Impala Bondco PLC

Registered number: 13393061

Annual report and Non-statutory financial statements

For the period ended 31 December 2021

COMPANY INFORMATION

Directors	G B Kamieniecky J C L Bennet
Registered number	13393061
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 BONDCO PLC

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ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2021

The Directors present their annual report and the audited non-statutory consolidated financial statements for the period ended 31 December 2021.

Directors' responsibilities statement

The Directors are responsible for preparing the annual report and the non-statutory consolidated financial statements in accordance with applicable law and regulations.

The Directors have elected to prepare the non-statutory consolidated 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 non-statutory 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. 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.

Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the non-statutory consolidated financial statements.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this annual 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.

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

J C L Bennet
Director

DocuSigned by:
Julian Bennet
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Date: Sep-29-2022 | 20:35 BST

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF IMPALA BONDCO PLC

Opinion

We have audited the non-statutory consolidated financial statements of Impala Bondco PLC (the 'Parent Company') and its subsidiaries (the 'Group) for the period ended 31 December 2021 which comprise the Group profit and loss account, the Group and Company statement of financial positions, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies.

The non-statutory financial statements are based from the date of inception of Impala Bondco PLC to the reporting date, as opposed to the date from which Impala Bondco PLC legally became the parent entity in January 2022, which is subsequent to the reporting date.

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, except for the effects of the matter described in the "Basis for Qualified Opinion" section of our report, the non-statutory consolidated 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 period then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for Qualified opinion

Owing to the basis of preparation of the non-statutory financial statements as set out in note 2, specifically with reference to the Director's estimation of the net assets upon acquisition, we were unable to obtain sufficient audit evidence regarding intangible and the allocation of working capital balances within the consolidated statement of cash flows.

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 qualified opinion.

Emphasis of Matter

In forming our opinion on the non statutory consolidated financial statements, we have considered the adequacy of the disclosures and the potential impact on these non statutory consolidated financial statements as made in note 2. These specifically concern the basis of preparation of the these non statutory consolidated financial statements and the assumptions made by the directors concerning the basis of consolidation, the reported results for the period, the value of net assets up on the assumed acquisition date, the assumed cost of investment for the consolidating parent and the adequacy of the disclosures in light of these being non statutory consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF IMPALA BONDCO PLC

Conclusions relating to going concern

In auditing the non-statutory consolidated 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 non-statutory consolidated 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 non-statutory consolidated 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 non-statutory consolidated 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 non-statutory consolidated 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 non-statutory consolidated 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.

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 annual report.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 1, the Directors are responsible for the preparation of the non-statutory consolidated 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 non-statutory consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-statutory consolidated 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 non-statutory consolidated 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 the non-statutory consolidated 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 the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the non-statutory consolidated 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 Group and the Parent 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 Group and the Parent 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 and pension legislation.

In addition, we evaluated the Directors' and management’s incentives and opportunities for fraudulent manipulation of the non-statutory consolidated financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance 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.

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

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.

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 directors 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 directors 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 directors for our audit work, for this report, or for the opinions we have formed.

Mazars LLP

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

Date: 29 September 2022

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

	Note	2021 £000
Turnover	4	2,568
Cost of sales		(243)
Gross profit		2,325
Administrative expenses		(1,378)
Exceptional administrative expenses	10	(2,045)
Operating loss	5	(1,098)
Interest receivable and similar income	7	774
Interest payable and similar expenses	8	(742)
Loss before taxation		(1,066)
Tax on loss	9	(49)
Loss for the financial period		(1,115)
Currency translation differences		761
Other comprehensive income for the period		761
Total comprehensive income for the period		(354)
Loss for the period attributable to:		
Owners of the parent Company		(1,115)

The notes on pages 11 to 27 form part of these non-statutory financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note		31 December 2021 £000
Fixed assets			
Intangible assets	11		51,885
Tangible assets			164
			52,049
Current assets			
Debtors	13	72,228	
Cash at bank and in hand		4,126	
		76,354	
Creditors: Amounts falling due within one year	14	(43,924)	
Net current assets			32,430
Total assets less current liabilities			84,479
Creditors: Amounts falling due after more than one year	15		(35,750)
Net assets			48,729
Capital and reserves			
Called up share capital	18		1,994
Share premium account	19		47,089
Profit and loss account	19		(354)
			48,729

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

J C L Bennet
Director

DocuSigned by:
Julian Bennet
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Date: Sep-29-2022 | 20:35 BST

