

Company Registration No. 08351027 (England and Wales)

**ACUANT UK LIMITED (FORMERLY KNOWN
AS SODA SOFTWARE LABS LIMITED)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2021**

PAGES FOR FILING WITH REGISTRAR



ACUANT UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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;
- 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.

Company Registration No. 08351027

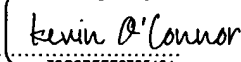
ACUANT UK LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	5		12,550		58,021
Investments	6		23,270		23,854
			<u>35,820</u>		<u>81,875</u>
Current assets					
Debtors	7	814,004		683,192	
Cash at bank and in hand		760,310		1,378,944	
		<u>1,574,314</u>		<u>2,062,136</u>	
Creditors: amounts falling due within one year	8	(6,660,261)		(1,740,002)	
Net current (liabilities)/assets			<u>(5,085,947)</u>		<u>322,134</u>
Total assets less current liabilities			<u>(5,050,127)</u>		<u>404,009</u>
Creditors: amounts falling due after more than one year	9		-		(4,471,337)
Net liabilities			<u>(5,050,127)</u>		<u>(4,067,328)</u>
Capital and reserves					
Called up share capital	10		391		391
Share premium account			1,151,493		1,151,493
Profit and loss reserves			(6,202,011)		(5,219,212)
Total equity			<u>(5,050,127)</u>		<u>(4,067,328)</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on ...12/20/2021.... and are signed on its behalf by:

DocuSigned by:

 Kevin O'Connor
 Director

ACUANT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Acuant UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3rd Floor, 1 Ashley Road, Altrincham, Cheshire, WA14 2DT.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") as amended by the triennial review 2017 and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

Operationally, the business has been able to trade as normal through the Covid 19 outbreak, with staff able to work remotely.

At the balance sheet date the Company had cash reserves of £760,310, with net liabilities of £5,050,127. At the year end the Company was funded through a combination of equity and debt, including a term loan with Clydesdale Bank, and loan notes due to Mercia, the Company's private equity shareholders.

On the 30 April 2021, the company's shares were purchased by Looking Glass I Holdings Inc, part of a larger group headed by Acuant Acquisition Holdings LP. After the purchase all debt owed to Clydesdale Bank and Mercia were repaid in full. On the 29 November GB Group Plc acquired the entire share capital and voting rights of Acuant Intermediate Holding Corp making GB Group Plc the new ultimate parent of Acuant UK Limited. The parent company has confirmed it will continue to support Acuant UK Limited for at least 12 months from the signing of the financial statements.

The Directors have prepared forecasts looking forward for 12 months, which has included consideration of different possible scenarios of performance and financial structuring.

On the basis that the company has adequate financial support as detailed above, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors has adopted the going concern basis in preparing the financial statements.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account any settlement or other discounts.

Revenues received from Software as a Service contracts are recognised over the term of the contract, leading to deferred revenue at the balance sheet date.

Research and development expenditure

Research and development expenditure is written off against profits in the year in which it is incurred.

ACUANT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% straight line per annum
Computer equipment	33% straight line per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Fixed asset investments

Interests in subsidiaries and associates are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

ACUANT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and loans from fellow group companies, 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.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

ACUANT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Government grants

Government grants received in relation to the Coronavirus Job Retention Scheme are recognised in the profit and loss account in the period to which they relate and are disclosed as other operating income.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined. All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	33	35

3 Directors' remuneration

	2021 £	2020 £
Remuneration paid to directors	567,993	544,278

ACUANT UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021****4 Taxation**

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	(189,812)	(206,673)
Adjustments in respect of prior periods	-	(36,211)
	<u>(189,812)</u>	<u>(242,884)</u>
Total current tax	<u>(189,812)</u>	<u>(242,884)</u>

5 Tangible fixed assets

	Fixtures and fittings	Computer equipment	Total
	£	£	£
Cost			
At 1 April 2020	88,522	26,367	114,889
Additions	-	4,323	4,323
Disposals	(68,897)	-	(68,897)
	<u>19,625</u>	<u>30,690</u>	<u>50,315</u>
At 31 March 2021	<u>19,625</u>	<u>30,690</u>	<u>50,315</u>
Depreciation and impairment			
At 1 April 2020	38,654	18,214	56,868
Depreciation charged in the year	24,503	6,831	31,334
Eliminated in respect of disposals	(50,437)	-	(50,437)
	<u>12,720</u>	<u>25,045</u>	<u>37,765</u>
At 31 March 2021	<u>12,720</u>	<u>25,045</u>	<u>37,765</u>
Carrying amount			
At 31 March 2021	<u>6,905</u>	<u>5,645</u>	<u>12,550</u>
At 31 March 2020	<u>49,868</u>	<u>8,153</u>	<u>58,021</u>

ACUANT UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021****6 Fixed asset investments**

	2021	2020
	£	£
Investments in subsidiaries	23,270	23,854

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 April 2020 & 31 March 2021	23,854
Impairment	
At 1 April 2020	-
Impairment losses	584
At 31 March 2021	584
Carrying amount	
At 31 March 2021	23,270
At 31 March 2020	23,854

In September 2021 the following subsidiaries have been disposed of: Chance Bake Ltd, Myth Sense Ltd, Shape Thanks Ltd and Silk Egg Ltd.

