

Aardvark Bidco Limited

Annual Report and Financial Statements

Year Ended

31 May 2023

Company Number 13424203

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Aardvark Bidco Limited

Company Information

Directors	A M Sharabi R J H Howell R G May
Registered number	13424203
Registered office	21 Brownlow Mews London WC1N 2LD
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

Aardvark Bidco Limited

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Aardvark Bidco Limited

Strategic Report For the Year Ended 31 May 2023

The directors presents their Strategic Report and the financial statements for the year ended 31 May 2023. The comparative information is for the period from the date of incorporation on 27 May 2021 to 31 May 2022.

Principal activities and business review

The principle activities of Aardvark Bidco Limited are that of a holding company.

Business and financial review

As an intermediate holding company of the Aardvark Topco group, the directors do not review the Company's performance in isolation, but together with the results of the trading companies. For a fair review of the group's business including the results of the Company, see page 1 in the Aardvark Topco Limited consolidated financial statements which are available from Companies House.

Principal risks and uncertainties

As an intermediate holding company of the Aardvark Topco Limited group, the principal risks and uncertainties to which the Company is exposed are over the performance of its investments in the Aardvark Topco Limited group. These are driven by the same underlying risks to which the group as a whole is exposed. For a description of these please see page 1 in the Aardvark Topco Limited consolidated financial statements which are available from Companies House.

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

DocuSigned by:
Rebecca Howell
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R J H Howell
Director

Date: 27 October 2023

Aardvark Bidco Limited

Directors' Report For the Year Ended 31 May 2023

The directors present their report together with the audited financial statements for the year ended 31 May 2023. The comparative information is for the period from the date of incorporation on 27 May 2021 to 31 May 2022.

Principal activity

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

Results and dividends

The loss for the year, after taxation, amounted to £1,211k (period ended 31 May 2022 - profit £5,336k).

The Company declared and paid dividends of £600k during the year (period ended 31 May 2022 - £Nil).

Directors

The directors who served during the year and up to the date of the financial statements unless otherwise stated were:

A M Sharabi
R J H Howell
R G May

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 the 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 year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

Matters covered in the Strategic Report

Disclosures required under section 416(4) of the Companies Act 2006 are commented upon in the Strategic Report as the directors consider them to be of strategic importance to the Group.

Aardvark Bidco Limited

Directors' Report (continued) For the Year Ended 31 May 2023

Disclosure of information to auditor

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

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

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

DocuSigned by:
Rebecca Howell
.....328D922BA6634E4.....
R J H Howell
Director

Date: 27 october 2023

Aardvark Bidco Limited

Independent Auditor's Report to the Members of Aardvark Bidco Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 May 2023 and of its 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.

We have audited the financial statements of Aardvark Bidco Limited ("the Company") for the year ended 31 May 2023 which comprise the statement of Comprehensive Income, the statement of Financial Position, the statement of changes in equity and the notes to the financial statements, including a summary of significant accounting policies, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Aardvark Bidco Limited

Independent Auditor's Report to the Members of Aardvark Bidco Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's report thereon. 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.

Other Companies Act 2006 reporting

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

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

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

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

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

Responsibilities of directors

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

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

Aardvark Bidco Limited

Independent Auditor's Report to the Members of Aardvark Bidco Limited (continued)

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be the applicable accounting framework, Companies Act 2006, data privacy and the relevant tax regulations including but not limited to, Corporate and VAT legislation, and Employment Taxes etc.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation etc.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of the company's tax computation and returns;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Aardvark Bidco Limited

Independent Auditor's Report to the Members of Aardvark Bidco Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls.

Our procedures in respect of the above included:

- Testing journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias.

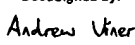
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our Auditor's Report.

Use of our report

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

DocuSigned by:

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Andrew Viner (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London

Date: 27 October 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Aardvark Bidco Limited

Statement of Comprehensive Income For the Year Ended 31 May 2023

		Year ended 31 May 2023 £000	Period from 27 May 2021 to 31 May 2022 £000
Turnover	4	795	638
Gross profit		795	638
Administrative expenses		(1,162)	(2,126)
Exceptional administrative expenses	13	-	(693)
Operating loss	5	(367)	(2,181)
Income from fixed assets investments	9	600	8,271
Interest payable and similar expenses	10	(1,444)	(754)
(Loss)/profit before tax		(1,211)	5,336
Taxation on (loss)/profit	11	-	-
(Loss)/profit and total comprehensive (loss)/profit for the financial year/period		(1,211)	5,336

All amounts relate to continuing activities.

There was no other comprehensive income for the current or prior year/period.


The notes on pages 11 to 22 form part of these financial statements.

Aardvark Bidco Limited
Registered number:13424203

Statement of Financial Position
As at 31 May 2023

	Note	2023 £000	2022 £000
Fixed assets			
Investments	14	58,520	58,520
Current liabilities			
Creditors: amounts falling due within one year	15	(39,794)	(37,505)
Net current liabilities		(39,794)	(37,505)
Non-current liabilities			
Creditors: amounts falling due after more than one year	16	(15,201)	(15,679)
Net assets		3,525	5,336
Capital and reserves			
Share capital	18	-	-
Profit and loss account	19	3,525	5,336
Total equity		3,525	5,336

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

DocuSigned by:

329D922BA6634E4.....
R J H Howell
 Director

Date: 27 October 2023

The notes on pages 11 to 22 form part of these financial statements.

