Impala Bidco Limited

Registered number: 10878303

Annual report and financial statements

For the year ended 31 December 2021

IMPALA BIDCO LIMITED

COMPANY INFORMATION

Directors	G B Kamieniecky J C L Bennet
Registered number	10878303
Registered office	Seventh Floor East West Tollhouse Hill Nottingham NG1 5FS
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor Park View House 58 The Ropewalk Nottingham NG1 5DW

IMPALA BIDCO LIMITED

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Introduction

The Directors present the strategic report of Impala Bidco Limited (the "Company") together with its subsidiaries (the "Group") for the year ended 31 December 2021.

Fair review of the business

Impero's strategy is to increase shareholder value through building a predictable, profitable and cash generative organisation that excels in the development and sale of software.

The year was a transformational year for the Group. Having focused on investments into product development and business infrastructure in the prior year the Group was primed for strategic M&A activity.

With the specific focus on expanding global reach and opening new verticals, on February 5th 2021 the business completed the acquisition of 100% of the share capital of Netop Solutions A/S, a Denmark based technology business with products serving both commercial and educational markets, and operations in Denmark, Romania and the USA. This strategic acquisition provides a broader reach in the US market, while also providing access to the DACH and APAC regions.

The impact of this acquisition was an increase in FY20 pro forma revenue to circa. £13m and a combined EBITDA loss of £1.4m (pre synergies). This acquisition was financed via an equity raise, this provided both funding for the acquisition and additional operating cash for the combined business.

To allow continued focus on M&A, ia bond has been secured under a new entity in the Group, Impala Bondco Plc. The process highlighted the interest from the investment community in the EdTech sector and the Group's position and direction within it. As a result, 75% of the committed value (375m SEK) was utilised to contribute to the acquisition of ContentKeeper Technologies Pty Ltd. The previous debt funding, a bank loan with £2.8m outstanding, was repaid in full following the bond issuance. This acquisition increases FY21 pro forma revenue to circa. £23m with combined EBITDA of £2.7m (pre synergies) – for further information on the acquisition please refer to the post balance sheet events section. The bond has a 3-year term, with quarterly interest payments – interest being calculated as 9% margin plus 3 month STIBOR. As a further demonstration of the positive sentiment and the desire of the Group to have maximum optionality there are no maintenance covenants. There is a reducing leverage test to allow for the remaining commitment to be drawn.

In addition to the bond, the Group secured additional equity investment to facilitate the acquisition of ContentKeeper Technologies Pty Ltd, and to provide additional operating capital to invest in growth – predominantly focusing on Go-to-Market initiatives.

Management team

The Group management team has remained stable for some time, giving a consistent approach to growth and change. Following the acquisitions of both Netop Solutions A/S and ContentKeeper Technologies Pty Ltd the opportunity arose to expand this team to incorporate members from the acquired entities.

Toke Tangkjaer, formerly EVP of the Netop Remote Control business unit having climbed the ranks after joining Netop as a Sales Manager in 2008, was appointed Chief Revenue Officer for the Group. Toke has over 20 years' of experience within the software and technology industry, predominantly within the Sales and Marketing environment.

Mark Riley, previously co-founder and Chief Technology Officer of ContentKeeper Technologies Pty Ltd, was appointed Chief Technology Officer for the Group following the acquisition. Mark has vast knowledge of the industry and technology and will bring this wealth of experience to the Group management team.

Product

Following the acquisitions of Netop Solutions A/S and ContentKeeper Technologies Pty Ltd, the Group has expanded the product offering to both educational and corporate customers. The education offering now incorporates web filtering, classroom management, digital safeguarding, network management and device management. These services being offered as on-premise, cloud or hybrid solutions to best cater for the needs of the customers.

Ongoing development efforts will continue to push the boundaries in terms of both functionality and integration opportunities as the Group continues to drive global expansion.

Strategic M&A

The acquisitions of Netop Solutions A/S and ContentKeeper Technologies Pty Ltd create a combined Group with proforma annual revenue of circa. £23m, and EBITDA of £3m. As noted above, these acquisitions were funded through a combination of additional equity and the issuance of a 3-year bond.

The Group will continue to identify and investigate opportunities for further expansion through M&A and have a well defined strategy in place, supported by demonstrable history of successfully integrating and extracting value from acquired entities.

Principal risks and uncertainties

The Group seeks to maintain knowledge of the current education practice and priorities by maintaining close relationships with customers and policy developments. The Group monitors the education policy environment regularly, incorporating developments in policy wherever possible to the enhancement of its products. The Group's strategy is to focus on areas of education which meet customers' objectives, continually reviewing and updating its products to ensure they are in line with market demand.

Public Policy

Changes in macro-economic conditions, political administration or policy, may result in changing priorities for the funding available to education institutions. The Group focuses on the provision of mission critical solutions to reduce such risks. In addition, the Group monitors the education policy environment, incorporating policy developments as product enhancements where possible.

