

**Achilles Information Limited**

Report and financial statements

30 April 2019

**Registered No. SC137975**

# Achilles Information Limited

## Company information

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### Company registration number

SC137975

### Directors

J Katzen

J O'Donnell

### Secretary

S Patrick

### Auditor

KPMG LLP

2 Forbury Place

33 Forbury Road

Reading

RG1 3AD

### Banker

Lloyds Bank Plc

City Office

Gillingham

Kent

ME8 0LS

### Registered Office

7 Burnbank Business Centre

Souterhead Road

Altens

Aberdeen

AB12 3LF

## Strategic report

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The directors present their Strategic Report for the year ended 30 April 2019.

### Principal activities and review of the business

The Company's principal activities during the year continue to be the identifying, evaluating and management of supplier information networks on behalf of major global organisations. Achilles provides a neutral, collaborative and critical network between buyers and sellers within several industry sectors. This community network model increases procurement efficiency in a more cost effective way than any individual company can achieve on its own. Buyers are able to actively monitor and manage their global supply chain using verified, accurate and standardised supplier information which enables the management of supply chain risk, increased efficiency and improved decision making.

The Company, through its products and services, aims to demonstrate leadership in Corporate Responsibility, providing practical solutions to contemporary problems related to globalization, sustainable development, and corporate responsibility in a multi-stakeholder context.

We continue to review our environmental policies and seek at all times to meet our legal obligations in this regard.

The Company's parent (Achilles Group Limited) is a participant of the United Nations Global Compact, which seeks to promote responsible corporate citizenship so that business can be part of the solution to the challenges of globalisation and help deliver a more sustainable and inclusive global economy.

The Company's key financial and other performance indicators performances during the year were as follows:

	2019 £'000	2018 £'000	Change %
<b>Revenue</b>	<b>29,791</b>	<b>33,309</b>	-10.6
Cost of sales & admin expenses	(29,311)	(31,163)	
<b>EBITDA pre-Restructuring</b>	<b>480</b>	<b>2,146</b>	-77.6
Restructuring	-	(669)	
Depreciation and amortisation	(4,557)	(6,718)	
Provision for group undertakings	-	617	
Operating loss	<b>(4,077)</b>	<b>(4,624)</b>	-11.8

In the year ended 30 April 2019 revenue decreased by 10.6% (2018: 1% increase). The decline was driven by launching new communities in 2018 and the maturing of new communities launched in 2017 offset by declines in communities in the Natural Resources and Construction sector.

The company has continued to invest in the next generation versions of its technology. These platforms use SaaS technology, offering customers a secure, flexible, scalable and resilient global platform for all their supplier data. The development of these technology platforms continues a programme of very significant investment committed by Achilles as it defines the service and business model for providing high quality supplier data for effective risk management.

In the year ended 30 April 2019 EBITDA before restructuring, depreciation and amortisation, and provisions for amounts owed to the Company by certain group undertakings was £480,000 (2018: £2,144,000) with increase in profit due to reduction in staffing at start of 2018. After accounting for depreciation and amortisation, restructuring and provisions the operating loss was £4,077,000 (2018: loss of £4,624,000).

The net liabilities have increased during the year to £30,478,000 (2018: £25,265,000) primarily as a result of an increase deferred income as a result of higher trading invoicing in 2018 and increases in amounts owed to Group undertakings due to timing of intercompany settlements.

**Strategic report (continued)**

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**Principal risks and uncertainties**

The directors have considered and reviewed business risks relating to Achilles Information Limited. The principal risks and uncertainties facing the Company are the same as those facing the Achilles Group as a whole and are stated below. The risks have remained unchanged from the prior year.

**Development of innovative technology application used to support buyer and suppliers**

The Company may take longer than expected to roll out its innovative technology application, impacting its ability to continue to grow and attract new customers.

**Information Security**

The Company's business would be exposed if it failed to maintain (i) sufficient information security processes to prevent data protection breach and or (ii) adequate back-up and recovery processes for important IT applications.

**Competition**

The entry into the market of new competitors and or the release of new products and services by competitors could drive down prices and/or increase churn. The Company's business performance could be impacted if several competitors are combined under common ownership.

