

Registered number: 04590033

**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**  
**(Formerly known as MOODY'S ANALYTICS KNOWLEDGE SERVICES (UK)**  
**LIMITED)**

**Annual Report and Financial Statements**

**For the period 1 April 2020 to 31 December 2020**

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**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

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**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

**COMPANY INFORMATION**

**Directors:** Robert King  
Damian Burleigh

**Registered office:** 27 Old Gloucester Street  
London  
WC1N 3AX  
United Kingdom

**Independent auditor:** Deloitte LLP  
London  
United Kingdom

**Principal bankers:** Bank of America N.A.  
5 Canada Square  
London  
E14 5AQ  
United Kingdom

J.P. Morgan  
4 Chase Metrotech Center  
14th Floor  
Brooklyn  
NY 11245  
United States of America

HSBC  
HSBC UK Bank PLC,  
8 Canada Square,  
Canary Wharf,  
E14 5HQ London,GB

Standard Chartered Bank  
1 Basinghall Avenue  
London,  
United Kingdom,  
EC2V 5DD GB

## **ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

### **STRATEGIC REPORT**

For the period 1 April 2020 to 31 December 2020

#### **Details of ownership**

The ultimate parent of Acuity Knowledge Partners (UK) Limited ("the Company") is Trident Holdco Limited ("Trident"). Trident is registered in the United Kingdom.

The ultimate controlling party of Trident Holdco Limited are funds managed by Equistone Partners Europe Limited, a European private equity firm.

#### **Principal activity**

Trident Holdco Limited was incorporated on 26 June 2019 and together with its subsidiaries, which include Acuity Knowledge Partners (UK) Limited, forms the business Acuity Knowledge Partners Group of companies ("Group").

Acuity is a leading provider of high-value research, analytics, automation technology and business intelligence to the financial services sector, in domains such as investment banking, investment research, private equity, consulting, and commercial lending, having grown under the period under review. The principal activities of the Company are providing investment research and analytics support services on an outsourced basis to the stock broking arms of investment banks (the 'sell side') and the research departments of institutional money and hedge funds (the 'buy side').

During the period, there was no change in the principal activity of the Company.

#### **Business review and Key performance Indicators ("KPIs")**

The Company provides customised proprietary research support to its clients across Europe, United States, Asia and Australia. During the period, there has been a significant increase in business with existing clients and expansion in terms of new customers mainly in the United States. Further, the portfolio of services offered has diversified to include a number of allied research activities in the field of business research.

The Company's strengths include a strong focus on global business development and customer focused service delivery. The Company delivers its research and analytics services in a scalable and cost efficient manner, by leveraging the knowledge process base that the Company has access to.

KPI of the Company is turnover and operating profit. The Company showed a good financial performance throughout the current period ended 31 December 2020 (9 Months). Company's net profit after tax in the current period has increased to \$5,581 thousand (31 March 2020: loss \$480 thousand), mainly due to decrease in staff cost and proportionate increase in the Company's 9 months turnover. The turnover for the current 9 months period is \$79,786 thousand, (31 March 2020: \$94,070 thousand for 12 Months). The operating profit for the period has increased by 474% to \$7,097 thousand (31 March 2020: \$1,237 thousand). Refer note 7 for the operating profit calculation.

#### **Financial results**

The Company changed its accounting reference date to 31 December. Accordingly, these financials statements are for the nine months period then ended.

The Company made a profit for the period 1 April 2020 to 31 December 2020 amounting to \$5,581 thousand (year ended 31 March 2020: loss \$480 thousand).

#### **Significant events during the period**

##### **Coronavirus disease 2019 (COVID-19)**

COVID-19, an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) was first identified in December 2019 in Wuhan, China, and since then has spread globally. The World Health Organization (WHO) declared the coronavirus outbreak a pandemic. Although the outbreak appears to have slowed in China, COVID-19 and its impacts have gone global. Infections are mounting globally, with authorities implementing increasingly restrictive measures to contain the virus.