Education Practice

Education practices and priorities may change and, as a result, the Group's products and services may no longer align with requirements. The Group utilises the Academy team to engage with education practitioners to identify such changes, and where necessary propose product enhancements.

People

As a technology developer and provider the Group has a dependency on highly skilled employees. The Group seeks to be an attractive employer, regularly engaging with employees to continually improve retention. The Group also leverages the expanded geographic locations to offer greater flexibility and target regions where specific skill sets are most prevalent.

Currency / FOREX Risks

Due to the increased global presence, there is increased risk associated with foreign exchange rates. The Group receives most income in US Dollars, while operating costs are spread across several currencies and the bond interest payments are in Swedish Krona. The group operates a weekly cash forecasting process to identify liquidity requirements over both short- and long-term periods across different currencies. Based on this forecasting the Group utilises forward contracts to manage exposure.

Operating Performance

Due to the nature of the Groups activities and the impact of the amortisation of intangible assets the board view Revenue, Gross Margin and EBITDA (Earnings before interest, tax, depreciation and amortisation) as the key metrics to assess operational performance.

Revenue

As a result of both organic growth and the acquisition of Netop the Group has seen revenues increase by 102% from £6,317k in FY20 to £12,808k in FY21.

Gross Margin

The Gross Margin for the Group has increased to 87% in FY21, from 79% in FY20. This was driven by a combination of improvements in infrastructure efficiency and the revised product mix following the Netop acquisition as this increased the volume of perpetual licence and maintenance sales.

EBITDA

The strategic focus of the Group is to drive both top line growth and EBITDA expansion through both organic and inorganic growth. FY21 closed with EBITDA of £466k, which is an improvement of £2,695k over FY20s result of (£2,229k). This improvement in EBITDA was largely driven by the integration of Netop and the savings recognised through restructuring and removing duplicative costs and roles.

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

J C L Bennet
Director

Date: 29/9/22

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their annual report and the audited consolidated financial statements for the year ended 31 December 2021.

Principal activity

The principal activity of the Company is that of a holding company.

The principal activity of the Group is that of the provision of education software design and support services.

Results and dividends

The loss for the year, after taxation, amounted to £8,976k (2020 - loss £6,762k).

No ordinary dividends were paid. The Directors do not recommend payment of a further dividend.

Directors

The Directors who served during the year were:

G B Kamieniecky
J C L Bennet

Financial risk management and objectives

The Directors constantly monitor the risks and uncertainties facing the Group with particular reference to the exposure to liquidity risk and foreign currency risk, in order to mitigate against these risks where appropriate and feasible.

The Group's principal financial instruments comprise cash and a listed bond. The purpose of the bond was to finance, together with additional equity investment, the acquisition of ContentKeeper Technologies Pty Ltd.

The Group has various other financial assets and liabilities such as trade debtors and trade creditors, which arise directly from its operations.

The Group has sufficient liquid assets to be able to meet its day-to-day working capital requirements through the normal course of trade.

The Group has net current assets of £8,059k (2020 - net current liabilities of £1,909k). This excludes deferred income of £3,622k (2020 - £2,789k) which is to be settled not in cash but in services provided.

The Directors are therefore confident that the Group will continue to pay its debts as they fall due for the foreseeable future.

Matters covered in the group strategic report

The Company has chosen, in accordance with section 41C(11) of the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 to set out in group's strategic report certain information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

Future developments

Details of future developments can be found in the group strategic report and form part of this report by cross reference.

Going concern

The ability of the Company to operate as a going concern is inextricably linked with the ability of the Company and its subsidiaries (together the "Group") to continue to operate as a going concern. The Group raised a SEK 375m bond on 22 October 2021, which matures in October 2024. This bond has no maintenance covenants attached, just a leverage test to allow further borrowing from the remaining available SEK 125m. In addition to the bond, there were additional equity raises to support each acquisition. Approximately £5m of the money raised was intended, and is being used, to support the ongoing operating cashflows and to continue the expansion of Impero's global presence, product development and go-to-market capabilities.

The Directors have closely managed the Group response to Covid-19. The longstanding strategic focus on developing forecastable cash and revenue by utilising multi-year contracts while offering annual payment terms has provided stability through the impacted period. From a market perspective, this has now stabilised with educational institutions developing capacity for hybrid learning models – which is accelerating the adoption of, and investment into, technology solutions. The Group leveraged remote working to ensure continued support, development and general operating. This has proven a successful transition which has both improved productivity and provided the necessary flexibility to employees.

The Directors have also considered the impact of the invasion of Ukraine and resulting sanctions. The Group has one relationship with a reseller based in Russia, accounting for less than 0.3% of revenue. This relationship has been placed on hold and the Group legal team are continuing to review and manage sanction compliance.

