Registered number: 03385051

# Mandata (Management and Data Services) Ltd

## Annual report

## 29 February 2024

# Mandata (Management and Data Services) Ltd

## Company information

| | |
|---|---|
| **Directors** | N Duffy<br>A English |
| **Registered number** | 03385051 |
| **Registered office** | 3rd Floor Q5<br>Quorum Business Park<br>Benton Lane<br>Longbenton<br>Newcastle upon Tyne<br>NE12 8BS |
| **Independent auditor** | UNW LLP<br>Chartered Accountants<br>Citygate<br>St James' Boulevard<br>Newcastle upon Tyne<br>NE1 4JE |

## Mandata (Management and Data Services) Ltd

### Contents

# Mandata (Management and Data Services) Ltd

## Strategic report
## Year ended 29 February 2024

**Introduction**

The directors present their strategic report for the year ended 29 February 2024.

The company produces software that helps transport businesses improve operational efficiency and benefit from greater visibility over their business activities.
The company enjoys a strong market position in its core market and continued to add new users throughout the year. Due to the depth of product functionality and the company's high-quality customer service offering, customer attrition remains relatively low.

**Business review**

The definitions of key performance indicators referred to are explained in the Financial key performance indicators later in this report.
The company has performed well during the year and reported total turnover of £11,093k. This compares to £9,776k in the year ended 28 February 2023. During the year a provision of £3,523,000 (2023: £nil) has been recognised in relation to intercompany debtor balances that are deemed irrecoverable.
Total adjusted EBITDA for the year was £4,228k, an increase of £807k on the prior year adjusted EBITDA of £3,421k. This is due to ongoing investment in the business to build for sustainable growth.

**Principal risks and uncertainties**

***Financial risk management***
The company's activities expose it to a number of financial risks including liquidity risk, credit risk and foreign currency risk.
*Liquidity risk*

Liquidity risk is the risk that the company could not meet its short term financial obligations. This is mitigated through forecasts and careful cashflow management of receivables and payables.
*Credit risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk largely applies to trade receivables. Through active receivable management and monitoring the company is able to minimise such risks and historical losses in this area are minimal.
*Foreign currency risk*
Foreign currency risk arises when there are exchange rate movements between the base currency the company transacts in its home market and overseas transactions in local currencies. Mandata has customers in Europe and South Africa but these represent a small proportion of overall revenues and as such does not currently hedge any exposures to these markets. This situation is reviewed annually.
*Operational risk*
The business must maintain high levels of technical expertise within its staff. The risk is mitigated through low staff turnover, training, cross-skilling and knowledge transfer. As with any technology company, Mandata must ensure that it is at the forefront of the industry in its product offering. The risk is mitigated through continued investment in research and development and evolution of its product set.

**Financial key performance indicators**

***Adjusted EBITDA***
Operating profit excluding depreciation, amortisation, exceptional items and bonuses.
Exceptional items are costs that are non-recurring or non-operational.
The directors use adjusted EBITDA to measure the underlying trading performance of the business as this measure excludes:
Depreciation and amortisation as they are non-cash accounting charges;
- Costs of servicing the group’s funding structure, particularly bank and loan note interest; and
- One-off and temporary costs that should not feature in the company’s long-term maintainable trading profitability. Examples would include redundancy and restructuring costs.

Bonuses are also excluded as these are not included in the measurement of profitability used by the group’s senior debt lenders in calculating banking covenants

***Recurring revenue***
Revenue generated from the provision of ongoing services to customers, primarily:
- Software licenses sold on a subscription basis;
- Subscriptions for related services, for example over-the-air vehicle tracking; and
- Software and hardware support services.

Ongoing services are defined as those where the customer pays for those services on a recurring basis as part of a fixed term or rolling contract.
Recurring revenue is an important measure because it drives a higher quality of earnings by giving the directors better visibility over future revenue, profit and cash generation.

***Annualised recurring revenue (“ARR”)***
ARR is recurring revenue at any given month end reporting date multiplied by 12.
This measure give the directors an indication of recurring revenue performance of the business over the next 12 months excluding any future churn.

***Last 12 months adjusted EBITDA (“LTM adjusted EBITDA”)***
LTM adjusted EBITDA is a 12 month look-back at any given month end reporting date of the adjusted EBITDA performance.
This measure eliminates any month-to-month fluctuations in profitability by viewing performance on a trailing annual basis, and is an effective way of understanding the progress the business is making in growing profitability, particularly when comparing consecutive measures and versus the same month in the previous year

This report was approved by the board on 27 November 2024 and signed on its behalf by:

**N Duffy**
Director

# Directors' report
## Year ended 29 February 2024

The directors present their report and the financial statements for the year ended 29 February 2024.

