

Registered number: 05824170

KERRIDGE COMMERCIAL SYSTEMS (KSE) LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 SEPTEMBER 2022



KERRIDGE COMMERCIAL SYSTEMS (KSE) LIMITED

CONTENTS

	Page
Company Information	1
Accountant's Report	2
Statement of Financial Position	3 - 4
Notes to the Financial Statements	5 - 9

KERRIDGE COMMERCIAL SYSTEMS (KSE) LIMITED

COMPANY INFORMATION

Directors	N J Bedford I B Bendelow
Registered number	05824170
Registered office	Charnham Park Herongate Hungerford Berkshire England RG17 0YU
Accountants	Grant Thornton UK LLP Chartered Accountants Royal Liver Building Liverpool L3 1PS



Report to the directors on the preparation of the unaudited statutory financial statements of Kerridge Commercial Systems (KSE) Limited for the year ended 30 September 2022

We have compiled the accompanying financial statements of Kerridge Commercial Systems (KSE) Limited (the 'Company') based on the information you have provided. These financial statements comprise the Statement of Financial Position of Kerridge Commercial Systems (KSE) Limited as at 30 September 2022, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with 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). As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at www.icaew.com.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

This report is made solely to the Company's directors, as a body, in accordance with the terms of our engagement letter dated 23 November 2022. Our work has been undertaken solely to prepare for your approval the financial statements of the company and state those matters that we have agreed to state to the Company's directors, as a body, in this report in accordance with our engagement letter dated 23 November 2022. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the Company's directors, as a body, for our work or for this report.

Grant Thornton UK LLP

Grant Thornton UK LLP

Chartered Accountants

Liverpool

Date: 17/3/2023

KERRIDGE COMMERCIAL SYSTEMS (KSE) LIMITED
REGISTERED NUMBER: 05824170

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022

	Note	2022 £000	2021 £000
Current assets			
Debtors: amounts falling due within one year	5	-	1,374
		-	1,374
Creditors: amounts falling due within one year		-	-
Net current assets		-	1,374
Total assets less current liabilities		-	1,374
Net assets		-	1,374
Capital and reserves			
Called up share capital	6	-	50
Profit and loss account		-	1,324
		-	1,374

KERRIDGE COMMERCIAL SYSTEMS (KSE) LIMITED
REGISTERED NUMBER: 05824170

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2022

The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 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 have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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



N J Bedford

Director

Date: 24/2/2023

The notes on pages 5 to 9 form part of these financial statements.

KERRIDGE COMMERCIAL SYSTEMS (KSE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

1. General information

Kerridge Commercial Systems (KSE) Limited is a private company limited by shares and incorporated in England and Wales. Registered number 05824170. Its registered head office is located at Charnham Park, Herongate, Hungerford, Berkshire, England, RG17 0YU.

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 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 following principal accounting policies have been applied:

2.2 Going concern

The directors have considered the net asset position of the company and the fact that the company will be financially supported, where required, by its parent undertaking and as such have concluded that it remains appropriate to prepare the accounts under the going concern basis.

2.3 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.

KERRIDGE COMMERCIAL SYSTEMS (KSE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.4 Revenue

Revenue represents services supplied during the year after deduction of trade discounts and value added tax.

Revenue from ordinary activities includes sales of software licenses, installation, consultancy support, training services and maintenance.

Revenues from software licence sales are recognised on delivery to a customer, when there are no significant vendor obligations remaining and the collection of the resulting receivable is considered probable. In instances where significant vendor obligations exist, revenue recognition is delayed until the obligation has been satisfied. Revenues from maintenance contracts are recognised on a straight line basis over the period of the contract. Revenues from installation training services and consultancy support are recognised when the services are performed. Revenue from subscription agreements contain a mix of both software license and maintenance, these are recognised over a straight line basis across the term of the contract.

2.5 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.6 Taxation

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 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 reporting 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.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs.

KERRIDGE COMMERCIAL SYSTEMS (KSE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.8 Pensions

Defined contribution plan

Previously, the Company operated a defined contribution plan, a pension plan under which the Company paid fixed contributions into a separate entity. The assets of the plan were held separately from the Company in independently administered funds and once the contributions had been paid the Company had no further payment obligations.

The contributions were recognised as an expense in the Statement of Comprehensive Income when they fell due. Amounts not paid were shown in accruals as a liability in the Statement of Financial Position. The assets of the plan were held separately from the Company in independently administered funds. This scheme is now administered by Kerridge Commercial Services Limited.

2.9 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.

3. Employees

The average monthly number of employees during the year was NIL (2021: 18).

During the financial year, no directors received any emoluments and no pension contributions were made on behalf of the directors. The directors were remunerated through one of the wider group companies, Kerridge Commercial Systems (Bidco) Limited, and so there have been no charges with this Company during the financial period.

4. Dividends

	2022	2021
	£000	£000
Dividends on ordinary shares	1,383	900
	1,383	900

5. Debtors

	2022	2021
	£000	£000
Amounts owed by group undertakings	-	1,374
	-	1,374

KERRIDGE COMMERCIAL SYSTEMS (KSE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

6. Share capital

	2022	<i>2021</i>
	£000	<i>£000</i>
Allotted, called up and fully paid		
1 (2021: 50,100) Ordinary share of £1.00	-	50
	<u> </u>	<u> </u>

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital. During the year the Company cancelled 50,099 ordinary £1 shares. The remaining £1 ordinary share has the same voting, dividend and capital distribution rights; it does not confer any rights of redemption.

7. Contingent liabilities

The Company is part of a Group cross guarantee in respect of bank loans held by Kerridge Commercial Systems (Bidco) Limited and Kerridge Commercial Systems US Holdco Inc. The total amount due at 30 September 2022 by the Group is £95,406,000, \$74,936,000 and €38,944,000 (2021: £104,189,000, \$76,936,000 and €41,252,000).

8. Related party transactions

In accordance with FRS 102 Section 33, the Company has taken advantage of the exemption for subsidiary undertakings, where all of the voting rights are controlled within a group, not to disclose related party transactions within that group.

9. Pension commitments

The Company operated a defined contributions pension scheme. The pension cost charge represents contributions paid and payable by the Company to the fund and amounted to £NIL (2021: £31,000).

10. Discontinued operations

On 6 October 2021, the Company entered into an agreement to transfer the trade, assets and liabilities with Kerridge Commercial Systems Limited. The transfers were part of an ongoing group rationalisation process and have been effective since 30 September 2021.

KERRIDGE COMMERCIAL SYSTEMS (KSE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

11. Controlling party

The Company's immediate controlling party is Kerridge Commercial Systems Limited, a company incorporated in England and Wales, which owns 100% of the issued share capital of the Company. The Company's ultimate controlling party is Kerridge Commercial Systems Group Limited. Copies of their financial statements can be obtained from Companies House.

The largest and smallest group of which the Company is a member and for which group financial statements are drawn up is headed by Kerridge Commercial Systems Group Limited. Copies of the financial statements of that entity are available from Companies House.

The ultimate controlling party is considered to be funds managed by Accel-KKR Management Company LLC.