The Company provides investment research and analysis support services on an outsourced basis to financial services firms. These services are provided by the Company remotely from offshore locations in India, China, Sri Lanka and Costa Rica. The management has analyzed and assessed considering the individual facts and circumstances, the impact of the COVID-19 pandemic on the business for the period ended 31 December 2020. Following are the key considerations of our assessment:

## ACUITY KNOWLEDGE PARTNERS (UK) LIMITED

### STRATEGIC REPORT (Continued)

For the period 1 April 2020 to 31 December 2020

- **Smooth delivery to customers-** We are able to establish delivery to our customers with minimal impact on their businesses. Froma, we have enabled work from home, and are providing regular services to customers.
- **Assessment of Liquidity Position-** The Company continues to have a healthy liquidity position, and as at 31 January 2022, had a total cash balance of \$23,859 thousand for the Company and \$67,802 thousand for the Group. Historically, we are successful in collecting our revenue with negligible bad debts, due to strong customer engagement and robust and continuously improving cash collection process.  
We have prepared the cash forecasts on a base case, and have assumed that there may be some temporary reduction in collections due to COVID-19 impact. This is considered conservative, given the company's strong and improving track record on collections and the fact that the client base is focused in countries where vaccination levels are relatively high and improving. It is also worth noting that we saw little deterioration in our clients' payment record even during the worst of the crisis in 2020.
- **Assessment of impact on viability of operations-** Management has prepared business forecast scenarios and based on these estimates, there is no significant impact on the earnings before interest, taxes, depreciation, and amortization (EBITDA).
- **Covenants forecast-** The Directors have assessed if the Group is able to meet the covenant test under base case and has sufficient headroom available.
- **Customer Profile, Sales and COVID-19 customer engagement strategy-** The Directors have analysed sales trends over the last 5 years, including reliance on key customers. The customer base has continued to diversify and whilst significant revenue is generated from our top 10 customers, the spread is diversified across the business lines of Acuity and from different regions, thus the Company is diversified within the top 10.

#### Creditor payment policy

The Company's policy is to settle payment with suppliers in accordance with the agreed terms of each transaction and to ensure that suppliers are made aware of and will abide by the terms of payment.

#### Future outlook

The directors remain confident that the Company will maintain a good level of performance in the future.

#### Principal risks and uncertainties

The principal risks and uncertainties relating to the Company's business are as follows:

The Company's business model is based around securing long-term, high-value contracts. These are delivered by the Company with sufficient managerial strength. The Company also needs to ensure that sufficient new contracts are won and existing contracts extended or are renewed to meet its long-term growth targets. More robust processes for business development and managing client relationships have led to sustained business growth.

Given the uncertainties in the financial markets, the Company is exposed to credit risk, which is constantly reviewed and mitigated by carrying out major transactions only with creditworthy counterparties and obtaining sufficient collateral where appropriate.

The Company pays careful attention to the management of its cash flow and working capital position. Controls are in place to ensure that appropriate payment terms are included in contracts with clients and suppliers. Adequate cash is maintained and appropriate working capital management procedures are in place to ensure the Company operates within those cash limits.

#### "Brexit"

On 23 June 2016, the United Kingdom (UK) had a referendum that resulted in a vote to leave the European Union (EU) (Brexit vote). On 17 October 2019, the UK and the EU reached an agreement on the conditions for the Brexit, and the UK left the EU on 31 January 2020. The UK parliament approved the agreement. The transition period in the agreement ended on 31st December 2020. EU Treaties, EU free movement rights and the general principles of EU law now no longer apply in relation to the UK. EU regulations only continue to apply in UK domestic law (by virtue of the European Union (Withdrawal) Act 2018) to the extent that they are not modified or revoked by regulations under that Act. The EU and the UK have agreed the terms of a detailed post-Brexit Trade and Cooperation Agreement which has been given effect from 1st January 2021. EU legislation as it applied to the UK on 31 December 2020 is now a part of UK domestic legislation, under the control of the UK's Parliaments and Assemblies. Consequently, the directors do not expect a significant effect on the Group in the short to medium term.

## ACUITY KNOWLEDGE PARTNERS (UK) LIMITED

### STRATEGIC REPORT (Continued)

For the period 1 April 2020 to 31 December 2020

#### Cash flow risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company's treasury team monitors the conditions for fluctuations based on materiality and takes appropriate steps as needed.

#### Liquidity risk

The Company pays careful attention to the management of its cash flow and working capital position. Controls are in place to ensure that appropriate payment terms are included in contracts with clients and suppliers. Adequate cash is maintained and appropriate working capital management procedures are in place to ensure the Company operates within those cash limits. In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company monitors its cash balance and if required, would seek access to debt financing facilities.

