

Registered number: 13638179

**PIONEER TOPCO LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

TUESDAY



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COMPANIES HOUSE

**PIONEER TOPCO LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	G A Allan K R Beaty K R Y Chotai C W Jones D R Martin D T Lonsdale (resigned 1 July 2022) A S Paterson (resigned 31 October 2022) K Beckingham (appointed 1 July 2022) D S Mitchell (appointed 1 December 2022) S A Taylor (appointed 1 December 2022)
<b>Company secretary</b>	Addleshaw Goddard (Scotland) Secretarial Limited
<b>Registered number</b>	13638179
<b>Registered office</b>	10 Slingsby Place St Martins Courtyard London WC2E 9AB
<b>Independent auditors</b>	Price Bailey LLP Chartered Accountants & Statutory Auditors Tennyson House Cambridge Business Park Cambridge CB4 0WZ

**PIONEER TOPCO LIMITED**

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## PIONEER TOPCO LIMITED

### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Directors present their Group Strategic Report together with the audited financial statements for the year ended 31 March 2023.

#### Principal activities

The principal activity of the Company is the ultimate holding company for the AAB Group of Companies (the Group). The principal activity of the Company's subsidiaries, in the year under review, was the provision of tech enabled business critical services providing audit, accounting, tax, payroll, human resources, consulting and advisory solutions globally from offices in Scotland, England, Ireland and the US.

#### Review of the business

The directors are satisfied with the financial performance of the Group during the year to 31 March 2023.

During the year the Group has completed the acquisitions of FPM Accountants Limited, Charlton House (Customs Compliance) Limited, Think People Consulting Ltd, May Figures Ltd and Kilkee Financial Services Limited. The Group have also acquired its US payroll partner Dominion Systems Inc, now trading as AAB Payroll Inc to support the Group's global payroll extension plans. These acquisitions strengthen the product offering of the Group and provide access to new sectors.

The Group traded well throughout the year generating EBITDA of £4.7m and holding cash balances of £3.6m. See reconciliation of EBITDA below:

	Group 2023 £000	Group 2022 £000
Loss for the financial period	(9,043)	(3,362)
Taxation	854	401
Interest payable	6,092	2,128
Interest receivable	(6)	(5)
Depreciation	550	242
Amortisation	6,244	2,276
<b>EBITDA</b>	<b>4,691</b>	<b>1,680</b>

The comparative results are based on the 6 months trading from 18 October 2021 to 31 March 2022.

Following the year end, the Group has expanded further by completing the acquisitions of French Duncan LLP, FD People Limited and French Duncan (Financial Controller) Limited.

#### Financial and other key performance indicators

The Group uses a range of performance measures to effectively monitor and manage its business and that of its subsidiaries. The Directors and senior management review these KPI's and financial performance on a weekly and monthly basis and these are discussed at the monthly board meetings. The financial KPI's used to manage the Group are disclosed below:

**PIONEER TOPCO LIMITED**

**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

	Group 2023 £000	Group 2022 £000
Turnover	61,990	23,061
Gross profit	23,610	8,207
EBITDA before non-recurring costs	6,952	3,314
Non-recurring costs	2,261	1,634
EBITDA after non-recurring costs	4,691	1,680

**Principal risks and uncertainties**

The principal risks and uncertainties that have the potential to have the most significant impact on the Group are detailed below:

*Cash flow and liquidity*

Cash flow is managed through the use of rolling cash flow forecasts and projections. Liquidity is managed at Group level to ensure each Group company has adequate funds to cover current operations and future requirements.

*Credit risk*

Credit risk is reviewed at Group level to ensure we engage with clients that are of a strong financial standing and manage client relationships to minimise exposure.

*Interest rate risk*

The Group has appropriate interest rate risk management processes in place which include interest rate hedging.

**Future developments**

The Group is aiming to achieve continued growth both organically and through targeted acquisitions, developing both its service offerings and geographical spread.

## PIONEER TOPCO LIMITED

### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### **Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006**

The Companies (Miscellaneous Reporting) Regulations 2018 require the directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (a-f) of the Companies Act 2006 ("s172") when performing their duty to promote the success of the Group under s172. This includes considering the interest of other stakeholders which will have an impact on the long-term success of the Group. This s172 statement explains how the directors:

- have engaged with employees, suppliers, clients, and others; and
- have had regard to employee interests, the need to foster the Group's business relationships with suppliers, clients and the community, including on the principal decisions taken by the Group during the financial year.

The s172 statement focuses on matters of strategic importance to the Group, and the level of information disclosed is consistent with the size and complexity of the Group.

#### **General confirmation of Directors' duties**

The board of directors have a clear framework for determining the matters within its remit and has approved terms of reference for the matters delegated to its committees. Financial and strategic thresholds have been determined to identify matters requiring board consideration and approval. When making decisions, each director ensures that they act in the way they consider, in good faith, would most likely promote the success of the Group.

The board periodically reviews and approves clear frameworks to ensure that its high standards are maintained both within the Group and the business relationships it maintains. This, complemented by the ways the board is informed and monitors compliance with relevant governance standards, helps ensure that the Group acts in a way that promotes high standards of business conduct.

#### **Investment in our people**

The directors recognise that the Group's employees are fundamental and core to the business and the delivery of its strategic ambitions. The directors factor the implications of decisions on employees and the wider workforce, where relevant and feasible, from ensuring that the Group remains a responsible employer, to pay and benefits, health and safety and the workplace environment.

Applications for employment by disabled persons are given full and fair consideration for all vacancies having regard to their particular aptitudes and abilities. They are given equal treatment during their employment in regard to training, employment and career development. In the event of employees becoming disabled, every effort is made to retrain them where necessary in order that their employment with the Group may continue.

The directors recognise and understand that it is important to keep employees informed of all matters concerning them and does this in a number of ways including monthly regional gatherings, written and video-based communications.

#### **Culture**

The board recognises that it has an important role in assessing and monitoring that the desired culture is embedded in the values, attitudes, and behaviours of the business, including in its activities and stakeholder relationships.

#### **Community**

The directors recognise the importance of the Group's place in the community. Anderson Anderson & Brown Charitable Initiative, known as "AABIE" is the Group's charitable initiative. AABIE is the platform which facilitates all at AAB Group to invest in the communities in which we operate by seeking partnerships with charities and inviting applications for donations, grants and volunteer time.