**Economy**

The general economic conditions and other similar factors (access to credit, unemployment rates, consumer confidence and other macroeconomic factors) impact on the business. A challenging economic and financial situation and uncertainty regarding potential economic recovery could undermine customer demand. A loss of customers or a decline in sales could have an adverse effect on its financial position, results of operations and cash flow and may ultimately affect its ability to meet its growth targets.

**Exchange rate risk**

Fluctuations in exchange rates represent a risk because the Company's financial instruments are denominated in various foreign currencies. The Company seeks to mitigate this risk where practical by matching transactions and foreign currency assets and liabilities.

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Cash flow forecasting is performed by the operating entities of the Group and aggregated by Group Finance. Group Finance monitors the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom to meet the repayment and covenant requirements on the bank borrowing facilities.

**Credit risk**

All potential areas of financial risk are regularly monitored and reviewed by the Directors. Preventative or corrective measures are taken as necessary. The credit risk of this Company is dependent on the recoverability of debts from the other Group Companies. The Directors do not consider there to be a risk of default occurring.

**Brexit risk**

The Board has been monitoring the developments in the negotiations between the UK and the EU and does not consider the impending exit by the UK from the EU to present a significant risk to the Company. There may be an impact on the wider Achilles Group however it is not clear from recent developments in the negotiations how service based providers may be impacted. The Group continues to monitor developments to mitigate any issues that may arise following the completion of Brexit.

**Future developments**

The Company will continue to invest in and seek growth in its core activities, which are the delivery of services for sustainable procurement.

By order of the Board

J Katzen

Director

27 January 2020

## Directors' report

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The directors present the Report and the audited financial statements of the Company for the year ended 30 April 2019.

### Future developments

Please refer to the Strategic report for a review of the Company's business and future developments.

### Results and dividends

No payment of a dividend to ordinary shareholders (2018: nil) is proposed.

### Financial instruments

The Company uses a variety of financial instruments including cash and various other items, such as trade debtors and trade creditors, which arise directly from its operations. The main purpose of these financial instruments is to provide working capital for the Company's operations.

Main risks arising from the Company's financial instruments are exchange rate risk, liquidity risk and credit risk as set out in the Strategic Report.

### Directors of the Company

The directors who served during the period were:

J Katzen  
J O'Donnell

### Going concern

Please see the accounting policies for a review of the Company's ability to continue as a going concern.

### Research and development

The Company continues to carry out research and development in developing the technologies underpinning the IT platform upon which the services are delivered, pushing the boundaries of technology to ensure the solution is state-of-the-art.

### Directors' liabilities

The Company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity remains in force as at the date of approving the Directors' report.

### Disabled employees

Applications for employment by disabled persons are always fully considered. In the event of any member of staff becoming disabled every effort will be made to ensure that their employment with the Company continues. It is the policy of the Company that the career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

### Employee involvement

The Company places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. The Company regards employee communication as a vital business function. Communication and consultation is carried out via:

- Employee representatives are consulted regularly on a range of matters affecting their interests.
- Meetings with all members of staff
- Regular company updates either verbally or through electronic communications
- Periodic presentations are disseminated across the Company, which enhance our employees' understanding of the financial and economic factors affecting its performance.

**Directors' report** (continued)

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**Disclosure of information to the Auditor**

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors is aware of that information.

**Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the Board



J Katzen  
**Director**

27 January 2020

**Registered Office**

7 Burnbank Business Centre  
Souterhead Road  
Altens  
Aberdeen  
AB12 3LF

### Statement of Directors' Responsibilities in respect of the Strategic report, the Directors' report and the financial statements

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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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 judgements and 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## Independent auditor's report to the members of Achilles Information Limited

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We have audited the financial statements of Achilles Information Limited ("the company") for the year ended 30 April 2019 which comprise the Profit and Loss Account and Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Material uncertainty related to going concern**

We draw your attention to note 2 to the financial statements which indicates that the continued availability of sufficient funding when the intermediate parent company's bank debt facility matures in February 2021, together with the other matters explained in note 2, constitutes a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **The impact of uncertainties due to the UK exiting the European Union on our audit**

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the group's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and its effects are subject to unprecedented levels of uncertainty of consequences, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the group's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

## Independent auditor's report to the members of Achilles Information Limited (continued)

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### Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.


### Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### The purpose of our audit work and to whom we owe our responsibilities

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.