The Directors have performed detailed, monthly cash flow projections for the Group, covering the period from March 2022 to December 2023. These projections have included sensitivities relating to customers' extended payment terms from contractual terms (which have generally been adhered to historically). These projections show that there is sufficient headroom to maintain day to day operations and the quarterly interest payments. However, as would be expected there is a need for new customer wins in order to achieve these projections. There has already been positive indication of the value and scale of opportunities of the combined product set, in February 2022 the Group secured a new US district who purchased the combination of the web filtering and classroom management solutions with an annual value of circa. £234k.

Based upon the current level of liquidity and strength of forecasts for the enlarged Group the Directors believe that there is sufficient evidence that the Group, and each company within the Group, will be able to meet its obligations, as and when they fall due, for the foreseeable future and therefore the going concern basis of preparation has been adopted in these financial statements.

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 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;
- 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.

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

Post balance sheet events

With the specific focus on expanding global reach and opening new verticals, the business acquired 100% of the share capital of ContentKeeper Technologies Pty Ltd, an Australian technology business with products serving both commercial and educational markets, and operations in Australia and the USA. This strategic acquisition further extends offerings and reach in the US market, while also increasing access to the APAC region. Due to the timing of this acquisition, it has been determined to be a non-adjusting event. For further details please refer to the strategic report.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Auditor

The auditor, Mazars 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.

J C L Bennet
Director

Date: 29/9/22.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IMPALA BIDCO LIMITED

Opinion

We have audited the financial statements of Impala Bidco Limited (the 'Group and Parent Company') for the year ended 31 December 2021 which comprise the consolidated statement of comprehensive income, the consolidated and Company statement of financial positions, the consolidated statement of cash flows, the consolidated analysis of net debt 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of the Group's and of the Parent Company'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 "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 and 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 light of the knowledge and understanding of the Group and of the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the group strategic report and 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.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 6, 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 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 intend either to liquidate the Group and the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the Group and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to, revenue recognition (which we pinpointed to the cut off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IMPALA BIDCO LIMITED

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. This description forms part of our auditor's report.

Use of the audit 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.

Alistair Wesson (Senior Statutory Auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £000	2020 £000
Turnover	4	12,808	6,317
Cost of sales		(1,661)	(1,351)
Gross profit		11,147	4,966
Administrative expenses		(15,238)	(11,574)
Exceptional administrative expenses	13	(3,573)	(184)
Other operating income	5	-	2
Operating loss	6	(7,664)	(6,790)
Interest receivable and similar income	10	3	-
Interest payable and similar expenses	11	(898)	(207)
Loss before taxation		(8,559)	(6,997)
Tax on loss	12	(417)	235
Loss for the financial year		(8,976)	(6,762)
Currency translation differences		66	40
Other comprehensive income for the year		66	40
Total comprehensive income for the year		(8,910)	(6,722)
(Loss) for the year attributable to:			
Owners of the parent Company		(8,976)	(6,762)

The notes on pages 19 to 40 form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Note		2021 £000		2020 £000
Fixed assets					
Intangible assets	**14**		29,647		19,016
Tangible assets	**15**		164		232
			29,811		19,248
Current assets					
Debtors	**17**	20,376		1,406	
Cash at bank and in hand	**18**	3,408		701	
		23,784		2,107	
Creditors: Amounts falling due within one year	**19**	(15,725)		(4,016)	
Net current assets/(liabilities)			8,059		(1,909)
Total assets less current liabilities			37,870		17,339
Creditors: Amounts falling due after more than one year	**20**		(2,836)		(6,268)
Provisions for liabilities					
Deferred taxation			(703)		(881)
Net assets			34,331		10,190
Capital and reserves					
Called up share capital	**23**		520		2,730
Share premium account	**24**		14,138		24,570
Other reserves	**24**		100		100
Profit and loss account	**24**		19,573		(17,210)
			34,331		10,190

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

J C L Bennet
Director

Date: 29/9/22

The notes on pages 19 to 40 form part of these financial statements.

IMPALA BIDCO LIMITED
REGISTERED NUMBER: 10878303

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note		2021 £000		2020 £000
Fixed assets					
Investments	16		30,094		30,094
			30,094		30,094
Current assets					
Debtors	17	33,752		2,999	
Cash at bank and in hand	18	2,727		-	
		36,479		2,999	
Creditors: Amounts falling due within one year	19	(7,899)		(4,327)	
Net current assets/(liabilities)			28,580		(1,328)
Total assets less current liabilities			58,674		28,766
Creditors: Amounts falling due after more than one year	20		-		(2,715)
Net assets			58,674		26,051
Capital and reserves					
Called up share capital	23		520		2,730
Share premium account	24		14,138		24,570
Other reserves	24		100		100
Profit and loss account brought forward		(1,349)		(978)	
Loss for the year		(428)		(371)	
Shares cancelled during the year	23	45,693		-	
Profit and loss account carried forward			43,916		(1,349)
			58,674		26,051

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

J C L Bennet
Director

Date: 29/9/22.