**PIONEER TOPCO LIMITED**

**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

**Stakeholder engagement**

The board recognises the important role the Group must play in the community and is deeply committed to collaboration and engagement with its stakeholders. This commitment is at the heart of the Group's strategic ambitions. The board strongly believes that the Group achieves success by working together with its clients, communities, business partners and other stakeholders.

**Approval**

This strategic report was approved by the board on 24 August 2023 and signed on its behalf.

*Graeme Allan*

Graeme Allan (Aug 24, 2023, 1:32pm)

**G A Allan**  
Director

## PIONEER TOPCO LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

*The directors present their report and the financial statements for the year ended 31 March 2023.*

#### Results and dividends

The loss for the year, after taxation and minority interests, amounted to £9,027,000 (2022 - £3,427,000).

No interim dividends were paid during the year and the directors do not recommend payment of a final dividend.

#### Directors

The directors who served during the year were:

G A Allan  
K R Beaty  
K R Y Chotai  
C W Jones  
D R Martin  
D T Lonsdale (resigned 1 July 2022)  
A S Paterson (resigned 31 October 2022)  
K Beckingham (appointed 1 July 2022)  
D S Mitchell (appointed 1 December 2022)  
S A Taylor (appointed 1 December 2022)

#### Other matters

In accordance with s414C(11) of the Companies Act 2006, the information relating to future developments, disabled persons, engagement with employees and engagement with suppliers, customers and others is included in the Group Strategic Report.

#### Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**PIONEER TOPCO LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

**Greenhouse gas emissions, energy consumption and energy efficiency action**

In the financial year 2022/23, we recorded energy consumption and calculated our emissions across the Group in full for the first time. This data was not recorded in full for the Group in financial year 2021/22 due to acquisition growth during that year. In 2021/22 we recorded our energy consumption and emissions for the Aberdeen office only and so this is the only comparison that can be made.

In 2022/23 we recorded and are reporting on all offices in the Group during this year. These are: Aberdeen, Edinburgh, Glasgow, Leeds, London, Belfast, Newry, Mallusk, Dungannon and Dublin.

UK energy use covers our professional and business services activities across all AAB Group entities in ten office locations during the year. We opted to measure and calculate this by offices as these are the locations of workplace for the majority of our team members. The exception is home workers, whose home consumption was not included this year.

Emissions have been calculated using conversion factors provided by GOV.UK. For estimations made, an area-based approach and a conversion factor for gas and electricity based on BEIS data were used.

Carbon intensity ratio per team member was chosen because as an organisation in the professional and business services sector people are core to our business.

**Scope 1 & 2 energy & emissions**

Scope	Description and source of information	Energy kWh	Emissions tCO <sub>2</sub> e
1	Carbon emitted from natural gas use (total kilowatt hours used from gas bills) at each of our sites or estimates based on office size	543,509	99.22
1	Carbon emitted from consumption of heating oil at one of our office sites	(1,000 litres)	2.54
1	Carbon emitted from fuel consumption of our company-leased vehicle (vehicle mileage from odometer)	(3,000 miles)	0.71
2	Carbon emitted from electricity use (total kilowatt hours used from electricity bills) at each of our sites or estimates based on office size and location	935,100	180.84
<b>Total Scope 1 &amp; 2</b>		<b>1,478,609</b>	<b>283.30</b>
Intensity ratio Energy and emissions per team member (700)		2,112 kWh per head	0.405 tCO <sub>2</sub> e per head

## PIONEER TOPCO LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### Scope 3 energy & emissions – team member commuting

In 2022/23 we began to assess our Scope 3 energy and emissions. Our goal was to start with understanding our team member commuting trends, emissions, and near-term intentions.

In November 2022, we conducted a commuter survey for all team members in the Group. The survey collected data including:

- office location
- commuter transport methods used
- average commuter days and distance travelled per week
- combustion engine type, size and distance travelled per week
- near term commuter method intentions, including interest and rationale to switch to electric vehicles

The survey had an average completion rate of 87% across all staff in all offices. The data was extrapolated to 100% based on this high return and was calculated to an average working year.

Scope 3 emissions in 2022/23 for all team member commuting was calculated from the survey as 457.49 tCO<sub>2</sub>e.

#### Commuter survey emissions categories & data

Team Member Commuter Type	<1400cc petrol	1400- 2000cc petrol	<1700cc diesel	1700- 2000cc diesel	>2000cc petrol	>2000cc diesel	Bus	Train	Total
Mileage	416,247	302,745	245,426	334,402	53,051	184,002	90,945	419,052	2,045,871
tCO <sub>2</sub> e	98.15	89.99	55.25	90.41	23.6	62.04	14.12	23.93	457.49

All team member commuter data by distance travelled was collated (Fig.1). This is further broken down by office.

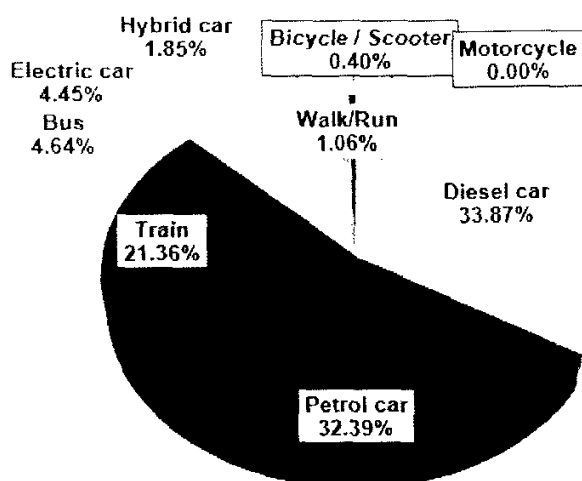


Figure 1: AAB Group commuter mode of transport by distance travelled.

## PIONEER TOPCO LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### Scope 3 energy & emissions – next steps

Our goals to further understand our Scope 3 emissions include recording and assessing our Group business travel impact. We will also take steps to measure and assess the impact of our supply chain and disposal of waste. These are to be addressed in financial year 2023/24.

#### Energy & emissions comparisons

The only comparison that can be made to previous financial year data is for the Aberdeen office Scope 1 & 2 data alone.

Aberdeen Office	2021/22 tCO <sub>2</sub> e	2022/23 tCO <sub>2</sub> e
Scope 1	51.1	41.1
Scope 2	122.4	111.0
Total	173.5	152.1

Whilst the comparison data illustrates a year to year 12% reduction in emissions at the Aberdeen office, this is not being treated as wholly reliable for a number of reasons, including 2021/22 office use (Covid) and methodology used. Measures in Aberdeen such as lowering thermostats and changing schedules were taken during 2022/23, and it is considered that these would have contributed some impact.