  
Shirley Rogan (Senior Statutory Auditor)

for and on behalf of

KPMG LLP, Statutory auditor

Chartered Accountants

2 Forbury Place

33 Forbury Road

Reading

RG1 3AD

28 January 2020

## Achilles Information Limited

### Statement of comprehensive income for the year ended 30 April 2019

	Notes	2019 £'000	2018 £'000
<b>Revenue</b>	3	29,791	33,309
Staff costs		(23,270)	(24,223)
Depreciation and amortisation		(4,557)	(6,718)
Impairment of trade and other receivables		90	481
Other operating expenses		(6,532)	(7,729)
Other operating income		401	256
<b>Operating loss</b>	4	<u>(4,077)</u>	<u>(4,624)</u>
Finance income	6	440	620
Finance expense	6	(504)	(329)
<b>Net financing expense</b>		<u>(64)</u>	<u>291</u>
Loss before tax		(4,141)	(4,333)
Taxation	7	-	-
<b>Loss after taxation</b>		<u>(4,141)</u>	<u>(4,333)</u>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive expense</b>		<u>(4,141)</u>	<u>(4,333)</u>

All amounts relate to continuing operations.

The accompanying notes form part of these financial statements

# Achilles Information Limited

## Statement of Financial Position

at 30 April 2019

	Notes	2019 £'000	2018 £'000
<b>Non-current assets</b>			
Property, plant and equipment	8	259	375
Intangible fixed assets	9	<u>13,542</u>	<u>8,489</u>
		<b>13,801</b>	<b>8,864</b>
<b>Current assets</b>			
Trade and other receivables: due within one year	10	16,485	7,430
Cash and cash equivalents		<u>-</u>	<u>973</u>
		<b>16,485</b>	<b>8,403</b>
<b>Current liabilities</b>			
Trade Payables		(3,036)	(999)
Other payables	11	(44,204)	(27,019)
Deferred Income		<u>(13,419)</u>	<u>(14,409)</u>
<b>Current liabilities</b>		<b>(60,659)</b>	<b>(42,427)</b>
<b>Net current liabilities</b>		<u><b>(44,174)</b></u>	<u><b>(34,024)</b></u>
<b>Total assets less current liabilities</b>		<u><b>(30,373)</b></u>	<u><b>(25,160)</b></u>
<b>Non-current liabilities</b>			
Provisions	12	<u>(105)</u>	<u>(105)</u>
<b>Net liabilities</b>		<u><b>(30,478)</b></u>	<u><b>(25,265)</b></u>
<b>EQUITY</b>			
Called up share capital	13	1,530	1,530
Retained earnings		<u>(32,008)</u>	<u>(26,795)</u>
<b>Total shareholders' deficit</b>		<u><b>(30,478)</b></u>	<u><b>(25,265)</b></u>

The financial statements of on pages 9 to 28 were authorised for issue by the Board of Directors on 27 January 2020 and were signed on its behalf by:

  
J Katzen  
Director

Company registered number: SC137975

The accompanying notes form part of these financial statements

## Achilles Information Limited

### Statement of changes in equity

At 30 April 2019

	Notes	Called – up share capital £'000	Retained earnings £'000	Total £'000
Balance as at 1 May 2017		1,530	(22,462)	(20,932)
Loss for the year		-	(4,333)	(4,333)
Total comprehensive expense		-	(4,333)	(4,333)
<b>Balance as at 30 April 2018</b>		<b>1,530</b>	<b>(26,795)</b>	<b>(25,265)</b>
Balance as at 1 May 2018		1,530	(26,795)	(25,265)
Adjustment on initial application of IFRS 15	19	-	(1,072)	(1,072)
Loss for the year		-	(4,141)	(4,141)
Total comprehensive expense		-	(4,141)	(4,141)
<b>Balance as at 30 April 2019</b>		<b>1,530</b>	<b>(32,008)</b>	<b>(30,478)</b>

The accompanying notes form part of these financial statements

# Achilles Information Limited

## Notes to the financial statements

At 30 April 2019

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### 1 Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Achilles Information Limited for the year ended 30 April 2019 were authorised for issue by the Board of Directors on 27 January 2020 and the statement of financial position was signed on the Boards' behalf by J Katzen. Achilles Information Limited, a private company is incorporated, domiciled and registered in Scotland.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101), in accordance with applicable accounting standards. The results of Achilles Information Limited are included in the consolidated financial statements of Achilles Group Holdings Limited a company incorporated in UK.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

### 2 Accounting Policies

Achilles Information Limited is incorporated and domiciled in Scotland.

