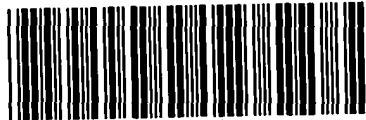


REGISTERED NUMBER: 07167027 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023  
FOR  
ENSEK LTD**

SATURDAY



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30/03/2024

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COMPANIES HOUSE

Grant Thornton UK LLP  
Chartered Accountants  
Senior Statutory Auditor  
Waterloo House  
71 Princess Road West  
Leicester  
LE1 6TR

**ENSEK LTD (REGISTERED NUMBER: 07167027)**

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

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**ENSEK LTD**

**COMPANY INFORMATION**  
**for the year ended 31 March 2023**

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**DIRECTORS:**

J A Slade  
P E Bennett  
M Wright  
G G Rothery  
D B Ellis

**REGISTERED OFFICE:**

Hounds Gate  
30-34 Hounds Gate  
Nottingham  
NG1 7AB

**REGISTERED NUMBER:**

07167027 (England and Wales)

**AUDITORS:**

Grant Thornton UK LLP  
Chartered Accountants  
Senior Statutory Auditor  
Waterloo House  
71 Princess Road West  
Leicester  
LE1 6TR

**BANKERS:**

HSBC  
26 Clumber Street  
Nottingham  
Nottinghamshire  
NG1 3GA

**SOLICITORS:**

Eversheds Sutherland (International) LLP  
Water Court  
116-118 Canal Street  
Nottingham  
NG1 7HF

**ENSEK LTD (REGISTERED NUMBER: 07167027)**

**STRATEGIC REPORT  
for the year ended 31 March 2023**

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The directors present their strategic report for the year ended 31 March 2023.

**Principal Activities of the Business**

The principal activity of ENSEK Ltd is as a company that develops and implements a suite of business-critical software, advisory and managed service solutions to energy retail suppliers operating in the Residential, SME and Industrial & Commercial sectors.

The Company focuses on delivering innovative, cutting-edge Software as a Service (SaaS) solutions to customers facilitating agility, efficiency and real time insight in a rapidly digitalising and data rich energy sector. Removing the complexity of the energy sector and enabling energy suppliers to deliver a state-of-the-art, differentiated service to their customers, reduce their cost to serve and to drive towards decarbonization, whilst meeting complex regulatory requirements in a rapidly advancing sector.

SaaS solutions are typically sold to customers on an enterprise subscription basis on 3-5 year contracts, with the business increasingly serving large, global tier 1 energy suppliers re-platforming to SaaS native, industry specific solutions.

**Market**

There has been an unprecedented level of volatility in the UK energy sector during the past 18 months as suppliers have contended with rising global wholesale prices driven by macroeconomic factors such as the war in Ukraine. This has led to consolidation in the UK and across global liberalized markets as smaller, challenger suppliers, and even established players have struggled to meet the capital requirements needed to continue to operate. The result has been increasing market share held amongst a handful of large suppliers in the UK with a dramatic reduction in both customer switching suppliers and new challengers looking to enter the market.

Whilst not unscathed by the market volatility, ENSEK has been able to maintain a consistent revenue in FY23, as lost revenue from smaller suppliers has been replaced by the expansion of tier 1 relationships. At the same time the business has successfully returned to profitability in Q2 FY23.

**Future Developments**

Despite the challenging context, a consistent set of market trends continue to endure which present a significant opportunity for ENSEK. These include:

- i. **Decarbonisation:** there is an increasing expectation from customers that energy suppliers enable the transition to zero carbon by offering innovative, flexible, green tariffs supporting technological advancements that have been enabled by the roll out of smart meters. These include flexible local generation, feed-in tariffs, battery storage, electric mobility and grid balancing time-of-use tariffs, that place the consumers at the heart of actively managing energy consumption, cost and the energy source. These advancements towards decarbonization are underpinned by legal commitments to net zero made globally by governments. Whilst the pace of change towards decarbonization is accelerating, the end state of the energy infrastructure required to support it remains in definition. Suppliers require flexible, real-time systems in order to support rapid technology.
- ii. **Digitalisation:** driven by increased competition, the pace of digital transformation continues to accelerate as suppliers use technology, such as that provided by ENSEK, to differentiate themselves to deliver a high-quality customer experience and improved cost to serve. The continued roll out of Smart meters globally enables a more granular view of suppliers' customer base which can be used to further improve experience, drive energy efficiency and reduce customers bills.
- iii. **Global Market Liberalisation:** there is ongoing momentum towards global utility market liberalisation as governments seek to lower costs, deliver better customer service and foster increased innovation in the energy sector.
- iv. **Price Volatility:** there has been significant recent energy price volatility as macro-economic factors such as the Russia-Ukraine war, the covid pandemic and extreme weather events have resulted in instability and unpredictability. Price volatility threatens to undermine suppliers already thin profit margins and, along with increased competition, has made cost to serve efficiency a critical area of focus.

Driven by the market trends highlighted above and supported by the advancement of modern, energy specific, agile technology offerings; there is an acceleration towards re-platforming amongst global energy suppliers looking to move away from incumbent platforms.

ENSEK's mission is to develop technology which:

- delivers high-quality customer experience,
- a step change in efficiency and

**ENSEK LTD (REGISTERED NUMBER: 07167027)****STRATEGIC REPORT  
for the year ended 31 March 2023**

ENSEK's mission is to develop technology which:

- delivers high-quality customer experience,
- a step change in efficiency and
- the agility essential for suppliers to adapt to rapid technological advances in order to deliver a decarbonized energy ecosystem.

As such ENSEK is well positioned to capitalise on the global market dynamic which is playing out.

**Business Review**

During FY23, whilst revenue plateaued, both Net Loss and EBITDA improved. The transition from serving mid-tier to large tier 1 suppliers has continued at pace in the year and has enabled the business to substitute revenue lost, as several customers exited the market during the energy crisis, with revenue from expanded relationship with more secure tier 1 suppliers. During the year the business has withdrawn from its operations in Belgium to focus on delivery in its core UK market.