#### Engagement with Employees, Suppliers, Customers and Others

Engagement with Employees, Suppliers, Customers and Others The Directors of the Company believe that engagement with stakeholders and acting in a way that promotes the long-term success of the Company, while taking into account the impacts of their business decisions on the Group's stakeholders, is central to their strategic thinking and statutory duty, in accordance with section 172(1) of the Companies Act 2006. The Directors of the Company consider both individually and together, that they have acted in good faith and in a way that would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172 (A-F of Companies Act) in the decisions taken during the year. In particular, their plan is designed to have long term beneficial impact on the Company and its stakeholders, and contribute to the Company's continued success in delivering reduced carbon emissions and increased efficiency, safety and sustainability for their customers. Their plan is focused on the Company's customers, as exemplified by the Company's customer focused business strategy, and employee focus. The intention of the Directors is to behave responsibly and ethically at all times, in line with the Company values, and to ensure that the management team operates the business in a responsible manner and to the highest standards of business conduct and good governance. The impacts on, and engagement with, five key stakeholder Company is systematically considered as part of the strategy. These stakeholder groups are employees, customers, suppliers, communities and the environment. Since early 2020, the global Covid pandemic and various governments' decisions to impose national or local lockdowns forced the closure of our secure delivery centers which could have caused a large fall in turnover. However, the Company's highly qualified and experienced employees and state of the art Information Technology (IT) systems, allowed the Group to continue to deliver its services to customers and clients while largely working from home, respond positively to the challenges Covid presents and pursue growth opportunities for the Company's services. For disclosure related to emissions, refer strategic report in group's financials.

#### Employee issues

The Company recruits, hires, and employs individuals based on job-related qualifications and abilities. The Company has a longstanding policy of providing a work environment that is free from unlawful discrimination on any grounds, including physical or mental disability. If existing employees become disabled, every effort is made to find them appropriate work, and training is provided if necessary.

Discussions with employees take place at all levels with the aim of ensuring their views are considered when decisions are made that are likely to affect their interests. Each year, the Company administers a Business Effectiveness Survey to better understand employees' views in a number of key areas, including management, resources and development. Feedback received forms the basis for actions across the Company.

Employees are made aware of the financial position and economics of the Company through presentations, briefings and the distribution of the Company's annual financial statements.

## **ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

### **STRATEGIC REPORT (Continued)**

**For the period 1 April 2020 to 31 December 2020**

#### **Customers**

Given that the Company's services are normally provided from large secure office environments, often in large cities, the various local "Lock Downs" and "Stay at Home" initiatives required during the Covid pandemic posed a significant potential threat to delivery of our clients' requirements. At the onset of these lockdowns, the Company worked tirelessly with its clients to reassure them and ensure that the delivery of service would be both maintained and secure during any ongoing or prolonged period of "Working from Home". Many positive testimonials have been received from our clients thanking our staff for their success in achieving this. The Company has strengthened and expanded its relationships with many clients during the period of the pandemic. International travel bans have meant Company employees and clients have not been allowed to travel to visit each other either at our clients' premises or our delivery centers. We have continued to foster relationships using the various online platforms and await a time when face to face meeting can recommence, these being an important forum to understand clients' requirements and ethos. Despite the ongoing challenges Covid raises, the Company continues to strive to generate value for our stakeholders by helping them to further improve their efficiency, safety and sustainability of their operations. The Company continues to aim to meet the immediate needs of our customers and develop our offering, so that we can continue to meet our clients' needs into the future, pandemic or no pandemic. This requires the Company to work closely and engage with its clients and customers, something we are determined to do. It is important to get a deep understanding of the business needs and requirements of our clients. We regularly seek feedback from our clients, which enables us to understand what is going well and what can be improved upon. Client requirements are always factored in during solution development and staying close to our clients helps us provide long term value to them.