The Company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements and from the provision of further information of the activity of its investments as it is included in the consolidated financial statements of Achilles Group Holdings Limited. These financial statements present information about the Company as an individual undertaking and not about its group.

#### Basis of preparation

These financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular, Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company has adopted the following IFRSs in these financial statements:

- IFRS 15 Revenue from Contracts with Customers (Note 19)
- IFRS 9 Financial Instruments (Note 20)

The results of Achilles Information Limited are included in the consolidated financial statements of Achilles Group Holdings Limited, a company incorporated in UK, and the Company's ultimate parent undertaking. The consolidated financial statements of Achilles Group Holdings Limited are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from its registered office: 30 Western Avenue, Milton Park, Abingdon, OX14 4SH, United Kingdom.

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

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the Company.

**2 Accounting Policies (continued)**

**Basis of preparation (continued)**

As the consolidated financial statements of Achilles Group Holdings Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

**Going concern**

The financial statements are prepared on a going concern basis notwithstanding that the company has reported a loss before tax of £4,141,000 in the year ended 30 April 2019 and as at the year-end has net current liabilities of £44,174,000. Net liabilities include £38,166,000 amounts owed to group undertakings which have no fixed repayment date. The Company is a cross-guarantor of bank debt of its intermediate parent company, Achilles Holdco Limited, which is due for repayment in February 2021 (see below).

The directors have prepared forecasts for the company which indicate that the Company is reliant on its intermediate parent company, Achilles Holdco Limited to continue to provide funding to fund the Company's ongoing capital expenditure projects and on its immediate parent company, Achilles Group Limited not to seek repayment of the amounts currently due to it. Achilles Holdco Limited and Achilles Group Limited have indicated their intention to continue to make available such funds as are needed by the Company, and that they do not intend to seek repayment of the amounts due at the balance sheet date for the foreseeable future. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The Group meets its day to day working capital requirements through bank overdraft and revolving credit facilities which are repayable on demand. The directors of the ultimate parent company, Achilles Group Holdings Limited, have prepared projected cash flow information for a period of 18 months from the date of their approval of these financial statements and have considered sensitivities and reasonable possible downside scenarios. These forecasts suggest that the Group will be able to continue to operate within its facilities, including having sufficient funding to continue the development of the new technology platform and will be able to comply with its banking covenants.

On the basis of this cash flow information and after discussions with the Group's bankers, the directors consider that the Group will continue to operate within the facility currently agreed and within the facility that anticipate will be agreed in February 2021, when the Group's bankers are due to consider renewing the facility for a further year. However, the margin of facilities over requirements is not large and there can be no certainty that the facility will be renewed or that the level of the facility will be sufficient to cover the Group's cash flow requirements.

Should a covenant be breached and the debt fall due, the directors are confident that the amounts would not be called upon by the lenders and that should additional funding be required, this would be facilitated by the majority shareholder. As with any company which may be required to seek additional funding from its majority shareholder, the directors acknowledge that there can be no certainty that this support would be provided although, at the date of approval of these financial statements, they have no reason to believe that it would not be.

Based on the above indications the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. However, this material uncertainty may cast significant doubt on the company's ability to continue as a going concern and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

**2 Accounting Policies (continued)**

**Intangible assets**

Computer software and product development costs

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs which are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the product so that it will be available for use
- management intends to complete the product and use or sell it
- there is an ability to use or sell the product
- it can be demonstrated how the product will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the product are available and;
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the product include the product development employee costs and an appropriate portion of the relevant overheads. Other development costs that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Business software systems are typically amortised over 3 – 5 years. Product development costs are amortised over the period during which the Company is expected to benefit, this period normally being 3 years. Amortisation is recorded as an administration expense.

**Property Plant and Equipment**

Property Plant and Equipment (PPE) are shown at historical cost net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life as follows:

Leasehold property and leasehold improvements	Period of lease
Office and computer equipment	3 years

Assets in the course of construction are carried in the financial statements at cost and are not depreciated until commissioned and transferred into another asset category.