The notes on pages 19 to 40 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Share premium account	Share based payment reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 January 2021	2,730	24,570	100	(17,210)	10,190
Comprehensive income for the year					
Loss for the year	-	-	-	(8,976)	(8,976)
Currency translation differences	-	-	-	66	66
Total comprehensive income for the year	-	-	-	(8,910)	(8,910)
Shares issued during the year	1,950	31,101	-	-	33,051
Shares cancelled during the year	(4,160)	(41,533)	-	45,693	-
Total transactions with owners	(2,210)	(10,432)	-	45,693	33,051
At 31 December 2021	520	14,138	100	19,573	34,331

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Share premium account	Share based payment reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 January 2020	2,730	20,561	100	(10,386)	13,005
Comprehensive income for the year					
Loss for the year	-	-	-	(6,762)	(6,762)
Currency translation differences	-	-	-	40	40
Total comprehensive income for the year	-	-	-	(6,722)	(6,722)
Shares issued during the year	-	4,009	-	-	4,009
Prior year translation reserve	-	-	-	(102)	(102)
Total transactions with owners	-	4,009	-	(102)	3,907
At 31 December 2020	2,730	24,570	100	(17,210)	10,190

The notes on pages 19 to 40 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Share premium account	Share based payment reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 January 2021	2,730	24,570	100	(1,349)	26,051
Comprehensive income for the year					
Loss for the year	-	-	-	(428)	(428)
Total comprehensive income for the year	-	-	-	(428)	(428)
Shares issued during the year	1,950	31,101	-	-	33,051
Shares cancelled during the year	(4,160)	(41,533)	-	45,693	-
Total transactions with owners	(2,210)	(10,432)	-	45,693	33,051
At 31 December 2021	520	14,138	100	43,916	58,674

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Share premium account	Share based payment reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 January 2020	2,284	20,561	100	(978)	21,967
Comprehensive income for the year					
Loss for the year	-	-	-	(371)	(371)
Total comprehensive income for the year	-	-	-	(371)	(371)
Shares issued during the year	446	4,009	-	-	4,455
Total transactions with owners	446	4,009	-	-	4,455
At 31 December 2020	2,730	24,570	100	(1,349)	26,051

The notes on pages 19 to 40 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £000	2020 £000
Cash flows from operating activities		
Loss for the financial year	(8,976)	(6,762)
Adjustments for:		
Amortisation of intangible assets	4,456	4,499
Depreciation of tangible assets	101	62
Interest paid	898	142
Interest received	(3)	-
Taxation charge	417	(235)
(Increase)/decrease in debtors	(18,012)	1,355
Decrease in creditors	(3,882)	(979)
Increase in amounts owed to parent undertakings	7,576	-
Corporation tax paid	(43)	(128)
Amortisation of debt fees	60	65
Net cash generated from operating activities	(17,408)	(1,981)
Cash flows from investing activities		
Purchase of intangible fixed assets	(888)	(781)
Purchase of tangible fixed assets	(82)	(78)
Purchase of fixed asset investments	(11,110)	-
Interest received	3	-
Net cash from investing activities	(12,077)	(859)
Cash flows from financing activities		
Issue of ordinary shares	33,051	4,455
Repayment of bank loans	(570)	(1,122)
Other new loans	10	-
Interest paid	(299)	(142)
Net cash used in financing activities	32,192	3,191
Net increase in cash and cash equivalents	2,707	351
Cash and cash equivalents at beginning of year	701	350
Cash and cash equivalents at the end of year	3,408	701

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £000	2020 £000
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	3,408	701

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2021

	At 1 January 2021 £000	Cash flows £000	Acquisition and disposal of subsidiaries £000	At 31 December 2021 £000
Cash at bank and in hand	701	1,328	1,379	3,408
Debt due after 1 year	(2,715)	1,642	-	(1,073)
Debt due within 1 year	(17)	(1,290)	-	(1,307)
	(2,031)	1,680	1,379	1,028

The notes on pages 19 to 40 form part of these financial statements.

1. General information

Impala Bidco Limited, registered number: 10878303, presents its financial statements for the year ended 31 December 2021.

The Company is a private Company, limited by shares and is registered in England. The address of the registered office is Seventh Floor, East West, Tollhouse Hill, Nottingham, England, NG1 5FS.

The Group's and Company's principal activities are disclosed in the director's report.

The presentation currency for the financial statements is Pound Sterling (£'000) as this is the currency of the primary economic environment in which the Company operates and is rounded to the nearest thousand.

A summary of the Group's accounting policies, which have been consistently applied, are set out below:

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 judgement 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.