In October 2021, the additional following subsidiaries have been dissolved: Hello Soda Limited, Hello Soda Asia Limited and HS Asia Limited.

There has been an impairment loss recognised in the accounts in relation to these companies being dissolved.

7 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	426,592	140,154
Unpaid share capital	13,972	13,972
Corporation tax recoverable	189,812	206,673
Amounts owed by group undertakings	29,239	185,676
Other debtors	30,571	43,189
Prepayments and accrued income	123,818	93,528
	814,004	683,192

ACUANT UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021****8 Creditors: amounts falling due within one year**

	2021	2020
	£	£
Bank loans	975,001	260,847
Other borrowings	4,054,814	86,165
Trade creditors	132,203	230,589
Amounts owed to group undertakings	598	101,191
Other taxation and social security	29,206	58,884
Other creditors	36,981	38,823
Accruals and deferred income	1,431,458	963,503
	<u>6,660,261</u>	<u>1,740,002</u>

A mortgage debenture in relation to the bank loan in favour of Clydesdale Bank plc which contains a fixed and floating charge over all the assets of the company. The maximum loan facility at the date of signing the balance sheet is £1,500,000. After the year end all bank loans were repaid in full and all outstanding charges in relation to them were cleared.

Within other borrowings is a composite guarantee and debenture in favour of Mercia which contains a fixed and floating charge over the entity and all assets of the Company and its subsidiaries. After the year end all other borrowings were repaid in full and all outstanding charges in relation to them were satisfied.

9 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	-	836,052
Other borrowings	-	3,635,285
	<u>-</u>	<u>4,471,337</u>

ACUANT UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021****10 Called up share capital**

	2021	2020
	£	£
Ordinary share capital		
Issued and not fully paid		
14,143 Ordinary A shares of 1p each	141	141
15,693 Ordinary B shares of 1p each	157	157
7,508 Ordinary C shares of 1p each	75	75
868 Ordinary D shares of 1p each	9	9
868 Ordinary E shares of 1p each	9	9
	<u>391</u>	<u>391</u>

At the year end, all shares have equal voting rights.

On 30 April 2021 4,052 F ordinary shares with nominal value of £0.01 were issued for £41.17. In addition on 30 April 2021 all the A, B, C, D, E and F ordinary shares were redesignated as ordinary shares of the same value. The ordinary shares were attached full voting, dividend and capital contribution rights (including on winding) and they do not confer any rights of redemption.

11 Operating lease commitments**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	111,656	229,532
Between one and five years	-	111,656
	<u>111,656</u>	<u>341,188</u>

ACUANT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

12 Events after the reporting date

On the 30 April 2021, the company's shares were purchased by Looking Glass I Holdings Inc, part of a larger group headed by Acuant Acquisition Holdings LP. After the purchase all debt owed to Clydesdale Bank and Mercia were repaid in full.

On 1 February 2020 4,052 EMI share options with a nominal value of £0.01 and an exercise price of £41.17 were granted to certain directors and employees which vest on the date an exit event occurred. The 4,052 EMI share options were exercised as a result of the purchase of Acuant UK Limited by Looking Glass I Holdings Inc on 30 April 2021 deemed to be the vesting date. On 30 April 2021 4,052 F ordinary shares with nominal value of £0.01 were issued for £41.17.

In addition on 30 April 2021 all the A, B, C, D, E and F ordinary shares were redesignated as ordinary shares of the same value. The ordinary shares were attached full voting, dividend and capital contribution rights (including on winding) and they do not confer any rights of redemption.

On the 18 November 2021 GB Group Plc announced its plan to acquire the entire share capital and voting rights of Acuant Intermediate Holding Corp, the parent company of Acuant UK Limited. The transaction closed on 29 November 2021.

13 Related party transactions

Transactions with related parties

The company recharged sales management expenditure of £Nil (2020: £67,974) from companies under common ownership. Interest of £Nil (2020: £5,732) was accrued to these companies. At the period end balances of £Nil (2020: £93,155) and £29,239 (2020: £39,535) were due to and from the company.

During the financial year the company was also charged fees by shareholders of the company. Total amount of purchases incurred during the year was £25,000 (2020: £20,750) and total balances due to shareholders at year end was £6,150 (2020: £7,738). Total loans outstanding to shareholders were £4,153,800 (2020: £3,878,800)

During the year, the company made purchases of £37,000 (2020: £34,850) from companies under common key management personnel. The company made sales of £3,797 (2020: £39,000) and had amounts payable of £5,400 (2020: £Nil) and amounts receivable of £29,239 (2020: £Nil) from companies under common key management personnel.

14 Controlling party

At the year end the directors believe there was no ultimate controlling party.

On the 30 April 2021, the company's shares were purchased by Looking Glass I Holdings Inc, part of a larger group headed by Acuant Acquisition Holdings LP. On the 29 November 2021 GB Group Plc acquired the entire share capital and voting rights of Acuant Intermediate Holding Corp making GB Group Plc the new ultimate parent of Acuant UK Limited.

ACUANT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Jonathan Lowe.

The auditor was RSM UK Audit LLP.