**Impairment**

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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 fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of nonfinancial assets are reviewed for possible reversal at each reporting date.

**2 Accounting Policies (continued)**

**Revenue from contracts with customers**

IFRS 15 Revenue from Contracts with Customers was adopted by the Company on 1 May 2018. IFRS 15 is a converged standard from the IASB and FASB on revenue recognition. The standard aims to improve the financial reporting of revenue and improve comparability of the top line in financial statements globally. It introduces a five-step model to determine the nature, timing and amount of revenue recognised. These steps are:

- Identify contracts with customers
- Identify the separate performance obligations
- Determine the transaction price of the contract
- Allocate the transaction price to each of the separate performance obligations, and
- Recognise the revenue as each performance obligation is satisfied.

The Company has applied IFRS 15 using the retrospective approach with cumulative effect method – i.e. by recognising the cumulative effect of initially applying IFRS 15 as an adjustment to the opening balance of equity at 1 May 2018. Therefore, the comparative information has not been restated and continues to be reported under IAS 18 and IAS 11.

*Subscription revenue*

Revenue from annual buyer service contracts is recognised evenly over the period in which access to database is provided. Payments made in advance are deferred.

Revenue from annual supplier contracts is recognised as the risks and rewards are transferred to the customer which is deemed to be on a straight line over the life of the contract

*Audit revenue*

Revenue from the provision of audit services is recognised on completion of the audit and publication of the audit report.

*Other revenue*

Revenue from other one-off charges is recognised as the service is performed.

**Financial instruments (policy applicable from 1 May 2018)**

**(i) Recognition and initial measurement**

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

**(ii) Classification and subsequent measurement**

*Financial assets*

**(a) Classification**

On initial recognition, a financial asset is classified as measured at: amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

**2 Accounting Policies (continued)**

**Financial instruments (policy applicable from 1 May 2018) (continued)**

**(ii) Classification and subsequent measurement (continued)**

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits.

**(b) Subsequent measurement and gains and losses**

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.

**Financial liabilities and equity**

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

**2 Accounting Policies (continued)**

**Financial instruments (policy applicable from 1 May 2018) (continued)**

**(iii) Impairment**

The company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, and contract assets (as defined in IFRS 15).

The company measures loss allowances at an amount equal to lifetime ECL, except for other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition which are measured as 12-month ECL.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

The company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.]

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

**Measurement of ECLs**

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

**Credit-impaired financial assets**

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

**Write-offs**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

**2 Accounting Policies (continued)**

**Financial instruments (policy applicable prior to 1 May 2018)**

**(i) Classification of financial instruments issued by the Company**

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

**(ii) Non-derivative financial instruments**

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

*Trade and other debtors*

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

*Trade and other creditors*

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

*Cash and cash equivalents*

Cash and cash equivalents included cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within creditors – amounts falling due within one year.

*Interest-bearing borrowings*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

**2 Accounting Policies (continued)**

**Financial instruments (policy applicable prior to 1 May 2018) (continued)**

**(ii) Non-derivative financial instruments (continued)**

**Impairment**

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

**Taxation**

Income tax on the profit or loss for the year comprises current tax, group relief and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

**Trade and other Receivables**

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment using the expected credit loss method under IFRS 9.

**Trade and other Payables**

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

**Cash and cash equivalents**

Cash and cash equivalents included cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within creditors – amounts falling due within one year.

**Provision for liabilities**

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation and where the impact is material, are discounted using a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Where leased properties are vacated, the Company provides for the best estimate of the future irrecoverable costs of its obligations under the leases.

The Company provides for its best estimate any outstanding holiday entitlement due to employees at year end.

**Foreign currencies**

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

**2 Accounting Policies (continued)**

**Operating lease agreements**

The Company enters into operating leases. Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

**Pension costs**

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefit is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are included either as accruals or prepayments in the balance sheet.

**Critical Accounting Estimates and Judgements**

The Company makes accounting estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other receivables, management considers factors including the credit rating of receivable, the ageing profile of receivables and historical experience. See note 10 for the net carrying amount of the receivables and associated impairment provision.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**Adopted IFRS not yet applied**

At the date of approval of these financial statements, the following standards, amendments and interpretations were issued but were not yet mandatory for the Company and early adoption has not been applied.

- IFRS 16 Leases, effective 1 January 2019 (but not yet endorsed).