**Results and dividends**

The loss for the year, after taxation, amounted to £1,123,000 (2023: profit £1,106,000).

Dividends of £nil (2023: £nil) were paid in the year. The directors do not recommend the payment of a final dividend.

**Directors**

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

S Pretorius (resigned 1 March 2024)
M Tagg (resigned 25 May 2023)
A Farrell (resigned 1 March 2024)
T McGuinness (appointed 24 July 2023, resigned 9 September 2024)
R Stevenson (appointed 1 March 2024, resigned 8 July 2024)
A Young (appointed 1 March 2024, resigned 8 July 2024)
N Duffy (appointed 8 July 2024)
A English (appointed 9 September 2024)

**Future developments**

Strong development of our existing products continues to be the focus of the business, with an exciting pipeline for the future.

**Matters covered in the strategic report**

The following information, which would otherwise be disclosed in the directors' report is instead disclosed in the strategic report, as permitted by section 414c(11) of the Companies Act 2006:
- financial risk management objectives and policies

**Disclosure of information to auditor**

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

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

**Post balance sheet events**

There have been no significant events affecting the company since the year end.

**Auditor**

Pursuant to section 487 of the Companies Act 2006 the auditor shall be deemed to be reappointed and UNW LLP will therefore continue in office.

This report was approved by the board on 27 November 2024 and signed on its behalf by:

**N Duffy**
Director

## Directors' responsibilities statement
## Year ended 29 February 2024

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Opinion

We have audited the financial statements of Mandata (Management and Data Services) Ltd ('the company') for the year ended 29 February 2024, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('United Kingdom Generally Accepted Accounting Practice').

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29 February 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

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

**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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Independent auditor's report to the members of Mandata (Management and Data Services) Ltd (continued)

**Auditor's responsibilities for the audit of the financial statements**

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

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

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the directors and other management (as required by Auditing Standards) and from inspection of the company's legal correspondence and we discussed with the directors and other management the policies and procedures in place regarding compliance with the laws and regulations. We communicated identified laws and regulations throughout our audit team and remained alert to any indications of non-compliance throughout the audit.
Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; health and safety, employment law, data protection, environmental law and certain aspects of company legislation, recognising the nature of the company's activities. Auditing Standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we did not become aware of any actual or suspected non-compliance material to the financial statements.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

## Independent auditor's report to the members of Mandata (Management and Data Services) Ltd (continued)

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.

**Fern Rivett BA ACA (Senior Statutory Auditor)**
**for and on behalf of UNW LLP, Statutory Auditor**
Chartered Accountants
Newcastle upon Tyne

27 November 2024

## Mandata (Management and Data Services) Ltd

### Statement of comprehensive income
### Year ended 29 February 2024

| | Note | 2024 £000 | 2023 £000 |
|---|---|---|---|
| **Profit and loss account** | | | |
| Turnover | 4 | **11,093** | 9,776 |
| Cost of sales | | **(4,699)** | (4,659) |
| **Gross profit** | | **6,394** | 5,117 |
| Administrative expenses | | **(3,603)** | (3,256) |
| Exceptional administrative expenses | 11 | **(3,523)** | (885) |
| Other operating income | | **-** | 35 |
| **Operating (loss)/profit** | 5 | **(732)** | 1,011 |
| Interest payable and similar expenses | 9 | **-** | (4) |
| **(Loss)/profit before tax** | | **(732)** | 1,007 |
| Tax on (loss)/profit | 10 | **(391)** | 99 |
| **(Loss)/profit for the financial year** | | **(1,123)** | 1,106 |

There was no other comprehensive income for 2024 (2023: £nil).

The notes on pages 14 to 27 form part of these financial statements.