#### Energy & emissions reduction aims

With our full Group data set for Scope 1 & 2, and partial Scope 3 collected. Reduction aims for the year ahead will include direct consumption changes for offices within our control. For offices that are part of a shared lease facility, our aim is to continue to exert influence on our landlords to take measures to lower consumption rates. For Scope 3 team member commuter emissions, our aims are to respond to recorded interest and demand for electric vehicle ownership through offering a salary sacrifice scheme to all team members. In addition, we will continue to influence participation in our cycle to work salary sacrifice scheme. Our plan is to repeat the commuter survey in autumn 2023 in order to have direct comparison data.

#### Our investment in a Carbon Reduction Project

Following the compilation of our Group Scope 1 & 2 carbon emissions data for 2022/23 and the verification of its calculation, our board opted to invest in a UK based carbon reduction and biodiversity project. This investment has been committed to "Make It Wild" and has been made against our rounded-up figure of 290 tCO<sub>2</sub>e. This investment will pay for tree planting to help offset our carbon emissions impact. Our passion for supporting UK biodiversity and tree planting was a key factor in selecting Make It Wild for our investment. The proximity of the project to our Leeds office was also an important factor, where team members can visit the site and team, and experience the positive impact of our investment first hand.

#### Statement of third party verification

In 2022/23 we collected our emissions data in-house and had our tCO<sub>2</sub>e conversion calculations verified by the independent consultancy, Sustainable Advantage. Considerations for source of information third-party verification will be made during the year ahead.

Our 2022/23 ESG Impact Report produced by Sustainable Advantage is available at [www.aab.uk/about/esg-report/](http://www.aab.uk/about/esg-report/).

**PIONEER TOPCO LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

**Disclosure of information to auditors**

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

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

**Post balance sheet events**

For further details on post balance sheet events, see note 30 of the financial statements.

**Auditors**

Under section 487(2) of the Companies Act 2006, Price Bailey LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 24 August 2023 and signed on its behalf.

*Graeme Allan*

Graeme Allan (Aug 24, 2023, 1:53pm)

.....  
**G A Allan**  
Director

## **PIONEER TOPCO LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PIONEER TOPCO LIMITED**

#### **Opinion**

We have audited the financial statements of Pioneer Topco Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2023, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, 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 Group's and of the parent Company's affairs as at 31 March 2023 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the 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 Group's or the parent 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.

## PIONEER TOPCO LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PIONEER TOPCO LIMITED (CONTINUED)

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the annual report. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinion 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 Group 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 Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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 5, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

## PIONEER TOPCO LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PIONEER TOPCO LIMITED (CONTINUED)

#### Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Group and Company.

Our approach was as follows:

- We considered the nature of the commercial activities undertaken and the business performance for the year and held discussions with management.
- We obtained an understanding of the legal and regulatory requirements applicable to the Group and Company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the Group and Company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We discussed during the audit engagement team briefing regarding how and where fraud might arise in the financial statements and any potential indication of fraud. We remained alert to any indication of fraud or non-compliance with laws and regulations throughout the audit.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

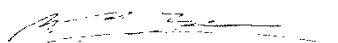
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

PIONEER TOPCO LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PIONEER TOPCO LIMITED (CONTINUED)

**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 Auditors' 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.



Martin Clapson FCA (Senior Statutory Auditor)

for and on behalf of

**Price Bailey LLP**

Chartered Accountants  
Statutory Auditors

Tennyson House  
Cambridge Business Park  
Cambridge  
CB4 0WZ

25 August 2023

PIONEER TOPCO LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2023

		Year ended 31 March 2023 £000	As restated Period ended 31 March 2022 £000
	Note		
Turnover	4	61,990	23,064
Cost of sales		(38,380)	(14,857)
<b>Gross profit</b>		<b>23,610</b>	<b>8,207</b>
Administrative expenses		(25,806)	(9,045)
Other operating income	5	27	-
Fair value movements		66	-
<b>Operating loss</b>	6	<b>(2,103)</b>	<b>(838)</b>
Interest receivable and similar income	10	6	5
Interest payable and similar expenses	11	(6,092)	(2,128)
<b>Loss before taxation</b>		<b>(8,189)</b>	<b>(2,961)</b>
Tax on loss	12	(854)	(401)
<b>Loss for the financial year</b>		<b>(9,043)</b>	<b>(3,362)</b>
Currency translation differences		102	-
<b>Other comprehensive income for the year</b>		<b>102</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(8,941)</b>	<b>(3,362)</b>
<b>(Loss) for the year attributable to:</b>			
Non-controlling interests		(16)	65
Owners of the parent Company		(9,027)	(3,427)
		<b>(9,043)</b>	<b>(3,362)</b>
<b>Total comprehensive income for the year attributable to:</b>			
Non-controlling interest		(16)	65
Owners of the parent Company		(8,925)	(3,427)
		<b>(8,941)</b>	<b>(3,362)</b>

The notes on pages 24 to 52 form part of these financial statements.

**PIONEER TOPCO LIMITED**  
**REGISTERED NUMBER: 13638179**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Intangible assets	14	60,005	44,500
Tangible assets	15	2,810	2,827
		<u>62,815</u>	<u>47,327</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	17	21,657	13,948
Cash at bank and in hand	18	3,648	2,767
		<u>25,305</u>	<u>16,715</u>
Creditors: amounts falling due within one year	19	(11,406)	(6,427)
<b>Net current assets</b>		<u>13,899</u>	<u>10,288</u>
<b>Total assets less current liabilities</b>		<u>76,714</u>	<u>57,615</u>
Creditors: amounts falling due after more than one year	20	(88,490)	(60,586)
Deferred taxation	22	(224)	-
		<u>(224)</u>	<u>-</u>
<b>Net liabilities</b>		<u>(12,000)</u>	<u>(2,971)</u>
<b>Capital and reserves</b>			
Called up share capital	23	5	5
Share premium account	24	495	457
Foreign exchange reserve	24	102	-
Profit and loss account	24	(12,504)	(3,427)
<b>Equity attributable to owners of the parent Company</b>		<u>(11,902)</u>	<u>(2,965)</u>
Non-controlling interests		(98)	(6)
		<u>(12,000)</u>	<u>(2,971)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 August 2023.