The company's Balance Sheet has weakened during the year with Net Liabilities increasing to £5,728,149 (2022: £2,284,151).

The proportion of recurring to non-recurring revenue continued to grow as meters on the ENSEK platform increased by £3.6 million to £5.5 million, driven by ongoing customer migrations.

**Research and Development**

ENSEK has continued to invest in advancing its product suite with significant expansion of our Smart meter and billing functionality as well as improvements in customer experience and continued regulatory industry change including Faster Switching and Market Wide Half Hourly Settlements. These advancements will enable the business to better serve our tier 1 customer base and their end consumers.

**Key Performance Indicators**

Management monitors the following Key Performance Indicators (KPIs):

	31-Mar-23	31-Mar-22	% Change
Meters on the platform	5.5m	1.9m	189%
Revenue	24.3m	23.6m	3%
Recurring Revenue	15.8m	14m	13%
Proportion of SaaS Revenue	48%	52%	-8%
Number of Employees	276	276	0%
Employee Net Promoter Score	16	-16	
Greenhouse Gas Emissions (tCO2e)	198.98	N/A	

**Principal Risks and Uncertainties**

The Directors continue to identify and evaluate operational and other risks faced by the Group, implementing changes where necessary to reduce risk to manageable levels.

**Risk Management**

Risk Management is a key function of the Board and important to the successful delivery of ENSEK's strategy. Risks are identified and managed within the risk appetite set by the Board. Key risks can be categorised into Commercial Risks and Cashflow and Liquidity Risks. A summary of the key risks is provided below.

**Commercial Risk****Market & Regulatory Risk**

There continues to be significant turbulence in the global energy sector, highlighted by high commodity prices and price volatility. Linked to this market risk, which all our customers are contending with, is the risk that major changes are made to the structures, architecture or regulatory framework within the markets in which ENSEK operates.

**Customer Concentration Risk**

The majority of ENSEK's revenue in FY23 came from a single large customer. Material change in this customer will have a material impact on the financial performance of the company. Concentration risk is being managed by building a convertible pipeline of large opportunities to provide dilution.

**ENSEK LTD (REGISTERED NUMBER: 07167027)**

**STRATEGIC REPORT  
for the year ended 31 March 2023**

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**Cyber Security Risk**

A major breach of information security could result in a significant negative financial and reputational impact on the business. The risk landscape is increasingly challenging with cybercrime, targeting all markets on the rise and heightening the risk exposure to broader business disruption and data breaches. ENSEK has implemented and maintains tight data security systems with multiple, regular penetration testing timetabled through the year. All employees are trained to be aware of and vigilant to data security risk.

**Compliance Risk**

It is necessary for ENSEK to meet compliance and regulatory requirements to ensure that customers can rely on the Groups products. Failure to comply could result in our customers incurring regulatory fines, reputation risk and damaged customer relationships. This risk is mitigated through there being a dedicated compliance team at ENSEK with additional expertise provided by a 3rd party where required.

**Cashflow and Liquidity Risk**

**Credit Risk**

The Group's principal financial assets are bank balances and cash, trade receivables and other receivables. The Group's credit risk is primarily related to trade receivables. The balances presented in the balance sheet are net of allowances for doubtful receivables. Group policies are aimed at minimising any bad debt write offs by performing robust credit assessment of new customers and continuous assessment of the credit worthiness of existing customers.

Customers are normally heavily reliant on the SaaS and services provided by ENSEK as business critical software, which can be readily cancelled for non-payment, in accordance with terms and conditions, further mitigating exposure to credit risk.

**Market Risk**

This is the risk that the Group's ability to do business will be adversely impacted by changes in the level of volatility of prices or interest rates. The key business costs relate to the salary cost of our employees and the hosting cost associated with hosting our software. Whilst there has been material wage inflation recently and increases in hosting costs, ENSEK has been able to mitigate these by driving greater efficiency in its operations and passing higher costs onto customers through CPI linked increases. The majority of the Group's debt is at fixed interest and therefore carries no exposure to movement in the Base Rate.

**Cashflow and Liquidity Risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group aims to mitigate liquidity risk by managing cash generation from its operations, collecting cash from trade debtors in line with agreed terms and carefully managing accounts payable.

The Board reviews the Group's liquidity at monthly meetings. The Group also prepares weekly short-term cash flow forecasts and maintains flexibility by maintaining appropriate headroom in its cash position.

**Currency Risk**

The Company has a limited number of creditors and debtors in US Dollars, Australian Dollars and Euros. These transactions are either processed through the currency bank accounts, or transacted at spot rate.

**Going Concern**

The Directors believe that it is appropriate to prepare the accounts on a going concern basis. The directors have prepared and reviewed forecasts, including downside scenarios, and have concluded that there is sufficient cash and funding available to the business to meet all liabilities as they fall due.

In accordance with the Guidance on Going Concern and Liquidity Risk Guidance for UK Companies 2009, the Directors confirm that, after making enquiries, they have a reasonable expectation that the Company and the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

**ENSEK LTD (REGISTERED NUMBER: 07167027)**

**STRATEGIC REPORT  
for the year ended 31 March 2023**

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**Streamlined Energy and Carbon Reporting (SECR)**

**Scope:**

The scope of this disclosure covers the greenhouse gas (GHG) emissions of ENSEK Ltd for the period 01 January 2022 to 31 December 2022. This period is different from our financial year, which runs from 01 April 2022 to 31 March 2023, but the majority of our environmental reporting year falls within our financial year.

Our Taken and Planned Emissions Reduction Actions relate to the current and coming financial years, respectively.

**Our Ambition and Targets**

We have set two near-term emissions reduction targets:

- i. We are committed to becoming a net zero organisation across our scope 1 and 2 GHG emissions categories by 2030.
- ii. We are committed to calculating and reporting our scope 3 GHG emissions and developing an emissions reduction plan, using 2022 as our base year, by the end of March 2024.