#### **Suppliers**

There were undoubtedly significant pressures within the global IT hardware supply chain as various industries tried to secure their requirements to facilitate additional work from home capabilities. The Company is pleased to report that we secured a large numbers of laptops on a purchase or rental basis as well as other peripherals to enable our employees to Work from Home. Our senior IT personnel continue to monitor the global supply chain to ensure this continues to be the case. The above being said, the Company is not primarily dependent and, as such, has not been materially adversely affected by many of the other ongoing difficulties in other areas of the supply chain, such as actual raw material supply and shipping, as seen during the Covid pandemic, within other industries. Several new IT systems were successfully installed and adopted during the period under review, such as improved access and security systems, remote support systems, new networking solutions, a new cloudbased finance system and new video communication system. The Company also continues to develop our cloud based productivity tools and roll out our proprietary "BEAT Digital Services" to further enable The Company also to deliver services to customers using process automation. We are pleased to report all these important projects were successfully executed, despite the additional challenges of Covid 19 Pandemic. All our suppliers continue to be expected to operate ethically and to ensure safety and well-being of their staff and minimise the environmental impact. The supplier selection is done keeping in mind the industry reputation of the vendor with an objective to minimise the Company's operational and reputational risk. There are high standards set for our suppliers to ensure long term success of the Company. Our employees are trained on business ethics and are encouraged to use whistle blowing mechanism to raise concerns about any inappropriate behavior that they may encounter while working with our vendors. We pay our vendors for properly completed work and it is the Company's policy to make payments in line with the terms of the contract, which typically range between 30 and 60 days.

#### **Communities**

The Company takes pride in being socially responsible and usually supports communities through Corporate Social Responsibility (CSR) interventions that are focused on creating opportunities and access for their sustainability. The Company, through Group, usually engages in a myriad range of activities including engaging in holistic development of villages, launching scholarship programs for MBA students, upgrading the skillset of domestic workers to improve their employability, supporting malnutrition eradication programs, and numerous other donation campaigns. Further, the CSR team sends eco reminders to all staff members every couple of weeks, which revolve around giving helpful eco tips on topics including recycling, composting, energy saving and conscious buying to encourage everyone to take care of the environment. Sadly, much of this activity has been curtailed during the ongoing pandemic, but our long-term commitment to these matters remains. The Group has made numerous charitable contributions to support relief programs associated with the global pandemic.

#### **Environment**

Climate change is a global challenge and an emerging risk to businesses, the population and the environment across the world. We have a role to play in limiting global warming by improving our energy management, reducing our carbon emissions and helping our customers to do the same. Refer strategic report in group's financials for detailed disclosure.

**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

**STRATEGIC REPORT (Continued)**

**For the period 1 April 2020 to 31 December 2020**

**Health and safety**

The Company aims to ensure a safe and healthy working environment for all our employees, external contractors and visitors. The Company aims to comply with all relevant local legislation or regulations, and best practice guidelines recommended by national health and safety authorities.

**By order of the board of directors**

A handwritten signature in black ink, appearing to read 'R. King', with a long horizontal flourish extending to the right.

**Robert King**

**Director**

**Date: 5 April 2022**

## ACUITY KNOWLEDGE PARTNERS (UK) LIMITED

### DIRECTORS' REPORT

For the period 1 April 2020 to 31 December 2020

The board of directors of Acuity Knowledge Partners (UK) Limited ("the Company") present their annual report, together with the financial statements and auditor's report of the Company for the period ended 31 December 2020.

#### Dividends

No dividend was declared or paid for the current period. For the previous year ended March 2020, an interim dividend of \$8,250 thousand and \$4,000 thousand was paid to Moody's Analytics Knowledge Services (Jersey) Limited (on 27 September 2019) and Moody's Analytics Knowledge Services BVI Limited (4 November 2019) respectively.

#### Board of Directors

The Directors who held office during the period and up to the date of signing the financial statements were:

Robert King  
Damian Burleigh

#### Going concern

The Directors have received binding commitments from Trident Holdco Ltd to provide financial support to the company to allow it to continue as a going concern for a period of at least 12 months from the date of these financial statements. In considering the ability of Trident Holdco Ltd to provide that support, the Directors have satisfied themselves that the cash flow forecasts of the Group for a period of 12 months from the date of approval of these financial statements indicate that, taking account of reasonably possible downsides including those resulting from the pandemic, the Group will have sufficient funds, to meet its liabilities as they fall due for that period.

In making, their assessment of the Company's ability to continue as a going concern, the Directors have also considered the guarantees given in respect of Company loans, the fixed and floating charges over the Company's assets and the cash flow and covenant forecasts of the Company.

The Directors of the Group are forecasting to maintain the current growth momentum and generate positive cash inflows after servicing the debt of the Company and paying the related interest expense.