*Graeme Allan*

24 August 2023

**G A Allan**  
Director

The notes on pages 24 to 52 form part of these financial statements.

**PIONEER TOPCO LIMITED**  
**REGISTERED NUMBER: 13638179**

**COMPANY BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Investments	16	17,874	-
		<u>17,874</u>	<u>-</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	17	-	15,359
Debtors: amounts falling due within one year	17	4,985	4,342
		<u>4,985</u>	<u>19,701</u>
Creditors: amounts falling due within one year	19	(53)	(146)
<b>Net current assets</b>		<u>4,932</u>	<u>19,555</u>
<b>Total assets less current liabilities</b>		<u>22,806</u>	<u>19,555</u>
Creditors: amounts falling due after more than one year	20	(24,551)	(19,236)
<b>Net (liabilities)/assets</b>		<u>(1,745)</u>	<u>319</u>
<b>Capital and reserves</b>			
Called up share capital	23	5	5
Share premium account	24	495	457
Profit and loss account brought forward		(143)	-
Loss for the year		(2,102)	(143)
Profit and loss account carried forward		<u>(2,245)</u>	<u>(143)</u>
		<u>(1,745)</u>	<u>319</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 August 2023.

*Graeme Allan*

Graeme Allan 1 Aug 24, 2023, 1:32pm

**G A Allan**  
Director

The notes on pages 24 to 52 form part of these financial statements.

**PIONEER TOPCO LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £000	Share premium account £000	Foreign exchange reserve £000	Profit and loss account £000	Equity attributable to owners of parent Company £000	Non- controlling interests £000	Total equity £000
At 1 April 2022	5	457	-	(3,427)	(2,965)	(6)	(2,971)
<b>Comprehensive income for the year</b>							
Loss for the year	-	-	-	(9,027)	(9,027)	(16)	(9,043)
Currency translation differences	-	-	102	-	102	-	102
<b>Other comprehensive income for the year</b>							
	-	-	102	-	102	-	102
<b>Total comprehensive income for the year</b>							
	-	-	102	(9,027)	(8,925)	(16)	(8,941)
<b>Contributions by and distributions to owners</b>							
Shares issued during the year	-	38	-	-	38	-	38
Buy out of non-controlling interest	-	-	-	(50)	(50)	(76)	(126)
<b>Total transactions with owners</b>							
	-	38	-	(50)	(12)	(76)	(88)
<b>At 31 March 2023</b>	<b>5</b>	<b>495</b>	<b>102</b>	<b>(12,504)</b>	<b>(11,902)</b>	<b>(98)</b>	<b>(12,000)</b>

The notes on pages 24 to 52 form part of these financial statements.

**PIONEER TOPCO LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2022**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Equity attributable to owners of parent Company £000	Non- controlling interests £000	Total equity £000
<b>Comprehensive income for the period</b>						
Loss for the period	-	-	(3,427)	(3,427)	65	(3,362)
<b>Total comprehensive income for the period</b>	-	-	(3,427)	(3,427)	65	(3,362)
<b>Contributions by and distributions to owners</b>						
Shares issued during the period	5	457	-	462	-	462
Non-controlling interests on acquisition of subsidiaries	-	-	-	-	(71)	(71)
<b>Total transactions with owners</b>	5	457	-	462	(71)	391
<b>At 31 March 2022</b>	5	457	(3,427)	(2,965)	(6)	(2,971)

The notes on pages 24 to 52 form part of these financial statements.

**PIONEER TOPCO LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 April 2022	5	457	(143)	319
<b>Comprehensive income for the period</b>				
Loss for the year	-	-	(2,102)	(2,102)
<b>Total comprehensive income for the year</b>	-	-	(2,102)	(2,102)
<b>Contributions by and distributions to owners</b>				
Shares issued during the year	-	38	-	38
<b>Total transactions with owners</b>	-	38	-	38
<b>At 31 March 2023</b>	5	495	(2,245)	(1,745)

The notes on pages 24 to 52 form part of these financial statements.

**PIONEER TOPCO LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2022**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
<b>Comprehensive income for the period</b>				
Loss for the period	-	-	(143)	(143)
<b>Total comprehensive income for the period</b>				
	-	-	(143)	(143)
<b>Contributions by and distributions to owners</b>				
Shares issued during the period	5	457	-	462
<b>Total transactions with owners</b>				
	5	457	-	462
<b>At 31 March 2022</b>	5	457	(143)	319

The notes on pages 24 to 52 form part of these financial statements.

PIONEER TOPCO LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £000	2022 £000
<b>Cash flows from operating activities</b>		
Loss for the financial year	(2,103)	(838)
<b>Adjustments for:</b>		
Amortisation of intangible assets	6,244	2,276
Depreciation of tangible assets	543	242
Loss on disposal of tangible assets	7	-
(Increase) in debtors	(1,841)	(2,714)
Increase/(decrease) in creditors	46	(1,639)
Net fair value (gains)/losses recognised in P&L	(66)	-
Corporation tax (paid)	(581)	(369)
<b>Net cash generated from operating activities</b>	<b>2,249</b>	<b>(3,042)</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(1,326)	-
Purchase of tangible fixed assets	(366)	(276)
Sale of tangible fixed assets	347	19
Purchase of unlisted and other investments	(268)	-
Interest received	6	5
Acquisition of subsidiaries	(16,898)	(34,383)
Net cash acquired with subsidiaries	1,415	2,903
Buyout of non-controlling interest	(126)	-
<b>Net cash from investing activities</b>	<b>(17,216)</b>	<b>(31,732)</b>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	38	315
New secured loans	25,584	50,403
Repayment of loans	(8,441)	(11,691)
Shares treated as debt - issued	240	3,871
Interest paid	(1,573)	(404)
Payments to former LLP members	-	(4,953)
<b>Net cash used in financing activities</b>	<b>15,848</b>	<b>37,541</b>
<b>Net increase in cash and cash equivalents</b>	<b>881</b>	<b>2,767</b>

PIONEER TOPCO LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £000	2022 £000
Cash and cash equivalents at beginning of year	2,767	-
<b>Cash and cash equivalents at the end of year</b>	<u>3,648</u>	<u>2,767</u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	<u>3,648</u>	<u>2,767</u>

The notes on pages 24 to 52 form part of these financial statements.

