ALLOCATE HOLDCO LIMITED

UNAUDITED ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MAY 2019

Company Number 09021849

ALLOCATE HOLDCO LIMITED

GENERAL INFORMATION

Company registration number:	09021849
Registered office:	1 Church Road Richmond TW9 2QE
Directors:	N Wilson R Atlas
Bankers:	HSBC Bank plc 65 Packhorse Road Gerrards Cross Buckinghamshire SL9 8PH
Solicitors:	Taylor Wessing LLP 5 New Street Square London EC4A 3TW
Website:	www.allocatesoftware.com
Country of incorporation	England and Wales
Legal form	Private company limited by shares

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The directors present their annual report on the affairs of the company, together with the financial statements for the year ended 31 May 2019.

Results and Dividends

The company incurred a loss during the year of £877,000 (2018: £826,000). No dividends were declared or distributed during the year (2018: £nil).

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows:

N Wilson	Appointed 3 September 2018
R Atlas	Appointed 3 September 2018
S Sian	Resigned 3 September 2018
R Wooldridge	Resigned 3 September 2018

The directors in place during the year and at the date of approval benefit from qualifying third party indemnity provision provided by the company or parent undertaking.

Political contributions

The company did not make any political donations or incurred any political expenditure during the year (2018: £nil).

Going concern

The financial statements have been prepared on the going concern basis, see note 2.

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare group and company financial statements for each financial year. Under that law they have elected to prepare both the Group and the company financial statements in accordance with IFRSs as adopted by the EU and applicable law

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and company and of their profit or loss for that period. In preparing each of the Group and company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the European Union have been followed for the group financial statements and IFRSs as adopted by the European Union have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- have been prepared in accordance with IFRSs as adopted by the EU;
- prepare the financial statements on a going concern basis unless it is appropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

On behalf of the Board

N Wilson

Director

1 Church Road
Richmond
TW9 2QE

28 February 2020

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MAY 2019

	Note	**2019 £'000**	2018 £'000
Operating costs		-	(3)
Operating loss		-	(3)
Loss on ordinary activities before finance charges		-	(3)
Finance income–interest due from group undertakings		**6,725**	6,051
Finance charges– interest due to group undertakings		**(7,602)**	(6,874)
Loss before taxation	**6**	**(877)**	(826)
Tax		-	-
Loss and total comprehensive loss for the year		**(877)**	(826)

The notes on Page 9 to 16 form part of financial statements.

STATEMENT OF FINANCIAL POSITION AT 31 MAY 2019

Company no. 09021849	Note	**2019 £'000**	2018 £'000
Assets			
Non-current assets			
Investments	7	**310**	310
Trade and other receivables	8	**67,042**	60,317
Total non-current assets		**67,352**	60,627
Current assets			
Trade and other receivables	8	**7,801**	1,110
Cash and cash equivalents		**541**	6,847
Total current assets		**8,342**	7,957
Total assets		**75,694**	68,584
Equity and liabilities			
Equity			
Share capital	9	**3**	3
Share premium account	9	**307**	307
Accumulated losses		**(2,834)**	(1,957)
Total equity		**(2,524)**	(1,647)
Non-current liabilities			
Borrowings	11	**75,788**	68,185
Total non-current liabilities		**75,788**	68,185
Current liabilities			
Trade and other payables	10	**2,430**	2,046
Current liabilities		**2,430**	2,046
Net current assets		**5,912**	5,911
Total liabilities		**78,218**	70,231
Total equity and liabilities		**75,694**	68,584

Company no. 09021849

The company is entitled to exemption from audit under section 479A of the Companies act 2006 for the year ended 31 May 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2019 in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

a) ensuring that the company keeps accounting records which comply with section 386 and 387 of the Companies Act 2006 and
b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial period and of its profit or loss for each financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the board of Directors on 28 February 2020.

N Wilson
Director

The notes on Page 9 to 16 form part of financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2019

	Share capital £'000	Share premium account £'000	Accumulated losses £'000	Total equity £'000
At 1 June 2017	**3**	**307**	**(1,131)**	**(821)**
Loss for the year	-	-	(826)	(826)
Total comprehensive loss for the year	**-**	**-**	**(826)**	**(826)**
At 31 May 2018	**3**	**307**	**(1,957)**	**(1,647)**
Loss for the year	-	-	(877)	(877)
Total comprehensive loss for the year	**-**	**-**	**(877)**	**(877)**
At 31 May 2019	**3**	**307**	**(2,834)**	**(2,524)**

The notes on Page 9 to 16 form part of financial statements.

1. General information

Allocate Holdco Limited (the "Company") is a private company limited by shares, incorporated and domiciled in England and Wales. The address of the registered office is 2nd Floor, 1 Church Road, Richmond, TW9 2QE.

The Company's principal activity that of a holding company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements is in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied consistently throughout the year:

2.2 Financial reporting standard 101 – reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73 (e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118 (e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

2. Accounting policies (continued)

2.3 Going concern

The Company made a loss after taxation of £877,000 and has net liabilities of £2,524,000. After making appropriate enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and for at least one year from the date of signing these financial statements. The Company's owners are committed to the business and have signed a letter of support. For these reasons, the directors continue to adopt the going concern basis in preparing the Company's financial statements.

2.4 Impact of new international reporting standards, amendments and interpretations

IFRS 9
The first time adoption of IFRS 9 has not had any impact on the Company's financial statements.