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 statement of financial position, 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. Accounting policies (continued)

2.3 Going concern

The ability of the Company to operate as a going concern is inextricably linked with the ability of the Company and its subsidiaries (together the "Group") to continue to operate as a going concern. The Group raised a SEK 375m bond on 22 October 2021, which matures in October 2024. This bond has no maintenance covenants attached, just a leverage test to allow further borrowing from the remaining available SEK 125m. In addition to the bond, there were additional equity raises to support each acquisition. Approximately £5m of the money raised was intended, and is being used, to support the ongoing operating cashflows and to continue the expansion of Impero's global presence, product development and go-to-market capabilities.

The Directors have closely managed the Group response to Covid-19. The longstanding strategic focus on developing forecastable cash and revenue by utilising multi-year contracts while offering annual payment terms has provided stability through the impacted period. From a market perspective, this has now stabilised with educational institutions developing capacity for hybrid learning models – which is accelerating the adoption of, and investment into, technology solutions. The Group leveraged remote working to ensure continued support, development and general operating. This has proven a successful transition which has both improved productivity and provided the necessary flexibility to employees.

The Directors have also considered the impact of the invasion of Ukraine and resulting sanctions. The Group has one relationship with a reseller based in Russia, accounting for less than 0.3% of revenue. This relationship has been placed on hold and the Group legal team are continuing to review and manage sanction compliance.

The Directors have performed detailed, monthly cash flow projections for the Group, covering the period from March 2022 to December 2023. These projections have included sensitivities relating to customers' extended payment terms from contractual terms (which have generally been adhered to historically). These projections show that there is sufficient headroom to maintain day to day operations and the quarterly interest payments. However, as would be expected there is a need for new customer wins in order to achieve these projections. There has already been positive indication of the value and scale of opportunities of the combined product set, in February 2022 the Group secured a new US district who purchased the combination of the web filtering and classroom management solutions with an annual value of circa. £234k.

Based upon the current level of liquidity and strength of forecasts for the enlarged Group the Directors believe that there is sufficient evidence that the Group, and each company within the Group, will be able to meet its obligations, as and when they fall due, for the foreseeable future and therefore the going concern basis of preparation has been adopted in these financial statements.

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.

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

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. Accounting policies (continued)

2.5 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover is recognised in relation to separately identifiable components of a single transactions when necessary to reflect the substance of the arrangement and in relation to tow or more linked transactions when necessary to understand the commercial effect.

Perpetual license fees are recognised at the point of invoicing when the significant risks and rewards of ownership of the license have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably, whereas annual license and support fees are recognised over the term of the relevant contract. The proportion of support fees recognised at the point of invoice or on a straight line basis over the period varies by product. This variation specifically focuses on the buyers access to enhancements and additional functionality on an ongoing basis versus an upgrade fee being applicable.

Where revenue relates to the provision of software under a license agreement, revenue is recognised on a straight line basis over the period of the license.

2.6 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.7 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

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

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 profit or loss 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. Accounting policies (continued)

2.10 Borrowing costs

All borrowing costs are recognised in the consolidated statement of comprehensive income in the year in which they are incurred.

2.11 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 profit or loss 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 Group in independently administered funds.

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

2.13 Exceptional items

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

2. Accounting policies (continued)

2.14 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, which is not more than 10 years.

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.

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.

Amortisation is provided on the following bases:

Intellectual property	-	20 % on a straight line basis
Development costs	-	20 % on a straight line basis
Customer relationships	-	10 % on a straight line basis
Software	-	10 % - 33% on a straight line basis

2.15 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Leasehold improvements	-	10% on a reducing balance basis
Fixtures and fittings	-	25% on a reducing balance basis
Computers	-	33% on a straight line basis

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 profit or loss.

2. Accounting policies (continued)

2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.17 Debtors

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

2.18 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.

2.19 Creditors

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

2.20 Financial instruments

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 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.

2. Accounting policies (continued)

2.20 Financial instruments (continued)

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 reporting date.

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

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these 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.

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Revenue recognition
Management judgement is required in assessing the point at which revenue should be recognised Revenue is recognised at the point when the significant risks and rewards of ownership have passed to the buyer, the amount of revenue can be measured reliably, and it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably. The key judgement relates to the unbundling of the perpetual licence and support elements of combined sales. The value of deferred income at the period end included in creditors is £5,385k (2020 - £6,343k).

Intangible development costs
Management judgement is required in assessing whether or not expenditure meets the recognition criteria for capitalisation of internally generated development costs as an intangible asset. The key judgement is assessing the technical feasibility such that the asset will be available for sale. The carrying value of development costs at the year end is £2,874k (2020 - 1,560k) (see note 14).