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance, including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases – Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The Company plans to apply IFRS 16 initially on 1 May 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting IFRS 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 May 2019, with no restatement of comparative information.

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply IFRS 16 to all contracts entered into before 1 May 2019 and identified as leases in accordance with IAS 17 and IFRIC 4.

The Group will recognise new assets and liabilities for its operating leases, the majority of which relate to land and buildings. The nature of expenses related to these leases will now change because the Group will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

# Achilles Information Limited

## Notes to the financial statements

At 30 April 2019

### 3 Revenue

All revenue is generated in the UK and arises from the identifying, evaluating and monitoring of supplier information on behalf of major organisations and training and consulting services.

The company has initially applied IFRS 15 using the cumulative effect method. Under this method, the comparative information is not restated and continues to be reported under IAS 18. The impact of changes is disclosed in Note 20 on page 27.

### 4 Operating loss

Operating loss is stated after charging/(crediting):

	2019 £'000	2018 £'000
Operating lease rentals – other	703	576
Operating lease rentals – plant and machinery	50	13
R&D tax credit	(362)	(256)
Auditors' remuneration		
- In respect of the audit of the Company	70	38

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Achilles Group Holdings Limited.

### 5 Staff costs and numbers

	2019 £'000	2018 £'000
Wages and salaries	15,962	15,556
Social security costs	1,906	2,155
Pension costs	738	583
	<u>18,606</u>	<u>18,294</u>

#### Employees

The average monthly number of employees during the financial period was made up as follows:

	2019	2018
Administration	40	70
Information Technology	77	76
Assessment and Audit	43	73
Sales and Operations	122	79
	<u>282</u>	<u>298</u>

# Achilles Information Limited

## Notes to the financial statements

At 30 April 2019

### 5 Staff costs and numbers (continued)

#### Directors

Directors remuneration includes remuneration which has been borne by other group entities and the disclosure below incorporates the time spent by the directors performing qualifying services for the Company.

The Directors' emoluments were as follows:

	2019 £'000	2018 £'000
Aggregate emoluments	248	278
Company contributions to money purchase pension schemes	3	2
	<u>251</u>	<u>280</u>

#### Highest paid Director

The highest paid Director's emoluments were as follows:

	2019 £'000	2018 £'000
Aggregate emoluments	166	200
Company contributions to money purchase pension schemes	-	-
	<u>166</u>	<u>200</u>

The number of Directors who are member of pension schemes to which the Company made contributions was one (2018: three).

### 6 Finance income and expense

#### Finance income

	2019 £'000	2018 £'000
Bank interest income	-	2
Interest receivable from Group undertakings	440	498
Foreign exchange gains	-	120
	<u>440</u>	<u>620</u>

#### Finance expense

	2019 £'000	2018 £'000
Bank interest payable	(94)	(14)
Interest payable to Group undertakings	(368)	(315)
Foreign exchange losses	(42)	-
	<u>(504)</u>	<u>(329)</u>

# Achilles Information Limited

## Notes to the financial statements

At 30 April 2019

### 7 Taxation

	2019 £'000	2018 £'000
Current tax:		
Group relief receivable	-	-
Foreign Taxation	-	-
Total current tax	-	-
Deferred tax:		
Adjustment in respect of prior periods	-	-
Total deferred tax	-	-
<b>Tax on loss</b>	-	-
	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Loss before tax	<b>(4,141)</b>	<b>(4,332)</b>
Loss multiplied by the standard rate of tax in the UK of 19% (2018: 19%)	<b>(787)</b>	<b>(823)</b>
Effects of:		
-R&D expenditure credits	<b>99</b>	<b>(3)</b>
-Expenses not deductible for tax purposes	<b>55</b>	<b>46</b>
-Current year losses for which no deferred tax asset was recognised	<b>633</b>	<b>780</b>
<b>Total tax expense</b>	-	-

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

A reduction in the UK corporation tax rate to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015 and to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax accordingly.

The Company has cumulative temporary differences of £19,510,000 (2018: £19,510,000) that are available indefinitely for offset against future taxable profits. Deferred tax assets have not been recognised in respect of these temporary difference as there is uncertainty over their recoverability in the short term.