By the end of 2024, we also will set long-term science-based emissions reduction targets, which are absolute Scope 1, 2 and 3 emissions reduction targets for our business that must be achieved by 2050 at the earliest from a predefined base year. This will include a commitment to neutralise any unabated emissions when our long-term target is achieved.

## ENSEK LTD (REGISTERED NUMBER: 07167027)

STRATEGIC REPORT  
for the year ended 31 March 2023**2022 GHG EMISSIONS PERFORMANCE**

This section provides our GHQ emissions performance data for the period 01 January 2022 to 31 December 2022.

The Scope 1 and Scope 2 GHQ emissions data reported below covers the emissions from our single controlled facility at 30-34 Hounds Gate, Nottingham. This facility is supplied by 2 electricity meters. The gas supply to this facility was removed 2022 and there was no natural gas consumed in the reporting period, nor were there any other material emissions from other Scope 1 GHQ emissions sources.

Our Scope 2 GHQ footprint is relatively small compared to our Scope 3 GHQ emissions, particularly our home working emissions because a large proportion of our workforce is home-based.

We do not currently report emissions related to our supply chain due to the complexity in gathering and processing the required data. However, emissions related to our use of third party IT solutions and cloud computing services is something that we intend to include in future SECR disclosures.

GHQ Emissions Category	Reporting Method	Unit of Measure	Volume	Emissions tCO <sub>2</sub> e	Intensity Ratio	Intensity Unit	Intensity Factor Note
<b>1. Scope 1</b> Emissions related to boiler plant supplying owned or controlled facilities	N/A	kWh	0	0	N/A	N/A	N/A
<b>2. Scope 2 (Location-based approach)</b> Emissions from the generation of purchased electricity consumed in owned or controlled facilities or equipment or operations	i	kWh	115,343	22.31	0.0140	tCO <sub>2</sub> e per SQM	A
<b>Total Scope 1 &amp; 2 (Location based Approach)</b>				22.31	0.0140	tCO <sub>2</sub> e per SQM	A
<b>3. Scope 3: Business Travel</b> Emissions from car travel (all vehicle types) for business purposes	ii	Km	89,554	15.26	0.0553	tCO <sub>2</sub> e per employee	B
<b>4. Scope 3: Business Travel</b> Emissions from flights (all categories) for business purposes	iii	Km	43,427	6.66	0.0241	tCO <sub>2</sub> e per employee	B
<b>5. Scope 3: Business Travel</b> Emissions from rail travel for business purposes	iv	Km	260,044	9.23	0.0334	tCO <sub>2</sub> e per employee	B
<b>6. Scope 3: Business Travel</b> Emissions from taxi journeys for business purposes	v	Km	2,344	0.35	0.0013	tCO <sub>2</sub> e per employee	B
<b>7. Scope 3: Business Travel</b>	vi	Room per Night	514	5.89	0.0213	tCO <sub>2</sub> e per employee	B



## ENSEK LTD (REGISTERED NUMBER: 07167027)

STRATEGIC REPORT  
for the year ended 31 March 2023

Emissions from  
overnight  
accommodation  
required for business  
purposes

<b>8. Scope 3: Home Working</b>	vii	FTE working hour	408,600	139.23	0.5045	tCO <sub>2</sub> e per employee	B
Emissions from use of office equipment & heating for employees that work from home							
<b>Total Scope 1, 2 &amp; 3 GHG Emissions</b>				198.93	0.0000089 5	tCO <sub>2</sub> e per£ of Revenue	C

**Reporting Methodology Notes:**

i. Our Scope 2 (location-based approach) category covers electricity consumed in our UK operated facility between 01 January and 31 December 2022. The electricity consumption value was derived from manual meter readings taken periodically throughout the year. For periods where actual meter readings were not available, energy usage was estimated. The UK Government emissions factor for UK generated electricity was used to convert energy usage (kWh) into GHG emissions (tCO<sub>2</sub>e).

ii. This Scope 3 business travel category covers emissions from car travel (all vehicle types) for business purposes. Emissions related to 'petrol or diesel' and 'electric vehicle' car journeys were calculated separately based on business miles claimed by our employees through our expenses system. Miles were converted to kilometres using a conversion factor of 1 mile = 1.609 km. UK Government emissions factors for an 'Average Unknown' and 'Average Battery Electricity Vehicle' vehicle were used to convert business travel kilometres into GHG emissions (tCO<sub>2</sub>e).

iii. This Scope 3 business travel category covers emissions from flights taken for business purposes. Emissions related to air travel for business purposes were calculated based on data from two sources:

- 1) Air travel claimed through our expenses system, and
- 2) Air travel booked directly by us.

Where the origination and destination airports were not recorded within our expenses system, the passenger kilometres were estimated using the cost of the flight in pounds and pence as a proxy. It was assumed that all passenger kilometres were economy class.

UK Government emissions factors for 'domestic', 'short haul' and 'international' flights were used to convert passenger kilometres into GHG emissions (tCO<sub>2</sub>e).

iv. This Scope 3 business travel category covers emissions from rail journeys taken for business purposes. Emissions related to rail travel for business purposes via were calculated based on data from two sources:

- 1) Rail travel claimed through our expenses system, and
- 2) Rail travel booked directly by us.

Where the departure and destination train stations were not recorded within our expenses system, the passenger kilometres were estimated using the cost of the train journey in pounds and pence as a proxy. For 2022, our assumed cost per kilometre value was: £0.33.

The UK Government emissions factor for 'National Rail' was used to convert passenger kilometres into GHG emissions (tCO<sub>2</sub>e).

v. This Scope 3 business travel category covers emissions from taxi journeys for business purposes. Emissions related to taxi journeys were estimated based on taxi expenses claimed by our employees through our expenses system. For 2022, we assumed an average cost per kilometre value for taxi journeys of £1.30. This was based on an average cover per mile of between £1.20 to £3.00 depending on location, day of the week, time of day sourced from [www.nimblefins.co.uk/business-insurance/taxi-insurance/average-cost-taxi-ride](http://www.nimblefins.co.uk/business-insurance/taxi-insurance/average-cost-taxi-ride). The published cover per mile data on the Nimblefins website was converted to a cost per kilometre using a conversion factor of 1 mile = 1.609 km.

