

Capital contribution reserve relates to contributions received from group entities.

### Profit and loss account

Retained earnings includes all current and prior period retained profits and losses.

## 12. Related party transactions

The Company has availed of the exemption provided in FRS 102 Section 33, "Related Party Disclosures" not to disclose transactions entered into with fellow group companies that are wholly owned within the group of companies of which the company is a wholly owned member.

## 13. Post balance sheet events

On 1 January 2021, the United Kingdom left the European Union with a trade deal thereby avoiding potential negative consequences of a no deal Brexit. Although the Company is exposed to the uncertainties that long term impact of Brexit may bring to its customers, the directors have plans to mitigate any potential risks that may arise.

There were no events since the financial year end up to date of approval of the financial statements, that would require revision of the results or financial position of the Company, or disclosure in the financial statements.

## 14. Controlling party

The Company is a wholly owned subsidiary of Anord Mardix Acquisitions Limited, a company registered in the United Kingdom. The ultimate controlling party is ACS Acquisitions, Inc., a company registered in the United States of America.

The Company is included in the consolidated financial statements of Anord Mardix Acquisitions Limited, the Company's immediate parent company, forming the smallest body of undertakings of which the Company forms a part as a subsidiary undertaking. The registered office of Anord Mardix Acquisitions Limited is located at C/O A&L Goodbody Solicitors, Augustine House, 6a Austin Friars, London, United Kingdom, EC2N 2HA and the consolidated financial statements are publicly available at Companies House, Crown Way, Cardiff, CF14 3UZ.

The Company is also included in the consolidated financial statements of ACS Acquisitions, Inc., the ultimate

## Notes to the financial statements

For the financial year ended 31 December 2020

### **14. Controlling party (continued)**

parent undertaking and controlling party incorporated in the United States of America, forming the largest body of undertakings of which the Company forms a part as a subsidiary undertaking. The registered office of ACS Acquisitions Inc. is located at 2704 Seven Hills Blvd, Henrico, VA 23231, United States. The consolidated financial statements of ACS Acquisitions, Inc. are not publicly available.

The controlling interest in ACS Acquisitions, Inc. is held by Bertram Growth Capital, Bertram Growth Capital III L.P. and Bertram Growth Capital III-A L.P.

### **15. Approval of financial statements**

The board of directors approved these financial statements for issue on 30 June 2021.