# Mandata (Management and Data Services) Ltd

## Balance sheet
## At 29 February 2024

| | | **29 February 2024 £000** | 28 February 2023 £000 |
|---|---|---|---|
| **Fixed assets** | | | |
| Intangible assets | 12 | **2,928** | 2,107 |
| Tangible assets | 13 | **347** | 449 |
| | | **3,275** | 2,556 |
| **Current assets** | | | |

| | Note | | | | |
|---|---|---|---|---|---|
| Stocks | 14 | **83** | | 198 | |
| Debtors | 15 | **6,981** | | 10,324 | |
| Cash at bank and in hand | | **793** | | 630 | |
| | | **7,857** | | 11,152 | |
| Creditors: amounts falling due within one year | 16 | **(3,151)** | | (5,073) | |
| **Net current assets** | | | **4,706** | | 6,079 |
| **Total assets less current liabilities** | | | **7,981** | | 8,635 |
| **Provisions for liabilities** | | | | | |
| Deferred tax | 17 | | **(567)** | | (98) |
| **Net assets** | | | **7,414** | | 8,537 |
| **Capital and reserves** | | | | | |
| Called up share capital | 18 | | **79** | | 79 |
| Profit and loss account | 19 | | **7,335** | | 8,458 |
| **Total equity** | | | **7,414** | | 8,537 |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 November 2024.

**N Duffy**
Director

Company registered number: 03385051
The notes on pages 14 to 27 form part of these financial statements.

## Statement of changes in equity
## Year ended 29 February 2024

| | Called up share capital £000 | Profit and loss account £000 | Total equity £000 |
|---|---|---|---|
| **At 1 March 2022** | **79** | **7,352** | **7,431** |
| Profit and total comprehensive income for the year | **-** | **1,106** | **1,106** |
| **At 1 March 2023** | **79** | **8,458** | **8,537** |
| Loss and total comprehensive expense for the year | **-** | **(1,123)** | **(1,123)** |
| **At 29 February 2024** | **79** | **7,335** | **7,414** |

The notes on pages 14 to 27 form part of these financial statements.

## 1. General information and statement of compliance

Mandata (Management and Data Services) Ltd ('the company') is engaged in the production of software that helps transport businesses improve operational efficiency and benefit from greater visibility over their business activities.
The company is a private company limited by shares, incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is given in the company information page of these financial statements.

***Statement of compliance***

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 '*The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland*' ('FRS 102') and the Companies Act 2006.

## 2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

### 2.1 Basis of preparation

These financial statements are the company's separate financial statements. The company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the basis that it is itself a subsidiary undertaking and is included in the consolidated financial statements of its ultimate parent undertaking, Project Galaxy UK Topco Limited, whose registered address is 3rd Floor Q5, Quorum Business Park, Benton Lane, Newcastle upon Tyne, NE12 8BS.
The financial statements are prepared on a going concern basis and under the historical cost convention. They are presented in pounds sterling and rounded to the nearest £000.
The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

### 2.2 Reduced disclosures

FRS 102 allows a qualifying entity certain disclosure exemptions. The company meets the definition of a qualifying entity and has taken advantage of the exemptions relating to certain financial instruments disclosures, disclosure of key management personnel compensation, the preparation of a cash flow statement and associated notes. The consolidated financial statements of Project Galaxy UK Topco Limited include the equivalent disclosures and a consolidated cash flow statement.

### 2.3 Going concern

The directors have adopted measures and assessed the financial implications of associated factors outside their control and do not consider the residual uncertainties to be material to the company’s ability to continue meeting its liabilities as they fall due in the foreseeable future.
In addition, the company have the financial support of the wider Mandata group which will enable Mandata (Management and Data Services) Ltd to meet its liabilities as and when they fall due and to carry on its business for at least the next 12 months from the date of these financial statements.

## 2. Accounting policies (continued)

### 2.4 Revenue recognition

***Turnover***

Turnover comprises revenue recognised in respect of goods and services supplied during the year, net of discounts and excluding Value Added Tax.

Turnover from the sale of goods is recognised on delivery to the customer.

Turnover from the rendering of services is recognised in the period in which the service is provided. Payments received in advance are initially recorded as deferred income (within creditors) and released to the profit and loss account in future periods, as the service is provided.

### 2.5 Employee benefits

***Short-term benefits***

Short-term benefits, including holiday pay and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

***Defined contribution pension plan***

The company operates a defined contribution pension plan for its employees. Contributions are recognised as an expense when they fall due. Amounts due but not yet paid are included within creditors on the balance sheet.

The assets of the plan are held separately from the company in independently administered funds.

### 2.6 Foreign currency

The company’s functional currency is the pound sterling. Transactions in foreign currencies are translated into sterling using the spot exchange rates at the dates of the transactions. At each period end, foreign currency monetary assets and liabilities are translated using the closing rate. Foreign exchange gains and losses are recognised in the profit and loss account.