Key sources of estimation and uncertainty
The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Impairment of goodwill and other intangible assets
Determining whether goodwill or other intangible assets are impaired required an estimation of the value in use of the asset or cash generating units to which they have been allocated or belong. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the asset or cash generating unit and a suitable discount rate in order to calculate present value. The carrying value of goodwill and other intangible assets at the year end is £29,647k (2020 - £19,016k) (see note 14).

4. Turnover

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

	2021 £000	2020 £000
Software and support services	12,808	6,317

Analysis of turnover by country of destination:

	2021 £000	2020 £000
United Kingdom	3,145	3,132
Rest of Europe	2,855	254
Rest of the world	6,808	2,931
	12,808	6,317

5. Other operating income

	2021 £000	2020 £000
RDEC Grant Income	-	2

6. Operating loss

The operating loss is stated after charging/(crediting)

	2021 £000	2020 £000
Exchange losses/(gains)	42	(72)
Depreciation of tangible assets	101	62
Amortisation of intangible assets	4,456	4,499

7. Auditor's remuneration

	2021 £000	2020 £000
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	57	50

Fees payable to the Group's auditor in respect of:

All other services	14	12

8. Employees

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

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Wages and salaries	7,288	4,473	-	-
Social security costs	575	503	-	-
Cost of defined contribution scheme	193	11	-	-
Capitalised as intangible asset	(821)	(671)	-	-
	7,235	4,316	-	-

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

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Sales and marketing	43	42	-	-
Technical	78	48	-	-
Finance and admin	27	16	2	2
	148	106	2	2

9. Directors' remuneration

The Directors received no remuneration in respect of their services to the Company or the Group.

10. Interest receivable

	2021 £000	2020 £000
Other interest receivable	3	-

11. Interest payable and similar expenses

	2021 £000	2020 £000
Bank interest payable	239	142
Amortisation of debt fees capitalised	60	65
Other finance costs	599	-
	898	207

12. Taxation

	2021 £000	2020 £000
Corporation tax		
Current tax on profits for the year	-	6
Foreign tax		
Current foreign tax charge	595	43
Total current tax	595	49
Deferred tax		
Origination and reversal of timing differences	(178)	(218)
Adjustment in respect of prior years	-	(66)
Total deferred tax	(178)	(284)
Taxation on profit/(loss) on ordinary activities	417	(235)

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is £417k, this is an increase on FY20 due to revenue expansion in overseas subsidiaries. The standard rate of corporation tax in the UK is 19% (2020 - 19%). The differences are explained below:

	2021 £000	2020 £000
Loss on ordinary activities before tax	(8,559)	(6,997)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(1,626)	(1,329)
Effects of:		
Expenses not deductible for tax purposes	865	381
Adjustments to tax charge in respect of prior periods	-	(66)
Remeasurement of deferred tax for changes in tax rates	(318)	43
Difference in overseas tax rates	57	4
Depreciation on assets not qualifying for tax allowances	162	2
Research and development tax credit	22	22
Deferred tax not recognised	1,255	708
Total tax charge for the year	417	(235)

Factors that may affect future tax charges

The UK government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50k or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50k and £250k, the higher 25% rate will apply but with a marginal relief applying as profits increase.

13. Exceptional items

	2021 £000	2020 £000
Exceptional management costs	-	57
Exceptional acquisition costs	3,573	127
	3,573	184

Exceptional costs relate to expenses incurred relating to exceptional managements costs and professional fees relating to the 2021 acquisition of Netop and fund raising activities.

14. Intangible assets

Group and Company

	Intellectual property £000	Development costs £000	Customer relationships £000	Software £000	Goodwill £000	Total £000
Cost						
At 1 January 2021	2	3,343	3,495	7,837	19,390	34,067
Additions	-	829	-	59	12,537	13,425
On acquisition	-	1,890	-	-	-	1,890
Impairment	-	(988)	-	-	-	(988)
At 31 December 2021	2	5,074	3,495	7,896	31,927	48,394
Amortisation						
At 1 January 2021	1	1,783	1,193	5,397	6,677	15,051
Charge for the year	-	1,177	-	86	3,193	4,456
Impairment	-	(748)	-	-	-	(748)
Foreign exchange movement	-	(12)	-	-	-	(12)
At 31 December 2021	1	2,200	1,193	5,483	9,870	18,747
Net book value						
At 31 December 2021	1	2,874	2,302	2,413	22,057	29,647
At 31 December 2020	1	1,560	2,302	2,440	12,713	19,016

Included within development costs is development costs in progress that are not being amortised of £1,776k

15. Tangible fixed assets

Group

	Leasehold improvements £000	Fixtures and fittings £000	Computers £000	Total £000
Cost or valuation				
At 1 January 2021	164	115	416	695
Additions	-	-	82	82
On acquisition	10	-	37	47
At 31 December 2021	174	115	535	824
Depreciation				
At 1 January 2021	58	95	310	463
Charge for the year	14	6	81	101
Impairment	96	-	-	96
At 31 December 2021	168	101	391	660
Net book value				
At 31 December 2021	6	14	144	164
At 31 December 2020	106	20	106	232