**ENSEK LTD (REGISTERED NUMBER: 07167027)****STRATEGIC REPORT  
for the year ended 31 March 2023**

The UK Government emissions factor for a 'Regular Taxi' was used to convert passenger kilometres into GHG emissions (tCO<sub>2</sub>e).

vi. This Scope 3 business travel category covers emissions from overnight accommodation required for business purposes. Emissions related to hotel accommodation were calculated based on data sourced from our hotel booking systems and expenses system. An average cost of £100 per room per night was used to estimate the number of overnight stays for expense claims.

UK Government emissions factors for 'Hotel Stays' by country were used to convert the total overnight stay value into GHG emissions (tCO<sub>2</sub>e).

vii. This Scope 3 category covers emissions from home working related to our employee's use of office equipment and heating. Our home working emissions were modelled based on the average total monthly working hours for all permanent full time equivalent employees minus:

- 1) the average monthly hours related to employee absence due to annual leave, sickness or other reasons; and
- 2) the average monthly hours worked in the office based on unique security pass logs.

The UK Government emissions factor for 'Homeworking (office equipment + heating)' was used to convert total home working hours into GHG emissions (tCO<sub>2</sub>e).

**Intensity Factor Notes:**

- A. The tCO<sub>2</sub>e value was divided by the internal floor area for ENSEK's single controlled facility in Nottingham of 1,595m<sup>2</sup>.
- B. The tCO<sub>2</sub>e value was divided by an average monthly permanent headcount for the whole of 2022 of 276 full time equivalent members of staff.
- C. The tCO<sub>2</sub>e value was divided by the total revenue for ENSEK Ltd for 2022, which was £22,215,672.

**Explanatory Notes:**

- This is our first SECR disclosure. As such, the above table does not include the previous year's figures for energy use and GHG emissions.
- From 01 January 2023, our GHG emissions performance is monitored on a quarterly basis. The quarterly data sets are aggregated to produce annual GHG emissions report for each calendar year. This report forms the basis of our annual SECR disclosure and will, in subsequent disclosures, facilitate a year-on-year comparison.
- We did not have any Scope 1 GHG emissions, e.g. emissions related to gas consumption or fugitive emissions categories, to report for 2022.
- We are do not currently collect the data required to report on other Scope 3 emissions categories, such as employee commuting and supply chain emissions.

**Emissions Reduction Actions****Emissions Reduction Actions Taken**

During the reporting period 01 April 2022 to 31 March 2023, we took the following emissions reductions actions:

- We formed an Environment, Social & Governance (ESG) Steering Group that reports to our Executive Leadership Team. This Group is responsible for monitoring and reporting our GHG emissions on a quarterly basis, establishing
1. GHG emissions reduction targets and plans, and monitoring and reporting our performance.
  2. We created our 2022 baseline GHG emissions inventory.
  3. We have made various ESG e-learning modules available to our employees, which cover GHG emissions reduction.

**Emissions Reduction Actions Planned**

For the period 01 April 2023 to 31 March 2024, we will focus on the following emissions reduction actions:

1. Establish KPIs and regular monitoring covering our GHG emissions sources, including extending the scope of our Scope 3 KPIs and reporting.
2. Arrange the installation of smart meters at our Nottingham office to provide access to granular electricity consumption data that will enable energy usage monitoring and targeting.
3. Complete an ESOS audit of our Nottingham office and review the energy saving recommendations.
4. Transfer our electricity supplies to a renewable electricity contract based by Renewable Energy Guarantee of Origin (REGO) certificates.
5. Develop an emissions reduction plan for our scope 3 emissions categories.

ENSEK LTD (REGISTERED NUMBER: 07167027)

STRATEGIC REPORT  
for the year ended 31 March 2023

- 
6. Evaluate the case for setting and validating near-term emissions reduction targets in accordance with the Science-Based Targets Initiative as a small or medium-sized enterprise.
  7. Evaluate the case for procuring carbon credits to neutralise our Scope 3 emissions categories where abatement options are limited.

**SECTION 172(1) STATEMENT**

This section describes how we have engaged with and considered the interests of our key stakeholders when exercising our duty to promote the success of the Company under section 172(1) of the Companies Act 2006. We describe below how the Board seeks to understand what matters to stakeholders and carefully considers the relevant factors when selecting the appropriate course of action.

The business's key stakeholders are our:

- Customers;
- Workforce;
- Suppliers;
- Communities and the Environment; and
- Investors.

The Board considers the views of each of these groups when making long-term business decisions.

**Customers:** the business engages with customers at multiple levels through regular customer meetings led by our Customer Relationship Management team and through Board level meetings. As a business critical supplier we work closely with our customers to support their success, with regular discussions around strategically important items such as ENSEK's product development roadmap and SLA performance.

**Workforce:** engagement with our employees is vital to the ongoing success of our business. We engage regularly with our employees through various forums such as Quarterly 'All Hands' Performance meetings with significant time devoted to open questions; a bi-monthly Employee Net Promoter survey with responses discussed and acted on by directors; a structure of regular 1:1 meeting across the organisation where feedback and challenge is encouraged; New Starter Lunches where all new starters attend a lunch meeting with 2 Directors. As a relatively small business with a 'flat' and open culture the directors are fortunate to be able to hold regular informal discussions with employees. The Board takes the welfare of employees extremely seriously with a particular focus on mental health with monthly mental health support meeting and dedicated 'Mental Health First Aiders'.

**Suppliers:** strong partnerships with key suppliers are critical to the continued success of the business, this sits alongside the requirement to ensure value for money is delivered. We engage regularly with all suppliers, with formalised management of business-critical suppliers such as Amazon Web Services to ensure that both parties are optimizing relationships.