Aardvark Bidco Limited

Statement of Changes in Equity For the Year Ended 31 May 2023

	Profit and loss account	Total equity
	£000	£000
At 1 June 2022	5,336	5,336
Comprehensive loss for the year		
Loss and total comprehensive loss for the year	(1,211)	(1,211)
Contributions by and distributions to owners		
Dividends paid	(600)	(600)
At 31 May 2023	3,525	3,525

Statement of Changes in Equity For the Period Ended 31 May 2022

	Profit and loss account	Total equity
	£000	£000
At 27 May 2021	-	-
Comprehensive income for the period		
Profit and total comprehensive income for the period	5,336	5,336
At 31 May 2022	5,336	5,336

The notes on pages 11 to 22 form part of these financial statements.

Aardvark Bidco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

1. General information

The Company is a private company limited by shares, registered in England and Wales. The registered office address is 21 Brownlow Mews, London, WC1N 2LD.

The principal activity of the Company during the year was that of a Intermediate holding company.

These financial statements are presented to the nearest thousand pounds.

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 management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Aardvark Topco Limited as at 31 May 2023 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

Aardvark Bidco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

2. Accounting policies (continued)

2.4 Going concern

The financial statements have been prepared under the going concern basis as the directors have undertaken a review of the future financing requirements for the ongoing operation of the company and the wider group and are satisfied that sufficient cash resources are available to meet the company's and the group's working capital requirements for at least 12 months from the date of signing these financial statements.

A letter of support from the company's parent company, Aardvark Topco Group Limited, has also been obtained confirming that it will provide the sufficient financial support that the company requires for a period of 12 months from the date of signing these financial statements. In addition, the company has also received confirmation from its parent that it will not seek, recall or demand repayment of amounts owed to the parent, or amounts owed to other group entities within the group that the company is a subsidiary of, unless the company has sufficient working capital to make repayment. The directors accordingly consider it appropriate for the financial statements to be prepared on a going concern basis.

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'administrative expenses'.

Aardvark Bidco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

2. Accounting policies (continued)

2.6 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.7 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.9 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.10 Income from fixed assets investments

Dividend income is recognised when it becomes legally receivable. Interim dividend income is recognised when received. Final dividend income is recognised when approved by the shareholders of the Company paying dividends.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Dividends are recognised when approved by the shareholders at an annual general meeting.

Aardvark Bidco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

2. Accounting policies (continued)

2.12 Taxation

Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2.13 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.15 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.16 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.

2.17 Financial instruments

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

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

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

Aardvark Bidco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

2. Accounting policies (continued)

2.17 Financial instruments (continued)

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

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

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

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

In preparing these financial statements, the directors have had to make the following judgements:

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Key sources of estimation uncertainty:

- **Investments (see note 14)**
The most critical estimates, assumptions and judgements relate to the determination of carrying value of investments at fair value through the Statement of Comprehensive Income, the Company follows the International Private Equity and Venture Capital Valuation Guidelines, applying the overriding concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstances of the investment drives the valuation methodology.
- **Exceptional cost classification**
Judgement is made as to whether certain costs meet the criteria to be classified as exceptional costs under FRS 102, and classified separately, as opposed to within administrative expenses, due to their nature and one-off occurrence.

Aardvark Bidco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

4. Turnover

An analysis of turnover by class of business is as follows:

	Year ended 31 May 2023 £000	Period from 27 May 2021 to 31 May 2022 £000
Management services	795	638

Analysis of turnover by country of destination:

	Year ended 31 May 2023 £000	Period from 27 May 2021 to 31 May 2022 £000
United Kingdom	795	638

5. Operating loss

The operating loss is stated after charging:

	Year ended 31 May 2023 £000	Period from 27 May 2021 to 31 May 2022 £000
Exchange differences	225	1,402

6. Auditor's remuneration

	Year ended 31 May 2023 £000	Period from 27 May 2021 to 31 May 2022 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	5	4

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Company.

Aardvark Bidco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

7. Employees

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

	Year ended 31 May 2023 £000	Period from 27 May 2021 to 31 May 2022 £000
Wages and salaries	648	532
Social security costs	83	69
Cost of defined contribution scheme	26	7
	<u>757</u>	<u>608</u>

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

	Year ended 31 May 2023 No.	Period from 27 May 2021 to 31 May 2022 No.
Directors	3	3

8. Directors' remuneration

	Year ended 31 May 2023 £000	Period from 27 May 2021 to 31 May 2022 £000
Directors' emoluments	648	532
Company contributions to defined contribution pension schemes	26	7
	<u>674</u>	<u>539</u>

The highest paid director received remuneration of £244k (period ended 31 May 2022 - £204k).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £5k (period ended 31 May 2022 - £Nil).