# Achilles Information Limited

## Notes to the financial statements

At 30 April 2019

### 8 Property, plant and equipment

	Leasehold properties	Office and computer equipment	Total
	£'000	£'000	£'000
<b>Cost</b>			
At 1 May 2018	577	61	638
<b>At 30 April 2019</b>	<u>577</u>	<u>61</u>	<u>638</u>
<b>Depreciation</b>			
At 1 May 2018	(202)	(61)	(263)
Provided during the year	(116)	-	(116)
<b>At 30 April 2019</b>	<u>(318)</u>	<u>(61)</u>	<u>(379)</u>
<b>Net book value at 30 April 2019</b>	<u>259</u>	<u>-</u>	<u>259</u>
Net book value at 30 April 2018	<u>375</u>	<u>-</u>	<u>375</u>

### 9 Intangible fixed assets

	Product development	Business Software System	Total
	£'000	£'000	£'000
<b>Cost</b>			
At 30 April 2018	926	41,341	42,267
Additions – internally developed	-	9,495	9,495
Disposals	(926)	(9,238)	(10,164)
<b>At 30 April 2019</b>	<u>-</u>	<u>41,598</u>	<u>41,598</u>
<b>Accumulated amortisation and impairment</b>			
At 30 April 2018	(926)	(32,852)	(33,778)
Amortisation	-	(4,442)	(4,442)
Disposals	926	9,238	10,164
<b>At 30 April 2019</b>	<u>-</u>	<u>(28,056)</u>	<u>(28,056)</u>
<b>Net book value at 30 April 2019</b>	<u>-</u>	<u>13,542</u>	<u>13,542</u>
Net book value at 30 April 2018	<u>-</u>	<u>8,489</u>	<u>8,489</u>

### 10 Trade and other receivables

	2019	2018
	£'000	£'000
Trade receivables	1,530	2,840
Amounts owed by Group undertakings	12,168	2,758
Other receivables	1,161	599
Prepayments and accrued income	1,626	1,233
	<u>16,485</u>	<u>7,430</u>

# Achilles Information Limited

## Notes to the financial statements

At 30 April 2019

### 11 Other payables

	2019 £'000	2018 £'000
Bank overdraft	2,824	-
Amounts owed to Group undertakings	38,166	23,600
Taxation and social security	401	759
Other payables	791	540
Accruals	2,022	2,120
	<u>44,204</u>	<u>27,019</u>

The bank overdraft attracts interest at the Bank of England base rate, is repayable on demand and is secured through a pledging of shares, a bond and floating charges over the current and future assets of the following group companies: Achilles Information Limited, Achilles Group Limited, Achilles Group Investments Limited and subsidiaries in Norway and Spain.

### 12 Provisions

	2019 £'000	2018 £'000
Dilapidations	<u>105</u>	<u>105</u>

The dilapidation provision has been recognised for the estimated cost to restore its leased office accommodation to its original condition at the end of the respective lease terms. The provision has been measured at the present value of the estimated expenditure.

### 13 Allotted and issued share capital

	2019 £'000	2018 £'000
<b>Authorised share capital</b>		
1,531,000 Ordinary shares of £1 each	<u>1,531</u>	<u>1,531</u>
<b>Allotted and called-up</b>		
1,530,336 Ordinary shares of £1 each	<u>1,530</u>	<u>1,530</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

### 14 Pensions

Pension cost represent contributions made to Company money purchase pension schemes on behalf of its employees and Directors. At 30 April 2019 £124,000 (2018: £96,000) remained unpaid to the scheme.

### 15 Contingent liabilities

The Company is one of a number of obligors (guarantors) to a Senior Term and Revolving Facilities Agreement dated 23 October 2015. This agreement relates to the UK bank debts held by Achilles Holdco Limited, a parent company registered in England. Further to this agreement, the Company has provided security and pledges over its assets. The amount of debt outstanding at 30 April 2019 was £19,389,000 (2018: £16,760,000).

## Achilles Information Limited

### Notes to the financial statements

At 30 April 2019

#### 16 Capital and other commitments

At 30 April 2019, the Company had the following aggregate minimum leases payment commitments under non-cancellable operating leases:

	Land and buildings		Other	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Future minimum payments due:				
Within one year	684	583	-	21
In two to five years	1,558	659	7	7
In over five years	441	-	-	-
At 30 April 2019	<u>2,683</u>	<u>1,242</u>	<u>7</u>	<u>28</u>

#### 17 Related party transactions

Achilles Information Limited Nigeria is a fellow subsidiary by virtue of Achilles Group Limited holding 51% of the ordinary share capital of that Company.