### 2.7 Research and development

Research and development expenditure is written off to the profit and loss account in the period in which it is incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is capitalised and treated in accordance with the accounting policy for intangible assets.

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. 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 Exceptional items

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

## 2. Accounting policies (continued)

### 2.9 Taxation

The taxation expense for the year comprises current and deferred tax and is recognised in the profit and loss account.
Current tax is the amount of income tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.
Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences arise from the inclusion of transactions and events in the financial statements in periods different from those in which they are assessed for tax.
Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.
Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences.

### 2.10 Intangible assets and amortisation

Intangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Amortisation is provided on all intangible assets so as to write off the cost of an asset over its estimated useful life as follows:
Development expenditure - 5 years straight line
Computer software - 5 years straight line
Goodwill - 10 years straight line
Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

### 2.11 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation and accumulated impairment losses.
Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their estimated useful lives as follows:
Leasehold property - straight line over the term of the lease
Motor vehicles - 3 to 5 years straight-line
Office equipment - 3 to 10 years straight-line
Computer equipment - 2 to 5 years straight-line
Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

**2. Accounting policies (continued)**

**2.12 Leases**

Assets held under finance leases and hire purchase contracts, which confer rights and obligations on the company similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future lease obligations are recorded as liabilities, and the interest elements are charge to the profit and loss account over the period of the leases to produce a constant periodic rate of charge on the remaining balance of the liability.

Leases that do not confer rights and obligations approximating to ownership are classified as operating leases. Rental payments under operating leases are charged to the profit and loss account on a straight-line basis over the lease term, even if payments are not made on such a basis.

**2.13 Impairment of fixed assets and goodwill**

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

**2.14 Stocks**

Stocks are stated at the lower of cost or estimated selling price less costs to complete and sell. Cost is determined using the first-in first-out (FIFO) method and includes the purchase price (including taxes and duties) and transport and handling costs directly attributable to bringing the stock to its present location.

Provision is made as necessary for damaged, obsolete or slow-moving items.

## 2. Accounting policies (continued)

### 2.15 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, cash and bank balances and loans to or from related parties, including fellow group companies. All such instruments are due within one year, and are measured, initially and subsequently at the transaction price.
At the end of each reporting period debt financial assets are assessed for impairment, and their carrying value reduced if necessary. Any impairment charge is recognised in the profit and loss account.

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

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.
***Intangible assets***
Certain costs incurred in the development phase of an internal project, which include databases, internal use software and internally generated software, are capitalised as intangible assets if several criteria are met. Management has made judgments and assumptions when assessing whether a project meets these criteria, and on measuring the costs and economic life attributed to such projects.
In preparing these financial statements, the directors do not consider there to have been any other significant judgments that were required in the process of applying the group's accounting policies.
***Key sources of estimation uncertainty***
Estimates included within these financial statements include the useful economic lives of intangible and tangible fixed asset and asset impairments (for example provisions against stock and debtors). None of the estimates made in the preparation of these financial statements are considered to carry significant estimation uncertainty, nor to bear significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.



**Mandata (Management and Data Services) Ltd**

**Notes to the financial statements**
**Year ended 29 February 2024**

## 4. Turnover

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

| | 2024 | 2023 |
|---|---|---|
| | **£000** | £000 |
| Goods | **187** | 296 |
| Services | **10,906** | 9,480 |
| | **11,093** | 9,776 |

An analysis of turnover by country of destination is as follows:

| | 2024 | 2023 |
|---|---|---|
| | **£000** | £000 |
| United Kingdom | **10,953** | 9,477 |
| Rest of Europe | **137** | 296 |
| Rest of the World | **3** | 3 |
| | **11,093** | 9,776 |

## 5. Operating (loss)/profit

The operating profit is stated after charging/(crediting):

| | 2024 | 2023 |
|---|---|---|
| | **£000** | £000 |
| Amortisation of intangible assets (included within administrative expenses) | **528** | 312 |
| Impairment of intangible assets (included within administrative expenses) | **-** | 160 |
| Depreciation of tangible fixed assets | **180** | 237 |
| Profit on disposal of tangible fixed assets | **(13)** | (55) |
| Operating lease rentals | **105** | 62 |
| Non underlying operating costs | **289** | 871 |

## 6. Auditor's remuneration

During the year, the company obtained the following services from the company's auditor:

| | 2024 | 2023 |
|---|---|---|
| | **£000** | £000 |
| Fees payable to the company's auditor for the audit of the company's financial statements | **10** | 10 |