**Communities and the Environment:** the business is extremely conscious of its environmental and community responsibilities. ESG is a particular focus with key ESG metrics having been defined and reported internally. Additionally, SECR was completed for the first time in 2022 in order to understand our impact on the environment and enable a drive towards decarbonization.

**Investors:** the business is fortunate that our investors are heavily engaged in the business, its performance and key strategic decisions being made, with key investors holding Board seats.

**ON BEHALF OF THE BOARD:**

*Jon Slade*

.....  
J A Slade - Director

29/3/2024  
Date: .....

**ENSEK LTD (REGISTERED NUMBER: 07167027)**

**REPORT OF THE DIRECTORS  
for the year ended 31 March 2023**

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The directors present their report with the financial statements of the company for the year ended 31 March 2023.

**PRINCIPAL ACTIVITY**

ENSEK Ltd is a leading provider of innovative SaaS, Managed Service and Consultancy solutions to the Utilities and Energy industry, enabling customers to improve their business performance and competitiveness.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2023 (2022: £nil).

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

J A Slade  
P E Bennett  
M Wright

Other changes in directors holding office are as follows:

G G Rothery and D B Ellis were appointed as directors after 31 March 2023 but prior to the date of this report.

A J Stevenson and J L Kirk ceased to be directors after 31 March 2023 but prior to the date of this report.

**RESULTS**

The loss for the period, after taxation, amounted to £3,443,998 (2022: £9,907,062).

**POLITICAL DONATIONS AND EXPENDITURE**

No political donations were made in the year ended 31 March 2023 nor the year ended 31 March 2022.

**QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

The Company maintains liability insurance for directors and officers as permitted by section 234 of the Companies Act 2006.

**ENGAGEMENT WITH EMPLOYEES**

Engagement with and continuing development of our people is vital to the ongoing success of our business. Our employees are ENSEK's key asset, fundamental to the delivery of our future strategy, consequently the impact on employees is a principal consideration in all decisions made by the Board.

During the year we have continued to expand our internal Illuminate learning platform, as well as encourage employees to participate in external training and complete professional qualifications.

We engage regularly with our employees through various forums such as:

- Quarterly 'All Hands' Performance meetings with significant time devoted to financial performance and the economic drivers of results as well as to open questions;
- Bi-monthly Employee Net Promoter survey with responses discussed and acted on by directors;
- A structure of regular 1:1 meeting across the organisation where feedback and challenge is encouraged;
- New Starter Lunches where all new starters attend a lunch meeting with 2 Directors.

As a relatively small business with a 'flat' and open culture the directors are fortunate to be able to hold regular informal discussions with employees.

The Board takes the welfare of employees extremely seriously with a particular focus on mental health with monthly mental health support meeting and dedicated 'Mental Health First Aiders'.

ENSEK is an inclusive business which welcomes applications from anyone no matter their background and recognises the importance diversity in driving business success. Applications from disabled persons are always fully considered bearing in mind the aptitudes of the applicant concerned. It is the policy of the Group that the training, promotion and career development of disabled employees should as far as possible be identical to that of other employees.

**ENSEK LTD (REGISTERED NUMBER: 07167027)**

**REPORT OF THE DIRECTORS**  
**for the year ended 31 March 2023**

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**MATTERS COVERED IN THE STRATEGIC REPORT**

Future developments; risk management; and research and development are covered in the Strategic Report. Along with how the directors have had regard to the need to foster the company's business relationships with suppliers, customers and others.

**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs 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 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 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

The directors confirm that:

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

**AUDITORS**

The auditors, Grant Thornton UK LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

*Jon Slade*

.....  
J A Slade - Director

29/3/2024  
Date: .....

## Independent auditor's report to the members of ENSEK Ltd

### Opinion

We have audited the financial statements of ENSEK Ltd (the 'company') for the year ended 31 March 2023, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the 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 March 2023 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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 when the financial statements are authorised for issue.

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

### Other information

The other information comprises the information included in the Strategic Report and Report of the Directors, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Strategic Report and Report of the Directors. Our opinion on the financial

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

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

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

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

- adequate accounting records have not been kept, 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.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting frameworks (FRS 102 and Companies Act 2006) and the relevant tax compliance regulations in the jurisdiction in which the company operates.
- We enquired of management concerning the company's policies and procedures relating to:-
  - the identification, evaluation and compliance with laws and regulations
  - the detection and response to the risks of fraud and
  - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations
- We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or whether they have any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur and the risk of management override of controls. Audit procedures performed by the engagement team included:
  - evaluation of the controls established to address the risks related to irregularities and fraud.
  - testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement leader's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation, and
  - knowledge of the industry in which the client operates.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



**Use of our report**

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

Grant Thornton UK LLP

Jane Jones  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Leicester  
Date: 29/3/2024

**ENSEK LTD (REGISTERED NUMBER: 07167027)****STATEMENT OF COMPREHENSIVE  
INCOME  
for the year ended 31 March 2023**

	Notes	2023 £	2022 £
<b>TURNOVER</b>	3	24,327,869	23,641,069
Cost of sales		<u>(8,554,617)</u>	<u>(13,538,112)</u>
<b>GROSS PROFIT</b>		15,773,252	10,102,957
Administrative expenses		<u>(19,746,325)</u>	<u>(21,090,891)</u>
<b>OPERATING LOSS</b>	5	(3,973,073)	(10,987,934)
Interest payable and similar expenses	7	<u>(281,976)</u>	<u>(8,064)</u>
<b>LOSS BEFORE TAXATION</b>		(4,255,049)	(10,995,998)
Tax on loss	8	<u>811,051</u>	<u>1,088,936</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		(3,443,998)	(9,907,062)
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>(3,443,998)</u>	<u>(9,907,062)</u>

The notes form part of these financial statements

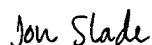
## ENSEK LTD (REGISTERED NUMBER: 07167027)