16. Fixed asset investments

Company

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2021	30,094
At 31 December 2021	30,094

16. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Impero Holdings Limited	1	Holding company	Ordinary	100%
Impero Developments Limited*	1	Holding company	Ordinary	100%
Impero Solutions Limited*	1	Provision of software design and support	Ordinary	100%
Impero International Limited*	1	Development and awareness of Impero Brand	Ordinary	100%
Impero Trustee Limited*	1	Trustee company	Ordinary	100%
Impero Solutions Inc*	2	Provision of software design and support	Ordinary	100%
Safeguarding Monitor Limited*	1	Provision of software design and support	Ordinary	100%
Impero Holdings Denmark A/S*	3	Holding company	Ordinary	100%
Netop Solutions A/S*	4	Holding company	Ordinary	100%
Netop Business Solutions A/S*	4	Provision of software design and support	Ordinary	100%
Netop Tech Inc*	5	Provision of software design and support	Ordinary	100%
Netop Tech Development Center SRL*	6	Provision of software design and support	Ordinary	100%
Netop Tech SRL*	6	Provision of software design and support	Ordinary	100%

1) Seventh Floor, East West, Tollhouse Hill, Nottingham, England, NG1 5FS
2) 823 Congress Avenue, Suite 1410, Austin, TX, 78701
3) c/o Nivaro Law, Gustav Adolfs Gade 52100, Copenhagen, Denmark
4) Bregnerødvej 139, 3460 Birkerød, Denmark
5) 10300 SW Greenburg Rd, Bldg 1, Suite 303, Portland OR 97223
6) Str. Principatele Unite 46 48, Sector 4, Bucharest, Romania

* denotes companies which were indirect subsidiary undertakings of Impala Bidco Limited.

17. Debtors

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Trade debtors	2,642	1,177	-	-
Amounts owed by group undertakings	-	-	17,700	2,999
Amounts owed by related undertakings	15,982	-	15,982	-
Other debtors	1,386	7	70	-
Prepayments and accrued income	366	222	-	-
	20,376	1,406	33,752	2,999

Amounts owed by group and related undertakings are unsecured, interest free and repayable on demand.

Included within trade debtors are amounts of £Nil (2020 - £355k) due in greater than one year.

18. Cash and cash equivalents

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Cash at bank and in hand	3,408	701	2,727	-

19. Creditors: Amounts falling due within one year

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Loan notes	1,072	-	-	-
Other loans	235	-	-	-
Trade creditors	312	383	-	-
Amounts owed to group undertakings	-	-	246	4,294
Amounts owed to parent undertakings	7,576	-	7,576	-
Corporation tax	601	49	-	-
Other taxation and social security	181	162	-	-
Other creditors	735	22	-	-
Accruals and deferred income	5,013	3,400	77	33
	15,725	4,016	7,899	4,327

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

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

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Bank loans	-	2,715	-	2,715
Loan notes	1,073	-	-	-
Accruals and deferred income	1,763	3,553	-	-
	2,836	6,268	-	2,715

Bank loans are stated net of debt fees capitalised of £Nil (2020 - £98k) of which £Nil (2020 - £65k) has been amortised in the year. Debt fees due within one year of £Nil (2020 - £65k) and debt fees due after more than one year £Nil (2020 - £33k).

21. Loans

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Amounts falling due within one year				
Loan notes	1,072	-	-	-
Other loans	235	-	-	-
Amounts falling due 1-2 years				
Bank loans	-	2,715	-	2,715
Loan notes	1,073	-	-	-
	1,073	2,715	-	2,715
	2,380	2,715	-	2,715

The long-term loans are secured by a fixed and floating charges over the assets of the Company, and crossparty guarantees provided by the Company's subsidiaries.

Bank loans are stated net of debt fees capitalised of £Nil (2020 - £98k) of which £Nil (2020 - £65k) has been amortised in the year. Debt fees due within one year of £Nil (2020 - £65k) and debt fees due after more than one year £Nil (2020 - £33k).

The bank loan is repaid in quarterly installments from August 2017. During the year, the bank loan was repaid in full.

Interest was charged at LIBOR plus a margin of between 3.25% and 3.75% dependant on the ratio of total debt to adjusted EBITDA.

22. Deferred taxation

Group

	2021 £000	2020 £000
At beginning of year	(881)	(1,165)
Charged to profit or loss	178	284
At end of year	(703)	(881)

	Group 2021 £000	Group 2020 £000
Fair value adjustment of intangibles at acquisition	(703)	(881)

23. Share capital

	2021 £000	2020 £000
Allotted, called up and fully paid		
52,003,479 (2020 - 27,300,170) Ordinary shares of £0.01 (2020 - £0.10) each	520	2,730

On 4 February 2021, the Company issued 18,118,216 Ordinary £0.10 shares at £1 each, generating a premium per share of 90p.