The notes on pages 11 to 27 form part of these non-statutory financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note		31 December 2021 £000
Fixed assets			
Investments	**12**		63,952
			63,952
Current assets			
Debtors	**13**	48,245	
Cash at bank and in hand		3,445	
		51,690	
Creditors: Amounts falling due within one year	**14**	(34,840)	
Net current assets			16,850
Total assets less current liabilities			80,802
Creditors: Amounts falling due after more than one year	**15**		(32,914)
Net assets			47,888
Capital and reserves			
Called up share capital	**18**		1,994
Share premium account	**19**		47,089
Loss for the period		(1,195)	
Profit and loss account carried forward			(1,195)
			47,888

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

J C L Bennet
Director

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The notes on pages 11 to 27 form part of these non-statutory financial statements.

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

	31 December 2021 £000
Cash flows from operating activities	
Loss for the financial period	(1,115)
Adjustments for:	
Amortisation of intangible assets	1,134
Depreciation of tangible assets	33
Interest paid	742
Interest received	(774)
Taxation charge	49
Increase in debtors	(74,227)
Increase in creditors	43,779
Corporation tax received	26
Net cash used in operating activities	(30,353)
Cash flows from investing activities	
Purchase of intangible fixed assets	(49,634)
Purchase of tangible fixed assets	(265)
Interest received	3
Net cash used in investing activities	(49,896)
Cash flows from financing activities	
Issue of ordinary shares	49,083
New secured loans	35,294
Interest paid	(2)
Net cash generated from financing activities	84,375
Net increase in cash and cash equivalents	4,126
Cash and cash equivalents at the end of period	4,126
Cash and cash equivalents at the end of period comprise:	
Cash at bank and in hand	4,126

The notes on pages 11 to 27 form part of these non-statutory financial statements.

1. General information

Impala Bondco PLC, registered number: 13393061, presents its financial statements for the period ended 31 December 2021.

The Company has shortened its period end to align it with the rest of the Impala Bidco Limited group.

The presentation currency for the financial statements is Pound Sterling (£'000) as this is the currency of the primary economic environment in which the Group 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 non-statutory financial statements

The non-statutory 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.

The preparation of non-statutory 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).

In addition to the statements above, the directors have applied the following assumptions in preparing these non-statutory financial statements;

- The directors have based the consolidation on an assumption that Impala Bondco PLC was the consolidating parent entity from November 2021 when it legally became the parent entity from January 2022;
- That the results included in the consolidated statement of comprehensive income reflect an estimated 2 months of activity, being the period from assumed acquisition to the reporting date;
- As a result of the directors making an assumption as to the value of the net assets upon acquisition, which may impact on any assumed goodwill values, the ‘usual’ business combination disclosures are not provided;
- In making the assumption as to the net assets upon acquisition, the directors have assumed that the cost of investment which would held on the Impala Bondco PLC balance sheet is equal to the that which represents the cost of investment held on the balance sheet of Impala Bidco Limited at the reporting date;
- As a result of these being non-statutory financial statements the directors have chosen not to include the consolidated and Company statement of changes in equity or certain other notes which may be required were these to be statutory financial statements.

2. Accounting policies (continued)

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, as modified by the assumptions made by the directors as set out in note 2.1. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the non-statutory consolidated financial statements.

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 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.

2.7 Interest income

Interest income is recognised in the consolidated statement of comprehensive income using the effective interest method.

2.8 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.

2.9 Borrowing costs

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

2. Accounting policies (continued)

2.10 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in 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.

2.11 Current and deferred taxation

The tax expense for the period 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.

2.12 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)

2.13 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition, subject to the assumptions made by the Directors as disclosed in the basis of preparation paragraph. 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:

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

2.14 Tangible fixed assets

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

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)**

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment, subject to the assumptions made by the Directors as disclosed in the basis of preparation paragraph.

2.16 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.

2.17 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.18 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.

2.19 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.

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.

Basis of preparation
The directors have taken key judgements around the basis of preparation of these financial statements, as set out in note 2.1 of these non-statutory 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.

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 £2,869k (see note 11).

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:

Basis of preparation
The directors have taken key estimations around the basis of preparation of these financial statements, as set out in note 2.1 of these non-statutory financial statements.

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 £49,024k. (see note 11).