BALANCE SHEET  
31 March 2023

	Notes	2023 £	2022 £
<b>FIXED ASSETS</b>			
Intangible assets	9	8,544,799	7,856,675
Tangible assets	10	409,351	500,572
Investments	11	<u>400,238</u>	<u>400,238</u>
		<u>9,354,388</u>	<u>8,757,485</u>
<b>CURRENT ASSETS</b>			
Debtors	12	6,767,156	6,290,375
Cash at bank and in hand	13	<u>1,265,175</u>	<u>945,441</u>
		8,032,331	7,235,816
<b>CREDITORS</b>			
Amounts falling due within one year	14	<u>(22,258,025)</u>	<u>(12,281,432)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(14,225,694)</u>	<u>(5,045,616)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(4,871,306)	3,711,869
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	-	(4,328,126)
<b>PROVISIONS FOR LIABILITIES</b>	18	<u>(856,843)</u>	<u>(1,667,894)</u>
<b>NET LIABILITIES</b>		<u>(5,728,149)</u>	<u>(2,284,151)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	192	192
Share premium	20	1,044,765	1,044,765
Retained earnings	20	<u>(6,773,106)</u>	<u>(3,329,108)</u>
		<u>(5,728,149)</u>	<u>(2,284,151)</u>

29/3/2024

The financial statements were approved by the Board of Directors and authorised for issue on .....  
and were signed on its behalf by:



.....  
J A Slade - Director

The notes form part of these financial statements

## ENSEK LTD (REGISTERED NUMBER: 07167027)

STATEMENT OF CHANGES IN EQUITY  
for the year ended 31 March 2023

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2021	192	6,577,954	1,044,765	7,622,911
<b>Changes in equity</b>				
Total comprehensive income	-	(9,907,062)	-	(9,907,062)
Balance at 31 March 2022	192	(3,329,108)	1,044,765	(2,284,151)
<b>Changes in equity</b>				
Total comprehensive income	-	(3,443,998)	-	(3,443,998)
Balance at 31 March 2023	192	(6,773,106)	1,044,765	(5,728,149)

The notes form part of these financial statements

**ENSEK LTD (REGISTERED NUMBER: 07167027)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

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**1. STATUTORY INFORMATION**

ENSEK Ltd 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.

ENSEK Ltd is a leading provider of innovative SaaS, Managed Service and Consultancy solutions to the Utilities and Energy industry, enabling customers to improve their business performance and competitiveness.

The energy sector is unique and complex, providing a distinctive set of challenges for any organisation wanting to become a participant. Data is at the heart of these challenges and ENSEK Ltd's unique combination of platform solutions, outsourced services and innovative industry consultants remove competitive barriers and allow our customers to stay ahead of technological and market change, deliver exceptional customer service, and gain critical visibility over revenue and margin.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The presentational currency of the financial statements is Sterling (£) and figures are rounded to the nearest £1.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the notes to the accounts (see note 3).

**Going concern**

The Directors believe that it is appropriate to prepare the accounts on a going concern basis. The directors have prepared and reviewed forecasts, including downside scenarios, and have concluded that there is sufficient cash and funding available to the business to meet all liabilities as they fall due.

In accordance with the Guidance on Going Concern and Liquidity Risk Guidance for UK Companies 2009, the Directors confirm that, after making enquiries, they have a reasonable expectation that the Company and the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

**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 requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of paragraph 33.7.

This information is included in the consolidated financial statements of Ensek Holdings Limited as at 31 March 2023 and these financial statements may be obtained from Companies House.

**Exemption from preparing consolidated financial statements**

The company is a parent company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of the UK and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

ENSEK LTD (REGISTERED NUMBER: 07167027)

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2023

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2. ACCOUNTING POLICIES - continued

**Revenue**

The principal revenue streams are recurring revenue and non-recurring revenue.

Recurring revenue is software sales, managed services and software support. Software revenue is recognised at the point at which the software is activated. Managed services and software support revenue is recognised monthly on a straight line basis over the term of the contract.

Non-recurring revenue is made up of professional services. Revenue is recognised based on stage of completion.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

An impairment loss has been recognised in the Statement of Comprehensive Income, following an assessment at the Balance Sheet date indicating the recoverable amount was less than its carrying value.

Capitalised development costs are being amortised evenly over their estimated useful life of three years.

**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:

Short leasehold land & buildings	- 25% straight-line
Motor vehicles	- 25% reducing balance
Computer equipment	- 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 the Statement of Comprehensive Income.

**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.

ENSEK LTD (REGISTERED NUMBER: 07167027)

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2023

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2. ACCOUNTING POLICIES - continued

**Investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**Financial instruments**

(i) Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest rate method.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

**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.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Operating leases: the company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

**Leased assets: the company as lessee**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**Pensions**

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.

ENSEK LTD (REGISTERED NUMBER: 07167027)

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2023

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2. ACCOUNTING POLICIES - continued

**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.

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.

**Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. 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 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; 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 balance sheet date.

**Research and development**

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

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



## ENSEK LTD (REGISTERED NUMBER: 07167027)

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2023

## 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

## (i) Provision for tax

The company makes an estimate of the corporation tax liability due to HM Revenue & Customs as at the balance sheet date. When assessing the liability, the directors evaluate all aspects which may be open to interpretation and take specialist advice where necessary. See note 9.

## (ii) Professional services work

The company makes an estimate of the stage of completion of professional services work to determine the recognition of revenue in respect of this work. See note 4.

## (iii) Capitalisation of development costs

The company applies judgement to determine whether an R&D project has met the capitalisation criteria under FRS 102. Estimation is applied to determine how development costs are captured, and the stage of completion of work done. See note 10.

## (iv) Useful economic lives of capitalised development costs

The annual amortisation charge for intangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10.