**PIONEER TOPCO LIMITED**

**CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 MARCH 2023**

	At 1 April 2022 £000	Cash flows £000	Acquisition and disposal of subsidiaries £000	Other non- cash changes £000	At 31 March 2023 £000
Cash at bank and in hand	2,767	881	-	-	3,648
Debt due after 1 year	(59,839)	(18,084)	(3,108)	(2,254)	(83,285)
Debt due within 1 year	(630)	701	(613)	(91)	(633)
	<u>(57,702)</u>	<u>(16,502)</u>	<u>(3,721)</u>	<u>(2,345)</u>	<u>(80,270)</u>

The notes on pages 24 to 52 form part of these financial statements.

## **PIONEER TOPCO LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **1. General information**

Pioneer Topco Limited is a private company limited by shares incorporated and domiciled in England and Wales within the United Kingdom. The address of the registered office is 10 Slingsby Place, St Martins Courtyard, London WC2E 9AB.

The principal activities of the group are provided in the Group Strategic Report.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

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

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

In preparing its individual financial statements the Company has taken advantage of the exemption from requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17 (d) to prepare a statement of cash flows on the basis that it has presented a consolidated statement of cash flows.

The following principal accounting policies have been applied:

##### **2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

##### **2.3 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis of accounting in preparing the financial statements. The directors have considered a period of 12 months from the date of approval of the financial statements.

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**2. Accounting policies (continued)**

**2.4 Foreign currency translation**

**Functional and presentation currency**

*The Company's functional and presentational currency is GBP.*

**Transactions and balances**

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

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

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**2.5 Revenue**

Turnover represents the fair value of professional services provided during the year on clients' instructions, excluding value added tax. Fair value reflects the amount expected to be recoverable from clients and is based upon time spent, expertise and skill involved.

If, at the balance sheet date, completion of contractual obligations is dependent on external factors (and thus outside the control of the Group), then revenue is recognised only when the event occurs. In such cases, costs incurred up to the balance sheet date are carried forward in debtors as unbilled amounts recoverable from clients.

Unbilled amounts recoverable from clients are stated at the estimated recoverable amount.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of unbilled amounts recoverable from clients over its estimated recoverable amount is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in the Consolidated Statement of Comprehensive Income.

**2.6 Operating leases: the Group as lessee**

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

*Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.*

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**2. Accounting policies (continued)**

**2.7 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Consolidated Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

**2.8 Interest income**

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

**2.9 Finance costs**

Finance costs are charged to the Consolidated 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.

**2.10 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated 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 Group in independently administered funds.

**2.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

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

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**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**2. Accounting policies (continued)**

**2.12 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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 corporation 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

## PIONEER TOPCO LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 2. Accounting policies (continued)

##### 2.13 Intangible assets

###### Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

###### Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the Group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	10	years
Computer software	-	4	years
Intellectual property	-	15	years

##### 2.14 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.

At each reporting date the Group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**2. Accounting policies (continued)**

**2.14 Tangible fixed assets (continued)**

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.

The estimated useful lives range as follows:

Long-term leasehold property	- over the lease term
Motor vehicles	- 3 years
Fixtures and fittings	- 4 - 7 years
Computer equipment	- 4 years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

**2.15 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.16 Debtors**

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

**2.17 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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**2.18 Creditors**

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

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**2. Accounting policies (continued)**

**2.19 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Group 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 Consolidated Statement of Comprehensive Income in the year that the Group 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.

**2.20 Financial instruments**

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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

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

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**2. Accounting policies (continued)**

**2.21 Dividends**

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

Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year.

The nature of estimation means that the actual outcome could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The critical accounting estimates or judgements applied by the members which have a significant impact on the amounts disclosed in the financial statements are as follows:

**Revenue recognition**

As described in note 2.4, consideration on assignments accrues as the assignment progresses by reference to the value of the work performed. In the case of assignments which extend over more than one year an estimate of both expected total fees and the total costs to complete the assignment is required to calculate accrued and deferred income at the reporting date. These estimates may need to be revised as the assignment progresses.

**Debtor provision**

The directors make an assessment of the recoverable value of trade debtors. When assessing impairment of trade debtors the directors consider various factors including the age profile of the debtor and any historical experience.

**Goodwill**

Intangible assets are sensitive to change in the estimated lives and residual values of the assets. The useful economic lives and residual values are assessed annually by management, with impairment reviews also being performed annually. These reviews require an estimation of the value in use of the cash generating units to which goodwill has been allocated. These reviews are based on managements experience of past events and their knowledge of upcoming business changes.

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**4. Turnover**

The whole of the turnover is attributable to the provision of services.

Analysis of turnover by country of destination:

	Year ended 31 March 2023 £000	Period ended 31 March 2022 £000
United Kingdom	49,352	22,276
Rest of Europe	11,874	-
Rest of the world	764	788
	<u>61,990</u>	<u>23,064</u>

**5. Other operating income**

	Year ended 31 March 2023 £000	Period ended 31 March 2022 £000
Government grants receivable	27	-
	<u>27</u>	<u>-</u>

**6. Operating (loss)**

The operating (loss) is stated after charging:

	Year ended 31 March 2023 £000	Period ended 31 March 2022 £000
Exchange differences	57	7
Other operating lease rentals	2,223	866
	<u>2,280</u>	<u>873</u>

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**7. Auditors' remuneration**

During the year, the Group obtained the following services from the Company's auditors and their associates:

	Year ended 31 March 2023 £000	Period ended 31 March 2022 £000
Fees payable to the Company's auditors and their associates for the audit of the consolidated and parent Company's financial statements	137	135
Fees payable to the Company's auditors and their associates in respect of: All non-audit services not included above	<u>69</u>	<u>32</u>

**8. Employees**

Staff costs, including directors' remuneration, were as follows:

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Wages and salaries	32,445	10,465	-	-
Social security costs	3,553	1,038	-	-
Cost of defined contribution scheme	1,712	568	-	-
	<u>37,710</u>	<u>12,071</u>	<u>-</u>	<u>-</u>

The average monthly number of employees, including the directors, during the year was as follows:

	Year ended 31 March 2023 No.	Period ended 31 March 2022 No.
Chargeable staff	650	441
Support staff	79	50
	<u>729</u>	<u>491</u>

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**9. Directors' remuneration**

	Year ended 31 March 2023 £000	Period ended 31 March 2022 £000
Directors' emoluments	933	447
Group contributions to defined contribution pension schemes	6	56
	<u>939</u>	<u>503</u>

During the year retirement benefits were accruing to 1 director (2022 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £249,000 (2022 - £120,000).

The directors of the parent Company are the key management personnel of the group.