## 7. Employees

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

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Wages and salaries | **3,855** | 3,502 |
| Social security costs | **382** | 405 |
| Cost of defined contribution scheme | **81** | 90 |
| | **4,318** | 3,997 |

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

| | 2024 No. | 2023 No. |
|---|---|---|
| Technical and administrative | **81** | 79 |

## 8. Directors' remuneration

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Directors' emoluments | **59** | - |
| Company contributions to defined contribution pension schemes | **1** | - |
| | **60** | - |

## 9. Interest payable and similar expenses

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Finance leases and hire purchase contracts | **-** | 4 |

## 10. Taxation

| | **2024** | 2023 |
|---|---|---|
| | **£000** | £000 |
| **Corporation tax** | | |
| Adjustments in respect of previous periods | **(78)** | (48) |
| **Total current tax** | **(78)** | (48) |
| **Deferred tax** | | |
| Origination and reversal of timing differences | **191** | (66) |
| Adjustment in respect of previous periods | **274** | 36 |
| Impact of change in tax rate | **4** | (21) |
| **Total deferred tax** | **469** | (51) |
| **Tax on (loss)/profit** | **391** | (99) |

**10. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2023 - lower than) the standard rate of corporation tax in the UK of 24.49% (2023: 19%). The differences are explained below:

| | **2024** | 2023 |
|---|---|---|
| | **£000** | £000 |
| (Loss)/profit on ordinary activities before tax | **(732)** | 1,007 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.49% (2023: 19%) | **(179)** | 191 |
| **Effects of:** | | |
| Expenses not deductible for tax purposes | **872** | 1 |
| Adjustment in respect of prior periods | **196** | (12) |
| Impact of change in tax rate | **4** | (21) |
| Benefits of R&D | **-** | (8) |
| Group relief | **(502)** | (250) |
| **Total tax charge for the year** | **391** | (99) |

**Factors that may affect future tax charges**

In the Spring Budget 2021 it was announced that the main UK corporation tax rate would increase from 19% to 25% from 1 April 2023. This rate increase was substantively enacted as part of the Finance Act 2021 on 24 May 2021 and has now taken effect. Accordingly, the group's profits are taxed at an effective rate of 24.49% for the year ended 29 February 2024 (19% for the year ended 28 February 2023), and future profits will be taxed at a rate of 25%. Deferred tax at the balance sheet date has been calculated at 25% (2023: 25%), as this was the tax rate substantively enacted at the year end.

**11. Exceptional items**

| | **2024** | 2023 |
|---|---|---|
| | **£000** | £000 |
| Exceptional administrative expenses | **3,523** | 885 |

Exceptional administrative expenses in the current year represent provisions made against group debt. The prior year comprised fees associated with investigation of potential acquisitions, restructuring costs and fees related to the infrastructure outage costs incurred by the company.

**12. Intangible assets**

| | Development expenditure | Computer software | Goodwill | Total |
|---|---|---|---|---|
| | £000 | £000 | £000 | £000 |
| **Cost** | | | | |
| At 1 March 2023 | 2,230 | 1,296 | 355 | 3,881 |
| Additions | 670 | 679 | - | 1,349 |
| At 29 February 2024 | 2,900 | 1,975 | 355 | 5,230 |
| **Amortisation** | | | | |
| At 1 March 2023 | 1,307 | 112 | 355 | 1,774 |
| Charge for the year | 210 | 318 | - | 528 |
| At 29 February 2024 | 1,517 | 430 | 355 | 2,302 |
| **Net book value** | | | | |
| At 29 February 2024 | 1,383 | 1,545 | - | 2,928 |
| **At 28 February 2023** | 923 | 1,184 | - | 2,107 |

**13. Tangible assets**

| | Leasehold property | Motor vehicles | Office equipment | Computer equipment | Total |
|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 |
| **Cost** | | | | | |
| At 1 March 2023 | **293** | **142** | **153** | **640** | **1,228** |
| Additions | **-** | **37** | **-** | **53** | **90** |
| Disposals | **-** | **(25)** | **-** | **-** | **(25)** |
| At 29 February 2024 | **293** | **154** | **153** | **693** | **1,293** |
| **Depreciation** | | | | | |
| At 1 March 2023 | **107** | **61** | **76** | **535** | **779** |
| Charge for the year | **52** | **30** | **38** | **60** | **180** |
| Disposals | **-** | **(13)** | **-** | **-** | **(13)** |
| At 29 February 2024 | **159** | **78** | **114** | **595** | **946** |
| **Net book value** | | | | | |
| At 29 February 2024 | **134** | **76** | **39** | **98** | **347** |
| **At 28 February 2023** | 186 | 81 | 77 | 105 | 449 |

## 14. Stocks

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Finished goods and goods for resale | **83** | 198 |

The carrying value of stocks are stated net of impairment losses totalling £nil (2023 - £6,000). Impairment losses totalling £nil (2023 - £6,000 ) were recognised in profit and loss.