On 4 March 2021, the Company issued 799,744 Ordinary £0.10 shares at £1 each, generating a premium per share of 90p.

On 6 May 2021, the Company agreed via Special Resolution that the nominal value of Ordinary shares to be reduced from £0.10 to £0.01 and cancel the capital to the extent of £0.09 on each issued fully paid up ordinary share, together with the resulting cancellation of the share premium account at that point.

On 31 December 2021, the Company issued 5,785,349 Ordinary £0.01 shares at £2.44 each. generating a premium per share of £2.43.

24. Reserves

Share premium account

The share premium account represents the amount above the nominal value received for issued share capital, less transaction costs.

Share based payment reserve

The share based payment reserve represents the fair value of options granted to employees.

Profit and loss account

The profit and loss account represents the cumulative profits and losses of the Company.

25. Business combinations

On 5 February 2021 the business acquired 100% of the share capital of Netop Solutions A/S, a Denmark based technology business with products serving both commercial and educational markets, and operations in Denmark, Romania and the USA. The acquisition is accounted for under the acquisition method. The transaction is detailed below:

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £000	Fair value adjustments £000	Fair value £000
Fixed Assets			
Tangible	47	-	47
Intangible	2,525	(635)	1,890
	2,572	(635)	1,937
Current Assets			
Debtors	957	-	957
Cash at bank and in hand	1,379	-	1,379
Total Assets	4,908	(635)	4,273
Creditors			
Due within one year	(6,351)	3,021	(3,330)
Due after more than one year	(225)	-	(225)
Total Identifiable net (liabilities)/assets	(1,668)	2,386	718
Goodwill			12,537
Total purchase consideration			13,255

25. Business combinations (continued)

Consideration

	£000
Cash	11,110
Loan notes	2,145
Total purchase consideration	13,255

Cash outflow on acquisition

	£000
Purchase consideration settled in cash, as above	11,110
	11,110
Less: Cash and cash equivalents acquired	(1,379)
Net cash outflow on acquisition	9,731

26. Contingent liabilities

The Group is party to a cross guarantee in respect of bank borrowings with a connected company, Impala Bondco plc. At 31 December 2021, the total amount outstanding under this guarantee was £1,849k (2020 - £Nil).

27. Pension commitments

The Company contributes to defined contribution pension schemes for the benefit of the Directors and employees. Contributions are charged to the consolidated profit and loss account as payable. The charge to the consolidated profit and loss account for the period was £193k (2020 - £11k). Contributions totalling £22k (2020 - £19k) were included within other creditors at the period end.

28. Commitments under operating leases

At 31 December 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £000	Group 2020 £000
Not later than 1 year	448	282
Later than 1 year and not later than 5 years	755	1,016
Later than 5 years	377	-
	1,580	1,298

29. Related party transactions

Impala Bidco Limited has taken advantage of the exemption contained in Section 33 of FRS 102 - "Related Party Disclosures" and therefore has not disclosed transactions or balances with entities which are wholly owned members of the Impala Bidco Limited group.

During the year, the Group received services totalling £961k (2020 - £304k) from Calligo Limited, a company under common control within the Group. At 31 December 2021, £133k (2020 - £61k) is owed to Calligo Limited.

The remuneration of key management personnel of the Group, some of whom are also Directors of subsidiary companies, for the year is £774k (2020 - £469k).

30. Post balance sheet events

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide and an economic ripple effect on the global economy. The Directors have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and have concluded that this is a non-adjusting post balance sheet event.

The with the greatest impact on the business expected to be from the economic ripple effect on the global economy. The Directors have taken account of these potential impacts in their going concern assessments.

With the specific focus on expanding global reach and opening new verticals, the business acquired 100% of the share capital of ContentKeeper Technologies Pty Ltd, an Australian technology business with products serving both commercial and educational markets, and operations in Australia and the USA. This strategic acquisition further extends offerings and reach in the US market, while also increasing access to the APAC region. Due to the timing of this acquisition, it has been determined to be a non-adjusting event. For further details please refer to the strategic report.

Subsequent to the year end the Company issued 13,538,429 Ordinary shares.

31. Ultimate parent undertaking and controlling party

The Company is a wholly owned subsidiary undertaking of Impala Holdings Limited, a company registered in the Cayman Islands, the immediate parent company.

Investcorp Bank B.S.C., a company registered in Bahrain, is considered to be the ultimate parent undertakings.

Investcorp Technology Partners IV L.P., in the Cayman Islands is the largest company for which consolidated financial statements including Impala Bidco Limited are prepared.