IFRS 15
The first time adoption of IFRS 15 has not had impact on the Company's financial statements.

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

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

2.6 Finance costs

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

2. Accounting policies (continued)

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognized as other comprehensive income or to an item recognized 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 balance sheet date.

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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand.

2.10 Financial instruments

Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

those to be measured subsequently at fair value (either through OCI or through profit or loss, and those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will be recorded either in profit or loss or in OCI.

For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The Company reclassifies debt investments when and only when its business model for managing those assets changes.

2. Accounting policies (continued)

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date (that is, the date on which the Company commits to purchase or sell the asset). Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

The Company's financial assets include intercompany trade and other debtors, loans, cash and cash equivalents and accrued revenue.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Impairment

The Company assesses, on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade debtors, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

Initial recognition and measurement

Finance liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, include directly attributable transaction costs.

The Company's financial liabilities include trade and other creditors, intercompany balances, borrowings, and shareholder loans.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Interest bearing loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Comprehensive Income when the liabilities are derecognised as well as through the effective interest rate (EIR) method amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR Amortisation is included in finance cost in the Statement of Comprehensive Income.

Interest bearing liabilities are classified as non-current liabilities unless they are due to be settled within 12 months after the reporting date.

2. Accounting policies (continued)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is *treated as a derecognition of the original liability and the recognition of a new liability,*

and the difference in the respective carrying amounts is recognised in the Statement of Comprehensive Income.

2.11 Interest income

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

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

Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements.

4. EMPLOYEES

The company had no staff costs during the year (2018: £nil)

5. DIRECTORS' REMUNERATION

The directors received no remuneration during the year (2018: £nil)

6 TAX

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax are as follows:

	2019	2018
	£'000	£'000
Loss before taxation	**(877)**	(826)
Loss for the year multiplied by the respective standard rate of corporation tax applicable in each domain 2019: 19% (2018: 19.%)	**(166)**	(157)
Effects of:		
Movement on deferred tax not recognised	**-**	-
Group relief	**166**	(1,149)
Expenses not deductible for tax purposes	**-**	1,306
Tax credit on loss for the year	**-**	-

7 INVESTMENTS

	Investments in Subsidiaries
	£'000
Cost	
At 1 June 2018	310
At 31 May 2019	**310**

The company holds investments either directly or indirectly in the equity share capital of the following:

Subsidiary	Class of share	Percentage Held	Non-controlling interests ownership	Nature of business
Allocate Midco Limited [1]	Ordinary £1	100%	-	Holding Company

[1] registered office address is 1 Church Road, Richmond, TW9 2QE

8 TRADE AND OTHER RECEIVABLES

	2019 £'000	2018 £'000
Non-current		
Interest on loans to group undertakings	**28,773**	22,048
Loans to group undertakings	**38,269**	38,269
	67,042	60,317
Current		
Amounts due from group undertakings	**5,489**	1,110
Other Debtors	**2,312**	-
	7,801	1,110

The loans to group undertakings represents £38,269,000 (2018: £38,269,000) due from Allocate Midco Limited. The loan is interest bearing at 11.15% compounding annually on the anniversary of the loan. The loan is repayable on 5 December 2024

The amounts due from group undertakings are non-interest bearing and repayable on demand.

9 CALLED UP SHARE CAPITAL

	2019 £'000	2018 £'000
Authorised, allotted, called up and fully paid		
320,601 (2018: 320,601) ordinary shares of £0.01 each	**3**	3

10 TRADE AND OTHER PAYABLES

	2019 £'000	2018 £'000
Current		
Accruals	-	2,046
Amounts owed to subsidiary	**2,430**	-
Total	**2,430**	2,046

The amounts owed to subsidiary are non-interest bearing and repayable on demand.

11 BORROWINGS

Non-current	**2019 £'000**	2018 £'000
Shareholder Loan	**67,874**	67,874
Interest on Shareholder Loan	**7,913**	311
Total	**75,788**	68,185

The shareholder loan is interest bearing at 11.15% compounded annually on the anniversary of the loan. The loan is repayable on 16 May 2028.

12 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent undertaking is Antidote Investor Holdco Limited, a company incorporated in the United Kingdom. According to the register maintained by Antidote Investor Holdco Limited, a number of limited partnerships which are managed by Hg Pooled Management Limited ("HgCapital") (holding through a nominee company) or Vista Equity Partners ("Vista") held a significant interest in the ordinary shares of the company at 26 October 2018. The directors deem there not to be an ultimate controlling party as none of the limited partners in the limited partnerships holding an interest in the company and managed by HgCapital or Vista has an ownership interest of more than 20% of the issued share capital of the company.

From 1 June 2017 to 16 May 2018 the funds with significant interest were all managed by HgCapital. From 16 May 2018 to 30 August 2018 the funds with significant interest were all managed by Vista. From 30 August 2018 onwards, the funds with significant interest were managed by either Vista or HgCapital.

The immediate parent company is Allocate Topco Limited. The largest group in which the results of the Company are consolidated is that headed by Antidote Investor Holdco Limited. The smallest group in which the results of the Company are consolidated is that headed by Antidote Bidco Limited. The consolidated financial statements of Antidote Investor Holdco Limited and Antidote Bidco Limited are available to the public and can be obtained from the Company's registered office at 1 Church Road, Richmond, TW9 2QE