## 15. Debtors

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Trade debtors | **1,274** | 669 |
| Amounts owed by group undertakings | **5,289** | 9,041 |
| Tax recoverable | **-** | 43 |
| Prepayments and accrued income | **418** | 571 |
| | **6,981** | 10,324 |

Trade debtors are stated after provisions for impairment of £428,000 (2023: £190,000). The net impairment charge for the year, included in administrative expenses, totalled £234,000 (2023: £nil).
Amounts owed by group undertakings are stated after provisions for impairment of £3,523,000 (2023: £nil). The net impairment charge for the year, included in exceptional administrative expenses totalled £3,523,000 (2023: £nil).
Amounts owed by group undertakings are unsecured, interest free and payable on demand.

## 16. Creditors: amounts falling due within one year

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Trade creditors | **238** | 526 |
| Amounts owed to group undertakings | **-** | 2,917 |
| Other taxation and social security | **618** | 317 |
| Other creditors | **82** | 238 |
| Accruals and deferred income | **2,213** | 1,075 |
| | **3,151** | 5,073 |

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



Mandata (Management and Data Services) Ltd

Notes to the financial statements
Year ended 29 February 2024

## 17. Deferred taxation

The movement in the provision for deferred tax is as follows:

| | 2024 £000 | 2023 £000 |
|---|---|---|
| At the beginning of the year | **98** | 149 |
| Charged/(credited) to the profit and loss account | **469** | (51) |
| **At the end of the year** | **567** | 98 |

The provision for deferred taxation is made up as follows:

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Accelerated capital allowances | **750** | 117 |
| Short term timing differences | **(18)** | (19) |
| Losses | **(147)** | - |
| R&D expenditure credit - step 2 amounts c/f | **(18)** | - |
| | **567** | 98 |

## 18. Share capital

| | 2024 £000 | 2023 £000 |
|---|---|---|
| **Allotted, called up and fully paid** | | |
| 78,575 (2023: 78,575) Ordinary shares of £1 each | **79** | 79 |

There is a single class of Ordinary shares. Each share carries equal voting rights and equal rights to participate in a distribution as regards dividends and capital (including on winding up). The shares are not redeemable.

## 19. Reserves

***Profit and loss account***

The profit and loss account represents the company's cumulative profits and losses, net of cumulative dividends paid and other adjustments.

**20. Contingent liabilities**

The company has given guarantee in respect of loan note finance of its indirect parent company, Project Galaxy UK Midco Limited, which amounted to £67,204,000 at 29 February 2024 (2023: £67,027,000). The guarantee is secured by a charge on the company's assets.
The company has given guarantee in respect of the bank loan of its indirect parent company, Project Galaxy UK Bidco Limited, which amounted to £20,000,000 at 29 February 2024 (2023: £20,000,000). The guarantee is secured by a charge on the company's assets.

**21. Pension commitments**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £81,000 (2023: £90,000). Contributions totalling £18,000 (2023: £25,000) were payable to the fund at the balance sheet date and are included in creditors.

**22. Commitments under operating leases**

At 29 February 2024 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

| | **2024** | 2023 |
|---|---|---|
| | **£000** | £000 |
| Not later than 1 year | **124** | 105 |
| Later than 1 year and not later than 5 years | **65** | 189 |
| | **189** | 294 |

**23. Related party transactions**

As permitted by section 33.1A of FRS 102, the company is exempt from disclosing transactions with other companies that are wholly owned within the group.

**24. Controlling party**

The immediate parent undertaking is Mandata (Holdings) Limited.
The ultimate parent undertaking, and the smallest and largest group to consolidate these financial statements is Project Galaxy UK Topco Limited. Copies of the Project Galaxy UK Topco Limited consolidated financial statements can be obtained from 3rd Floor Q5, Quorum Business Park, Benton Lane, Newcastle upon Tyne, NE12 8BS.
The ultimate controlling party is Tenzing PE LI GP LLP, by virtue of its control over Project Galaxy UK Topco Limited.