4. Turnover

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

	2021 £000
Software and support services	2,568

5. Operating loss

The operating loss is stated after charging/(crediting)

	2021 £000
Exchange losses	42
Depreciation of tangible assets	33
Amortisation of intangible assets	1,134

6. Employees

Staff costs were as follows:

	Group 31 December 2021 £000	Company 31 December 2021 £000
Wages and salaries	1,015	-
Social security costs	96	-
Cost of defined contribution scheme	32	-
Capitalised as intangible asset	(110)	-
	1,033	-

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

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

7. Interest receivable

	2021 £000
Other finance income	771
Other interest receivable	3
	774

8. Interest payable and similar expenses

	2021 £000
Bank interest payable	2
Bond interest payable	740
	742

9. Taxation

	2021 £000
Foreign tax	
Current foreign tax charge	79
Total current tax	79
Deferred tax	
Origination and reversal of timing differences	(30)
Total deferred tax	(30)
Taxation on loss on ordinary activities	49

10. Exceptional items

	2021 £000
Exceptional acquisition costs	2,045

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.

11. Intangible assets

Group

	Intellectual property £000	Development costs £000	Software £000	Goodwill £000	Total £000
Cost					
Additions	-	139	10	49,485	49,634
On acquisition	1	3,154	120	338	3,613
Impairment	-	(240)	-	-	(240)
At 31 December 2021	1	3,053	130	49,823	53,007
Amortisation					
Charge for the period	-	196	14	924	1,134
Foreign exchange movement	-	(12)	-	-	(12)
At 31 December 2021	-	184	14	924	1,122
Net book value					
At 31 December 2021	1	2,869	116	48,899	51,885

12. Fixed asset investments

Company

	Investments in subsidiary companies £000
Cost or valuation	
Additions	63,952
At 31 December 2021	63,952

12. 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%
Impero Holdings Australia Pty Ltd	7	Holding company	Ordinary	100%

12. Fixed asset investments (continued)

Subsidiary undertakings (continued)

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
7) 218 Northbourne Avenue, Canberra, ACT 261

* denotes companies which were indirect subsidiary undertakings of Impala Bondco PLC.

13. Debtors

	Group 31 December 2021 £000	Company 31 December 2021 £000
Trade debtors	2,642	-
Amounts owed by related undertakings	21,435	48,245
Other debtors	47,607	-
Prepayments and accrued income	366	-
Deferred taxation	178	-
	72,228	48,245

14. Creditors: Amounts falling due within one year

	Group 31 December 2021 £000	Company 31 December 2021 £000
Loan notes	1,072	-
Other loans	235	-
Trade creditors	312	-
Amounts owed to related undertakings	35,852	34,840
Corporation tax	601	-
Other taxation and social security	181	-
Other creditors	735	-
Accruals and deferred income	4,936	-
	43,924	34,840

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

	Group 31 December 2021 £000	Company 31 December 2021 £000
Bond loans	32,914	32,914
Loan notes	1,073	-
Accruals and deferred income	1,763	-
	35,750	32,914

16. Loans

	Group 31 December 2021 £000	Company 31 December 2021 £000
Amounts falling due within one year		
Loan notes	1,072	-
Other loans	235	-
Amounts falling due 1-2 years		
Loan notes	1,073	-
Amounts falling due 2-5 years		
Bond loans	32,914	32,914
	35,294	32,914

17. Deferred taxation

Group

	2021 £000
Charged to profit or loss	30
Amounts acquired on acquisition	148
At end of year	178

	Group 31 December 2021 £000
Tax losses carried forward	178

18. Share capital

	31 December 2021 £000
Allotted, called up and fully paid	
10,000,001 (2021 - 5,000,001) Ordinary shares of £0.01 each	100
25,000,000 (2021 - 0) Ordinary shares of $0.1 each	1,894
	1,994

On 18 October 2021, the Company issued 5,000,000 Ordinary £0.01 shares at par.

On 31 December 2021, the Company issued 25,000,000 Ordinary A $0.1 shares for consideration of $1 per share.

19. Reserves

Share premium account

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

Profit and loss account

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

20. Contingent liabilities

The Group is party to a cross guarantee in respect of bank borrowings with a connected company, Impala Bidco Limited. At 31 December 2021, the total amount outstanding under this guarantee was £1,849k.

21. 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 £32k. Contributions totalling £22k were included within other creditors at the period end.

22. Related party transactions

Impala Bondco PLC 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 Bondco PLC group.

23. 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.

24. Ultimate parent undertaking and controlling party

Subsequent to the period end, the Company is a wholly owned subsidiary undertaking of Impala Bidco Limited, a company registered in England and Wales, the immediate parent company.

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