**10. Interest receivable**

	Year ended 31 March 2023 £000	Period ended 31 March 2022 £000
Other interest receivable	<u>6</u>	<u>5</u>

**11. Interest payable and similar expenses**

	Year ended 31 March 2023 £000	Period ended 31 March 2022 £000
Bank interest payable	2	-
Other loan interest payable	4,025	1,371
Loans from group undertakings	98	-
Preference share interest	1,967	747
Finance leases and hire purchase contracts	-	10
	<u>6,092</u>	<u>2,128</u>

PIONEER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

12. **Taxation**

	Year ended 31 March 2023 £000	Period ended 31 March 2022 £000
<b>Corporation tax</b>		
Current tax on profits for the year/period	513	450
Adjustments in respect of previous periods	26	-
	<u>539</u>	<u>450</u>
<b>Foreign tax</b>		
Foreign tax on income for the year/period	51	-
Foreign tax in respect of prior periods	3	-
	<u>54</u>	<u>-</u>
<b>Total current tax</b>	<u>593</u>	<u>450</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	261	(49)
<b>Total deferred tax</b>	<u>261</u>	<u>(49)</u>
<b>Taxation on profit on ordinary activities</b>	<u>854</u>	<u>401</u>

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**12. Taxation (continued)**

**Factors affecting tax charge for the year/period**

The tax assessed for the year/period is higher than (2022 - higher than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	Year ended 31 March 2023 £000	Period ended 31 March 2022 £000
Loss on ordinary activities before tax	(8,189)	(2,961)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	(1,556)	(563)
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill and impairment	1,105	431
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	929	287
Capital allowances for year/period in excess of depreciation	37	46
Adjustments to tax charge in respect of prior periods	26	-
Deferred tax	261	-
Other differences leading to an increase in the tax charge	52	200
<b>Total tax charge for the year/period</b>	<b>854</b>	<b>401</b>

**Factors that may affect future tax charges**

In March 2021, the UK Government proposed that the main rate of corporation tax would increase from 19% to 25% with effect from 1 April 2023. The Finance Bill was substantively enacted on 24 May 2021. Deferred tax has therefore been recognised based on the estimated date of reversal using the rates substantively enacted at the year end.

**13. Parent company profit for the year**

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss after tax of the parent Company for the year/period was £2,102,000 (2022 - loss £143,000).

PIONEER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

14. Intangible assets

Group

	Intellectual property £000	Computer software £000	Goodwill £000	Total £000
<b>Cost</b>				
At 1 April 2022	-	-	46,776	46,776
Additions	1,168	644	19,937	21,749
At 31 March 2023	1,168	644	66,713	68,525
<b>Amortisation</b>				
At 1 April 2022	-	-	2,276	2,276
Charge for the year on owned assets	7	254	5,983	6,244
At 31 March 2023	7	254	8,259	8,520
<b>Net book value</b>				
At 31 March 2023	1,161	390	58,454	60,005
At 31 March 2022	-	-	44,500	44,500

PIONEER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

15. Tangible fixed assets

Group

	Freehold property £000	Leasehold improvem'ts £000	Motor vehicles £000	Fixtures and fittings £000	Computer equipment £000	Total £000
<b>Cost or valuation</b>						
At 1 April 2022	-	4,384	4	1,415	1,833	7,636
Additions	-	-	-	262	104	366
Acquisition of subsidiary	300	-	-	448	209	957
Disposals	(300)	-	-	(120)	(55)	(475)
At 31 March 2023	-	4,384	4	2,005	2,091	8,484
<b>Depreciation</b>						
At 1 April 2022	-	2,201	4	1,159	1,445	4,809
Charge for the year on owned assets	-	235	-	150	150	535
Charge for the year on financed assets	-	-	-	-	15	15
On acquisition of subsidiary	-	-	-	292	151	443
Disposals	-	-	-	(75)	(53)	(128)
At 31 March 2023	-	2,436	4	1,526	1,708	5,674
<b>Net book value</b>						
At 31 March 2023	-	1,948	-	479	383	2,810
At 31 March 2022	-	2,184	-	256	388	2,828

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**16. Fixed asset investments**

**Company**

Investments  
in subsidiary  
companies  
£000

**Cost or valuation**

Additions

17,874

At 31 March 2023

17,874

**Direct subsidiary undertaking**

The following was a direct subsidiary undertaking of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Pioneer Midco Limited	10 Slingsby Place St Martins Courtyard London WC2E 9AB	Ordinary	100%

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**16. Fixed asset investments (continued)**

**Indirect subsidiary undertakings**

The following were indirect subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Pioneer Finco Limited	10 Slingsby Place St Martins Courtyard London WC2E 9AB	Ordinary	100%
Pioneer Bidco Limited	10 Slingsby Place St Martins Courtyard London WC2E 9AB	Ordinary	100%
AAB Investments Limited	Kingshill View Kingswells Causeway Prime Four Business Park Kingswells Aberdeen AB15 8PU	Ordinary	100%
Anderson Anderson & Brown Wealth Limited	Kingshill View Kingswells Causeway Prime Four Business Park Kingswells Aberdeen AB15 8PU	Ordinary	100%
Anderson Anderson & Brown Consulting Limited	Kingshill View Kingswells Causeway Prime Four Business Park Kingswells Aberdeen AB15 8PU	Ordinary A	82%
Anderson Anderson & Brown Consulting Limited		Preference	100%
Sagars Accountants Limited	Gresham House 5 - 7 St Pauls Street Leeds West Yorkshire LS1 2JG	Ordinary A, B, C, D & E	100%
Anderson Anderson & Brown LLP	Kingshill View Kingswells Causeway Prime Four Business Park Kingswells Aberdeen AB15 8PU	Members capital	100%
A2+B LLP	Kingshill View Kingswells Causeway Prime Four Business Park Kingswells Aberdeen AB15 8PU	Members capital	100%

PIONEER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

16. Fixed asset investments (continued)

Indirect subsidiary undertakings (continued)