During the year ended 30 April 2019 sales of £nil (2018: £nil) were made to Achilles Information Limited Nigeria by the Company. At the year-end a balance of £nil (2018: £nil) was due to the Company from Achilles Information Limited Nigeria. A bad debt provision of £nil (2018: £nil) has been made in the Company against this debtor.

The Company has taken advantage of the exemption in IAS 24 *Related Party Disclosures* not to disclose transactions with wholly owned subsidiaries.

#### 18 Controlling parties

The Company's immediate parent is Achilles Group Limited.

The Directors regarded Achilles Group Holdings Limited as the ultimate parent and controlling company.

According to the register maintained by the Company, a number of limited partnerships that are funds managed by Hg Pooled Management Limited (holding through a nominee company) together held a controlling interest in the ordinary shares of Achilles Group Holdings Limited at 30 April 2019. None of the individual limited partners investing through these limited partnerships have an ownership of more than 20% of the ordinary shares of the Company. The Directors are of the view that neither the general partner of the funds, nor the investment manager of the funds controls the Company.

Achilles Group Holdings Limited is the largest and smallest Group undertaking for which Group accounts are prepared and made publicly available at its registered office: 30 Western Avenue, Milton Park, Abingdon, OX14 4SH, United Kingdom.

**19 Adoption of IFRS 15 Revenue from Contracts with Customers**

IFRS 15 Revenue from Contracts with Customers was adopted by the Company on 1 May 2018. IFRS 15 is a converged standard from the IASB and FASB on revenue recognition. The standard aims to improve the financial reporting of revenue and improve comparability of the top line in financial statements globally. It introduces a five-step model to determine the nature, timing and amount of revenue recognised. These steps are:

- Identify contracts with customers
- Identify the separate performance obligations
- Determine the transaction price of the contract
- Allocate the transaction price to each of the separate performance obligations, and
- Recognise the revenue as each performance obligation is satisfied.

The Company has applied IFRS 15 using the retrospective approach with cumulative effect method – i.e. by recognising the cumulative effect of initially applying IFRS 15 as an adjustment to the opening balance of equity at 1 May 2018. Therefore, the comparative information has not been restated and continues to be reported under IAS 18 and IAS 11.

The following tables summarise the quantitative impact of adopting IFRS 15 on the Company's financial statements for the year ending 30 April 2019.

	<b>Impact of adoption of IFRS 15</b>		
	As reported 30 April 2019	Adjustments	Balances without adoption of IFRS 15
	£'000	£'000	£'000
<b>Balance sheet</b>			
Deferred Income	(13,419)	(1,072)	(14,491)
<b>Statement of profit or loss and other comprehensive income</b>			
Revenue	29,791	1,072	28,719

The following table summarises the impact, net of tax, of transition to IFRS 15 on retained earnings at 1 May 2018.

	<b>Impact of adopting IFRS 15 £'000</b>
<b>Retained earnings</b>	
Balance before adopting IFRS 15 and IFRS 9 at 30 April 2018	(26,795)
Revenue timing adjustment	(1,072)
Related tax	-
<b>Balance under IFRS 15 at 1 May 2018</b>	<u><u>(27,867)</u></u>

**20 IFRS 9 Financial Instruments**

The Company has adopted IFRS 9 with a date of initial application of 1 May 2018. The requirements of IFRS 9 represent a significant change from IAS 39 Financial Instruments: Recognition and Measurement.

*Transition*

Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively.

After a comprehensive review of its financial assets and liabilities, the Company has determined that there is no impact to the valuation of their balance sheet as at 1 May 2018 or 30 April 2019.

**21 Events after the end of the reporting period**

In June 2019, an extension to the CAPEX Facility was made available to the Group of £5m and was fully drawn. In January 2020 new loan notes of £20m were issued by the Group and were fully subscribed to. Some of the funds received were utilised to repay the additional CAPEX facility of £5m entered into in June 2019 and further reduce the bank debt by £5m. In addition, the Senior Term and Revolving Facilities Agreements were extended to 15 February 2021.