Aardvark Bidco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

9. Income from fixed asset investments

	Year ended 31 May 2023 £000	Period from 27 May 2021 to 31 May 2022 £000
Dividends received	600	8,271

10. Interest payable and similar expenses

	Year ended 31 May 2023 £000	Period from 27 May 2021 to 31 May 2022 £000
Loan interest payable	1,308	637
Arrangement fees	136	117
	<u>1,444</u>	<u>754</u>

11. Taxation

	Year ended 31 May 2023 £000	Period from 27 May 2021 to 31 May 2022 £000
Corporation tax		
Current tax on (losses)/profits for the year/period	-	-
Taxation on (loss)/profit on ordinary activities	<u>-</u>	<u>-</u>

Aardvark Bidco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

11. Taxation (continued)

Factors affecting tax charge for the year/period

The tax assessed for the year/period is higher than (period ended 31 May 2022 - lower than) the standard rate of corporation tax in the UK of 20% (period ended 31 May 2022 - 19%). The differences are explained below:

	Year ended 31 May 2023 £000	Period from 27 May 2021 to 31 May 2022 £000
(Loss)/profit on ordinary activities before tax	(1,211)	5,336
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (period ended 31 May 2022 - 19%)	(242)	1,014
Effects of:		
Expenses not deductible for tax purposes	150	132
Exempt distribution income	(120)	(1,572)
Remeasurement of deferred tax for changes in tax rates	(53)	(134)
Deferred tax not recognised	265	560
Total tax charge for the year/period	-	-

12. Dividends

	2023 £000	2022 £000
Dividend paid	600	-

13. Exceptional administrative expenses

	Year ended 31 May 2023 £000	Period from 27 May 2021 to 31 May 2022 £000
Exceptional administrative expenses	-	693

There were several costs incurred in the prior period which were deemed to be exceptional in nature. These were one-off transaction related costs incurred due to the acquisition of Lostmy.name Ltd and subsidiaries which took place on 22 July 2021.

Aardvark Bidco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

14. Fixed asset investments

	Investments in subsidiary companies £000
Cost	
At 1 June 2022	58,520
At 31 May 2023	<u>58,520</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Lostmy.name Ltd	Publishing books and other personalised products	Ordinary	100%
Lostmy.name Inc*	Process payments received from the USA	Ordinary	100%
Wonderbly Productions Ltd*	Dormant	Ordinary	100%

The registered office of Lostmy.name Ltd and Wonderbly Productions Ltd is the same as the Company.

The registered office for Lostmy.name Inc is 160 Greentree Drive, Suite 101, Dover, Delaware 19904.

* Indirectly held

15. Creditors: Amounts falling due within one year

	2023 £000	2022 £000
Bank Loan (note 17)	804	523
Amounts owed to group undertakings	38,775	36,870
Accruals	215	112
	<u>39,794</u>	<u>37,505</u>

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

Aardvark Bidco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

16. Creditors: Amounts falling due after more than one year

	2023 £000	2022 £000
Bank Loan	15,201	15,679

See note 17 for further information on the loan.

17. Loans

Analysis of the maturity of loans is given below:

	2023 £000	2022 £000
Amounts falling due within one year		
Bank Loan	804	523
Amounts falling due 2-5 years		
Bank Loan	15,201	-
Amounts falling due after more than 5 years		
Bank Loan	-	15,679
	16,005	16,202

On 22 July 2021, the group agreed a rolling credit facility with Santander of £15.5m. The term is for six years and is repayable on 22 July 2027.

On 23 July 2021 this loan was redenominated to USD. Interest on the loan is paid quarterly at a rate of SOFR plus a margin. The average interest rate in the year was around 7.6% (2022 - 4.5%). The bank loans are held net of capitalised arrangement fees of £699,127 (2022 - £816,763).

Capitalised fees are amortised over the life of the loans, with amortisation as of 31 May 2023 totalling £136,127 (2022 - £117,169).

Aardvark Bidco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

18. Share capital

	2023 £000	2022 £000
Allotted, called up and fully paid		
1 (2022 - 1) Ordinary share of £1	-	-

19. Reserves

The Company's capital and reserves are as follows:

Share capital

Share capital represents the nominal value of the shares issued.

Profit and loss account

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

20. Pension commitments

The Company 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 Company to the fund and amounted to £26k (period ended 31 May 2022 - £7k).

21. Related party transactions

The Company has taken advantage of the exemption available under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the Group.

22. Post balance sheet events

On 30 June 2023, Lostmy.Name Ltd, a subsidiary company, purchased the entire share capital of Historical Newspapers Ltd. Part of the purchase by the group was financed with a bank loan from Santander Bank plc held in Aardvark Bidco Ltd.

23. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Aardvark Midco 2 Limited, a company incorporated in England and Wales.

The Ultimate parent undertaking is Aardvark Topco Limited, which is the largest group undertakings to consolidate these financial statements at 31 May 2023. The consolidate financial statements are available to the public and can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF12 3VZ.

In the opinion of the directors there is no one ultimate controlling party.