Name	Registered office	Class of shares	Holding
AABD Holdings Limited*	Kingshill View Kingswells Causeway Prime Four Business Park Kingswells Aberdeen AB15 8PU	Ordinary	100%
John F Daly Associates Limited*	One, St Peters Square Manchester M2 3DE	Ordinary	100%
AAB People Limited* (formerly Purpose (HR & Coaching) Limited)	Kingshill View Kingswells Causeway Prime Four Business Park Kingswells Aberdeen AB15 8PU	Ordinary	100%
SeeHearSpeakUp Limited*	Kingshill View Kingswells Causeway Prime Four Business Park Kingswells Aberdeen AB15 8PU	Ordinary	100%
Hardie Caldwell Business Advisers Limited	Citypoint 2 25 Tyndrum Street Glasgow G4 0JY	Ordinary	100%
Hardie Caldwell LLP*	Citypoint 2 25 Tyndrum Street Glasgow G4 0JY	Members capital	100%
AAB Trustee Company Limited	Kingshill View Kingswells Causeway Prime Four Business Park Kingswells Aberdeen AB15 8PU	Ordinary	100%
AAB Nominee Company Limited	Kingshill View Kingswells Causeway Prime Four Business Park Kingswells Aberdeen AB15 8PU	Ordinary	100%

PIONEER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

16. Fixed asset investments (continued)

Indirect subsidiary undertakings (continued)

Name	Registered office	Class of shares	Holding
Anderson Anderson & Brown Audit LLP	Kingshill View Kingswells Causeway Prime Four Business Park Kingswells Aberdeen AB15 8PU	Members capital	100%
AAB Business Services Limited	Kingshill View Kingswells Causeway Prime Four Business Park Kingswells Aberdeen AB15 8PU	Ordinary	100%
Sagars LLP*	Gresham House 5 - 7 St Pauls Street Leeds West Yorkshire LS1 2JG	Members capital	100%
May Holdco 2 Limited*	Gresham House 5 - 7 St Pauls Street Leeds West Yorkshire LS1 2JG	Ordinary	100%
May Figures Ltd	Gresham House 5 - 7 St Pauls Street Leeds West Yorkshire LS1 2JG	Ordinary	100%
1851 Holdco Limited*	Gresham House 5 - 7 St Pauls Street Leeds West Yorkshire LS1 2JG	Ordinary	100%
1851 Technology Consulting Limited*	Gresham House 5 - 7 St Pauls Street Leeds West Yorkshire LS1 2JG	Ordinary	100%
FPM Accountants Limited	Dromalane Mill The Quays Newry BT35 8QS	Ordinary A, B & C	100%
FPM Accountants (Ireland) Limited	Unit 5B Unit 5H Fingal Bay Business Park Balbriggan Dublin Ireland	Ordinary	100%

PIONEER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

16. Fixed asset investments (continued)

Indirect subsidiary undertakings (continued)

Name	Registered office	Class of shares	Holding
Liberty Insolvency Limited	Dromalane Mill The Quays Newry BT35 8QS	Ordinary	100%
AAB Customs Limited* (previously Charlton House (Customs Compliance) Limited)	One, St Peters Square Manchester M2 3DE	Ordinary	100%
Think People Consulting Ltd*	12th Floor Causeway Tower James Street South Belfast Northern Ireland BT2 8DN	Ordinary	100%
Kilkee Financial Services Limited*	Kingshill View Kingswells Causeway Prime Four Business Park Kingswells Aberdeen AB15 8PU	Ordinary	100%
AAB Payroll Limited*	Kingshill View Kingswells Causeway Prime Four Business Park Kingswells Aberdeen AB15 8PU	Ordinary	100%
AAB Payroll Inc	401 Hall St SW, Suite 331, Grand Rapids, Michigan 49503	Ordinary	100%

\* denotes subsidiaries which have claimed exemption from the requirements of the Companies Act relating to the audit of the individual financial statements by virtue of s479A of the Companies Act 2006.

PIONEER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

17. Debtors

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
<b>Due after more than one year</b>				
Amounts owed by group undertakings	-	-	-	15,359
	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
<b>Due within one year</b>				
Trade debtors	14,427	9,690	-	-
Amounts owed by group undertakings	-	-	4,985	4,342
Other debtors	731	174	-	-
Prepayments and accrued income	2,681	1,903	-	-
Amounts recoverable on contracts	3,484	2,125	-	-
Deferred taxation	-	56	-	-
Derivative financial instruments	334	-	-	-
	<u>21,657</u>	<u>13,948</u>	<u>4,985</u>	<u>4,342</u>

18. Cash and cash equivalents

	Group 2023 £000	Group 2022 £000
Cash at bank and in hand	<u>3,648</u>	<u>2,767</u>

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**19. Creditors: amounts falling due within one year**

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Other loans	633	630	-	-
Trade creditors	1,806	1,169	-	-
Amounts owed to group undertakings	-	-	1	-
Corporation tax	729	747	52	142
Other taxation and social security	3,219	2,000	-	-
Other creditors	3,053	418	-	4
Accruals and deferred income	1,966	1,463	-	-
	<u>11,406</u>	<u>6,427</u>	<u>53</u>	<u>146</u>

Disclosure of the terms and conditions attached to the non-equity shares is made in note 23.

**20. Creditors: amounts falling due after more than one year**

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Bank loans	36,495	18,207	-	-
Other loans	24,953	23,143	-	-
Other creditors	5,205	747	2,714	747
Share capital treated as debt	21,837	18,489	21,837	18,489
	<u>88,490</u>	<u>60,586</u>	<u>24,551</u>	<u>19,236</u>

Disclosure of the terms and conditions attached to the non-equity shares is made in note 23.

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Repayable other than by instalments	<u>49,504</u>	<u>58,904</u>	<u>24,551</u>	<u>19,236</u>

Bank loans are secured by a floating charge over the assets of group companies.

The long term other loan has an interest rate of 9% and is repayable in full in October 2029 or on an IPO, a sale of the group or a sale of the business of the group.

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**21. Financial instruments**

	Group 2023 £000	Group 2022 £000
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	334	-

Financial assets measured at fair value through profit or loss comprise interest rate swaps. The fair value of these at the year end is determined by data sourced from an independent financial market data provider using mid market end of day data.