## 4. TURNOVER

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

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

	2023 £	2022 £
Recurring SaaS	11,611,620	12,168,043
Recurring managing services	4,181,546	1,703,309
Professional services	8,534,703	9,769,717
	<u>24,327,869</u>	<u>23,641,069</u>

An analysis of turnover by geographical market is given below:

	2023 £	2022 £
United Kingdom	24,327,869	20,794,849
Australia	-	2,846,220
	<u>24,327,869</u>	<u>23,641,069</u>

## ENSEK LTD (REGISTERED NUMBER: 07167027)

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2023

## 5. EMPLOYEES AND DIRECTORS

The average number of employees, including directors, during the year was 276 (2022: 276).

Staff costs, including director's remuneration, were as follows:

	2023	2022
	£	£
Wages and salaries	13,473,417	12,338,523
Social security costs	1,543,126	1,393,735
Cost of defined contribution scheme	523,080	487,449
	<u>15,539,623</u>	<u>14,219,707</u>

## 6. OPERATING LOSS

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

	2023	2022
	£	£
Other operating leases	304,519	442,087
Depreciation - owned assets	218,614	225,539
Profit on disposal of fixed assets	-	(7,684)
Capitalised development costs amortisation	4,669,405	3,238,327
Foreign exchange differences	74,988	123,974
Impairment of fixed asst investments	-	1,192,982

## 7. AUDITORS' REMUNERATION

	2023	2022
	£	£
Fees payable to the company's auditor for the audit of the company's annual financial statements	114,864	50,000
Audit-related assurance services	<u>15,000</u>	<u>-</u>

## 8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2023	2022
	£	£
HMRC Interest payable	254,287	-
Hire purchase	<u>27,689</u>	<u>8,064</u>
	<u>281,976</u>	<u>8,064</u>

## ENSEK LTD (REGISTERED NUMBER: 07167027)

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2023

## 9. TAXATION

**Analysis of the tax credit**

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

	2023 £	2022 £
Current tax:		
UK corporation tax	-	(2,139,844)
Adjustments in respect of prior years	-	85,451
Total current tax	-	(2,054,393)
Deferred tax	(811,051)	965,457
Tax on loss	<u>(811,051)</u>	<u>(1,088,936)</u>

UK corporation tax has been charged at 19%.

**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:

	2023 £	2022 £
Loss before tax	<u>(4,255,049)</u>	<u>(10,995,998)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	(808,459)	(2,089,240)
Effects of:		
Expenses not deductible for tax purposes	309,138	31,558
Capital allowances in excess of depreciation	-	(6,621)
Utilisation of tax losses	(105,038)	-
Enhanced research and development expenditure	-	(1,584,832)
Research and development tax credit adjustment	-	664,090
Adjustments in respect of prior years	(12,040)	85,451
Change in tax rate	(194,652)	482,213
Losses carried forward	-	1,328,445
Total tax credit	<u>(811,051)</u>	<u>(1,088,936)</u>

As of 5 April 2023 the applicable tax rate changed to 25%.

## ENSEK LTD (REGISTERED NUMBER: 07167027)

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2023

## 10. INTANGIBLE FIXED ASSETS

	Capitalised development costs £
<b>COST</b>	
At 1 April 2022	17,068,087
Additions	5,357,529
Impairment	-
At 31 March 2023	<u>22,425,616</u>
<b>AMORTISATION</b>	
At 1 April 2022	9,211,412
Amortisation for year	4,669,405
Impairment	-
At 31 March 2023	<u>13,880,817</u>
<b>NET BOOK VALUE</b>	
At 31 March 2023	<u>8,544,799</u>
At 31 March 2022	<u>7,856,675</u>

Capitalised development costs relate to software development.

## ENSEK LTD (REGISTERED NUMBER: 07167027)

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2023

## 11. TANGIBLE FIXED ASSETS

	Short leasehold land & buildings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2022	486,880	78,500	375,089	940,469
Additions	-	-	127,393	127,393
At 31 March 2023	<u>486,880</u>	<u>78,500</u>	<u>502,482</u>	<u>1,067,862</u>
<b>DEPRECIATION</b>				
At 1 April 2022	176,431	40,783	222,683	439,897
Charge for year	<u>121,471</u>	<u>9,429</u>	<u>87,714</u>	<u>218,614</u>
At 31 March 2023	<u>297,902</u>	<u>50,212</u>	<u>310,397</u>	<u>658,511</u>
<b>NET BOOK VALUE</b>				
At 31 March 2023	<u>188,978</u>	<u>28,288</u>	<u>192,085</u>	<u>409,351</u>
At 31 March 2022	<u>310,449</u>	<u>37,717</u>	<u>152,406</u>	<u>500,572</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	Hounds Gate £	Motor vehicles £
<b>COST</b>		
At 1 April 2022	453,244	78,500
Additions	12,347	-
Disposals	-	-
At 31 March 2023	<u>465,591</u>	<u>78,500</u>
<b>DEPRECIATION</b>		
At 1 April 2022	115,981	40,783
Charge for year	<u>135,161</u>	<u>9,429</u>
At 31 March 2023	<u>251,142</u>	<u>50,212</u>
<b>NET BOOK VALUE</b>		
At 31 March 2023	<u>214,449</u>	<u>28,288</u>
At 31 March 2022	<u>337,263</u>	<u>37,717</u>

## ENSEK LTD (REGISTERED NUMBER: 07167027)

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2023

## 12. FIXED ASSET INVESTMENTS

Shares in  
group  
undertaking  
£**COST**At 1 April 2022  
and 31 March 2023400,238**NET BOOK VALUE**

At 31 March 2023

400,238

At 31 March 2022

400,238

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Intelligen Limited**

Registered office: Hounds Gate, 30-34 Hounds Gate, Nottingham, England, NG1 7AB

Nature of business: Dormant company

Class of shares:	% holding
Ordinary	100.00

**2023****2022**

£

£

Aggregate capital and reserves

30,55630,556**ENSEK Benelux bv**

Registered office: Paalsesteenweg 170/9, 3583 Beringen, Belgium

Nature of business: SaaS and consultancy services

Class of shares:	% holding
Ordinary	60.00

**2023****2022**

£

£

Aggregate capital and reserves

(3,254,334)