**22. Deferred taxation**

**Group**

	2023 £000
At beginning of year	56
<i>Charged to profit or loss</i>	(261)
Arising on business combinations	(19)
<b>At end of year</b>	<b>(224)</b>

The deferred taxation balance is made up as follows:

	Group 2023 £000	Group 2022 £000
Accelerated capital allowances	(65)	(45)
Tax losses carried forward	94	94
Short term timing differences	(253)	7
	<b>(224)</b>	<b>56</b>

PIONEER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

23. Share capital

	2023 £000	2022 £000
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
268,652 (2022 - 262,069) A Ordinary shares of £0.01 each	2.687	2.621
148,928 (2022 - 139,450) B Ordinary shares of £0.01 each	1.489	1.395
58,000 (2022 - 37,000) C Ordinary shares of £0.01 each	0.580	0.370
24,420 (2022 - 23,481) D Ordinary shares of £0.01 each	0.244	0.235
	<u>5.000</u>	<u>4.621</u>
	2023 £000	2022 £000
<b>Shares classified as debt</b>		
<b>Allotted, called up and fully paid</b>		
16,064,072 (2022 - 15,824,072) B Preference shares of £1.00 each	16,064.072	15,824.072
5,772,745 (2022 - 2,664,519) D Preference shares of £1.00 each	5,772.745	2,664.519
	<u>21,836.817</u>	<u>18,488.591</u>

During the year the Company allotted and issued:

- 10,333 A Ordinary shares of 1p each, 5,728 B Ordinary shares of 1p each, 21,000 C Ordinary shares of 1p each and 939 D Ordinary shares of 1p each for cash consideration at £1 per share.
- 240,000 B Preference shares of £1 each for cash consideration at par.
- 3,108,226 D Preference shares of £1 each at par to redeem loan notes totalling £3,108,226 issued by the Group in connection with the acquisitions of FPM Accountants Limited, Think People Consulting Ltd and May Holdco 2 Limited and their subsidiaries.

In addition 3,750 A ordinary shares of 1p each were reclassified as B Ordinary shares of 1p each.

Both classes of preference share are to be redeemed on the eighth anniversary of their issue if not already redeemed, however the Company has the right to redeem them before this date and must do so in the event of an IPO or sale. The preference shares are redeemable at par.

Preference shares do not carry voting rights but are entitled to a preference dividend in priority to any dividend on the ordinary shares. On a winding up the preference shareholders are entitled to repayment of the nominal amount of the shares and payment of any unpaid preference dividends in priority to distributions to ordinary shareholders but are not entitled to any further participation in distribution of the assets of the Company.

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**24. Reserves**

**Share premium account**

The share premium account represents the excess of the amount paid on the issuing of shares over the nominal value of the shares issued.

**Foreign exchange reserve**

The foreign exchange reserve comprises translation differences arising from the translation of the Group's overseas entities into Sterling.

**Profit and loss account**

The profit and loss account represents cumulative profit or losses, net of dividends paid and other adjustments.

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**25. Business combinations**

The group made the following acquisitions in the period, all of which were accounted for using the acquisition method:

- FPM Accountants Limited and its subsidiaries
- Kilkee Financial Services Limited
- AAB Customs Limited (previously Charlton House (Customs Compliance) Limited)
- Think People Consulting Ltd
- May Holdco 2 Limited and its subsidiaries

**Recognised amounts of identifiable assets acquired and liabilities assumed**

	Book value £000	Fair value adjustments £000	Fair value £000
<b>Fixed Assets</b>			
Tangible	436	78	514
	<u>436</u>	<u>78</u>	<u>514</u>
<b>Current Assets</b>			
Debtors	5,241	-	5,241
Cash at bank and in hand	1,890	-	1,890
	<u>7,567</u>	<u>78</u>	<u>7,645</u>
<b>Total Assets</b>			
<b>Creditors</b>			
Due within one year	(2,828)	-	(2,828)
Bank overdraft	(475)	-	(475)
Deferred taxation	(19)	-	(19)
	<u>4,245</u>	<u>78</u>	<u>4,323</u>
<b>Total identifiable net assets</b>			
Non-controlling interests			-
Goodwill			19,937
			<u>24,260</u>
<b>Total purchase consideration</b>			
<b>Consideration</b>			
			£000
Cash			15,840
Debt instruments			3,108
Deferred consideration			4,434
Directly attributable costs			878
			<u>24,260</u>
<b>Total purchase consideration</b>			

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**25. Business combinations (continued)**

**Cash outflow on acquisition**

	£000
Purchase consideration settled in cash, as above	15,840
Directly attributable costs	878
	<u>16,718</u>
Less: Cash and cash equivalents acquired	(1,415)
<b>Net cash outflow on acquisition</b>	<u><u>15,303</u></u>

Goodwill arising on the acquisitions is being depreciated over 10 years on a straight line basis.

*The results of the entities since acquisition are as follows:*

	Current period since acquisition £000
Turnover	12,979
Profit for the period since acquisition	<u><u>1,597</u></u>

**26. Prior year adjustment**

Following a review by the directors during the year, it was noted that £456,000 of wages & salary costs had been classified as cost of sales rather than administrative expenses. An adjustment has therefore been posted to reclassify these as administrative expenses.

**27. Pension commitments**

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £1,712,000 (2022 - £568,000). Contributions totalling £307,000 (2022 - £325,000) were payable to the fund at the balance sheet date and are included within creditors.

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**28. Commitments under operating leases**

At 31 March 2023 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2023 £000	Group 2022 £000
Not later than 1 year	2,592	1,941
Later than 1 year and not later than 5 years	8,866	7,402
Later than 5 years	5,608	7,241
	<u>17,066</u>	<u>16,584</u>

**29. Related party transactions**

The Group had the following transactions and balances with the immediate parent, August Equity Partners V A LP and with the key management personnel.

	2023 £000	2022 £000
Creditors due within one year - loan	633	630
Creditors due in more than one year - A loan notes	24,953	23,143
	<u>25,586</u>	<u>23,773</u>
<b>Interest on amounts due to August Equity Partners V A LP</b>		
On loan	98	30
On A loan notes	2,062	905
	<u>2,160</u>	<u>935</u>
<b>Transactions with key management personnel and entities controlled by them</b>		
Consideration paid for acquisition of subsidiaries	-	7,639
Interest on preference shares	537	223
Preference shares classified as debt	5,758	5,518
	<u>6,295</u>	<u>13,380</u>

The Company has taken advantage of the exemption in FRS 102 from disclosing transactions with wholly owned subsidiary companies.

**30. Post balance sheet events**

The Group continued to pursue its acquisition strategy post year end with the successful completion of its largest acquisition to date. The acquisition of French Duncan LLP, FD People Limited and French Duncan (Financial Controller) Limited completed in April 2023. French Duncan is a leading provider of professional services in central Glasgow.

The Group also acquired the minority interest in AAB Consulting Limited and now owns 100% of this subsidiary.

**PIONEER TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**31. Controlling party**

The Group's immediate parent is August Equity Partners V A LP and the ultimate controlling party is August Equity Partners V GP Limited.