646,986

Profit/(loss) for the year

3,873,926(243,482)**Tickd Ltd**

Registered office: 4th Floor, Regent House, 50 Frederick Street, Birmingham, West Midlands, England, B1 3HR

Nature of business: IT consultancy services

Class of shares:	% holding
Ordinary	80.00

**2023****2022**

£

£

Aggregate capital and reserves

96,060

154,806

Loss for the year

(58,746)(173,795)

**ENSEK LTD (REGISTERED NUMBER: 07167027)****NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the year ended 31 March 2023**12. FIXED ASSET INVESTMENTS - continued****ENSEK Australia PTY Ltd**

Registered office: Docklands, 3008, Victoria, Australia

Nature of business: IT software and consultancy services

Class of shares:	%
Ordinary	holding 100.00

	2023	2022
	£	£
Aggregate capital and reserves	(469,900)	(389,298)
Loss for the year	<u>(137,760)</u>	<u>(362,829)</u>

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Trade debtors	2,132,749	1,726,066
Amounts owed by group undertakings	92,916	20,252
Other debtors	2,193,698	71,674
Tax	-	2,139,844
Prepayments and accrued income	<u>2,347,793</u>	<u>2,332,539</u>
	<u>6,767,156</u>	<u>6,290,375</u>

Trade debtors are stated net of a provision for doubtful debts of £16,965 (2022: £248,677).

**14. CASH AT BANK AND IN HAND**

	2023	2022
	£	£
Cash at bank and in hand	<u>1,265,175</u>	<u>945,441</u>
	<u>1,265,175</u>	<u>945,441</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Other loans (see note 16)	2,247,212	830,000
Hire purchase contracts (see note 17)	162,433	139,896
Trade creditors	1,766,794	4,639,481
Amounts owed to group undertakings	3,022,200	2,134,656
Social security and other taxes	1,159,118	1,518,307
Other creditors	9,500,903	580,622
Accruals and deferred income	<u>4,399,365</u>	<u>2,438,470</u>
	<u>22,258,025</u>	<u>12,281,432</u>

## ENSEK LTD (REGISTERED NUMBER: 07167027)

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2023

## 16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £	2022 £
Other loans (see note 16)	-	4,165,774
Hire purchase contracts (see note 17)	-	162,352
	<u>-</u>	<u>4,328,126</u>

## 17. LOANS

An analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year or on demand:		
Other loans	<u>2,247,212</u>	<u>830,000</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>-</u>	<u>4,165,774</u>

The company's loans are secured by way of fixed and floating charges over the company assets.

## 18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2023 £	2022 £
Net obligations repayable:		
Within one year	162,433	139,896
Between one and five years	<u>-</u>	<u>162,352</u>
	<u>162,433</u>	<u>302,248</u>
	Non-cancellable operating leases	
	2023 £	2022 £
Within one year	234,749	235,037
Between one and five years	<u>449,935</u>	<u>684,684</u>
	<u>684,684</u>	<u>919,721</u>

## 19. PROVISIONS FOR LIABILITIES

	2023 £	2022 £
Deferred tax	<u>856,843</u>	<u>1,667,894</u>



## ENSEK LTD (REGISTERED NUMBER: 07167027)

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2023

## 19. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 April 2022	1,667,894
Credit to Statement of Comprehensive Income during year	(811,051)
Released during year	
Balance at 31 March 2023	<u>856,843</u>

**At end of year**

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Accelerated capital and R&D allowances	(868,894)	(1,681,187)
Tax losses carried forward	-	2,006
Short term timing differences	<u>12,051</u>	<u>11,287</u>
	<u>(856,843)</u>	<u>(1,667,894)</u>

## 20. CALLED UP SHARE CAPITAL

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
11,160 A ordinary shares of £0.01 each	112	112
8,000 B ordinary shares of £0.01 each	<u>80</u>	<u>80</u>
	<u>192</u>	<u>192</u>

## 21. RESERVES

**Share premium account**

The share premium account includes any premiums received on issue of share capital.

**Retained earnings account**

The retained earnings account comprises all current, and prior period retained profits and losses, less dividends declared and paid.

## 22. CONTINGENT LIABILITIES

The 31 March 2023 accounts include a £2.1m debtor relating to a claim made for a R&D tax credit for the 12-month period ending 31 March 2022. A HMRC Notice of Enquiry was received in March 2023 which remains unresolved. ENSEK is confident the claim will be settled in full.

## 23. PENSION COMMITMENTS

The company operates a defined contribution 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 £523,597 (2022 - £487,449). Contributions totalling £98,611 (2022 - £93,688) were payable to the fund at the balance sheet date and are included in creditors.

**ENSEK LTD (REGISTERED NUMBER: 07167027)**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the year ended 31 March 2023**

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**24. RELATED PARTY DISCLOSURES**

As a wholly owned subsidiary of ENSEK Holdings Limited, the company is exempt from the requirements of FRS 102 Section 33 to disclose transactions with other members of the group headed by ENSEK Holdings Limited.

At 31 March 2023 ENSEK Limited was owed £92,916 (2022: £20,252) by Tickd Ltd, a non wholly owned member of the group.

At 31 March 2023 ENSEK Limited was owed £1,929,743 (2022: £640,747) by Ensek Benelux, a non wholly owned member of the group. This debt was provided for in full as a bad debt.

**25. POST BALANCE SHEET EVENTS**

On 28th April 2023, Ensek disposed of shares held in Tickd Ltd bv. Ensek's shareholding reduced from 80% to 20%.

**26. ULTIMATE CONTROLLING PARTY**

The Company's ultimate holding company and controlling party is ENSEK Holdings Limited, a company registered in England and Wales. ENSEK Holdings Limited prepares consolidated financial statements, of which ENSEK Ltd is a member, that are publicly available from Companies House.