The Directors therefore conclude that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

#### Subsequent Events

a) Shailendra Gupta (Chief Finance Officer, and Director of Group Companies until his death on 12 May 2021), passed away as a result of the Covid-19 pandemic prior to the date of this report. The Board has sent their deepest condolences to their families and has been supporting them to the fullest extent possible at this very difficult time.

b) On 8 November 2019, Equistone Partners Europe acquired the Knowledge Services business from Moody's Corporation and renamed it as Acuity Knowledge Partners (UK) Limited. The Management has reassessed the tax position of the company and identified that an additional tax liability existed which had not been accounted for the period prior to 1 April 2019 and for the period 1 April 2019 to 31 March 2020. This resulted in recognizing an additional tax liability of USD 5,486 thousand for the periods ended before 1 April 2019 and USD 492 thousand (net of group tax relief of \$298 thousand) for the period 1 April 2019 to 31 March 2020.

**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

**DIRECTORS' REPORT (Continued)**

**For the period 1 April 2020 to 31 December 2020**

**Indemnity**

The Company's Articles of Association provide for the indemnification of the directors to the extent permitted by the Companies Act 2006.

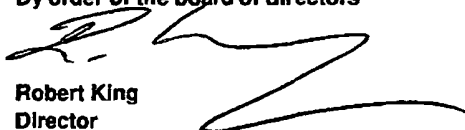
**Disclosure of information to the auditor**

The directors confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware and they have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of such information.

**Independent auditor**

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

**By order of the board of directors**



**Robert King**  
**Director**  
Date: 5 April 2022

**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

**For the period 1 April 2020 to 31 December 2020**

The Board of Directors is responsible for the preparation and presentation of the annual financial statements of the Company, comprising the statement of financial position as at 31 December 2020, the statements of comprehensive income and changes in equity for the period then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with the requirements of the Companies Act 2006. The applicable financial reporting framework is FRS 101.

The financial statements are required to state the affairs and the profit or loss of the Company for that year.

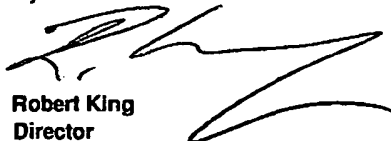
In preparing the company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.
- In preparing the Company financial statements, FRS 101 requires that directors properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 101 are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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 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.

The financial statements were approved by the board of directors and are signed on their behalf by:

**By order of the board of directors**



**Robert King**  
Director

Date: 5 April 2022

**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACUITY KNOWLEDGE PARTNERS (UK) LIMITED (FORMERLY MOODY'S ANALYTICS KNOWLEDGE SERVICES (UK) LIMITED) FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020.**

**Opinion**

In our opinion the financial statements of Acuity Knowledge Partners (UK) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the period of nine months then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of income and statement of other comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 23

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

**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 UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

## **ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACUITY KNOWLEDGE PARTNERS (UK) LIMITED (FORMERLY MOODY'S ANALYTICS KNOWLEDGE SERVICES (UK) LIMITED) FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020.**

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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.

#### **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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting Irregularities, including fraud**

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 considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

- The recording of revenue from monthly-based contracts and output-based contracts in the appropriate period.

To address this risk of material error, we performed the following procedures (using heightened sample sizes where appropriate)

- Assessed the design and implementation of controls governing the recognition of revenue according to performance of contractual terms;
- Obtained management's assessment of completed contractual services and outputs delivered, and subsequently validated whether post-period end invoices billed after period end were appropriately cut off;
- Assessed the accuracy and completeness of sales recorded in the ledger, confirming whether revenue was recognised/accrued according to when the services are rendered, and outputs are delivered; and
- Obtained the subsequent status of revenue accrued at the period end to determine whether it was billed in subsequent month.

**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACUITY KNOWLEDGE PARTNERS (UK) LIMITED (FORMERLY MOODY'S ANALYTICS KNOWLEDGE SERVICES (UK) LIMITED) FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020.**

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with 1-

**EMRC. Report on other legal and regulatory requirements**

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

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

- the information given in the 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.

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 any material misstatements in the strategic report or the directors' report.

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

Under the Companies Act 2006 we are required to report in respect of the following matters 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 respect of these matters.

**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.



**Peter Saunders (Senior statutory auditor)**  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom  
Date: 5 April 2022

**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

**STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME**  
**For the period 1 April 2020 to 31 December 2020**

(In \$ 000's )

	Note	1 April 2020 to 31 December 2020	1 April 2019 to 31 March 2020 (Restated*)
Revenue	5	79,786	94,070
Cost of sales	6	<u>(67,242)</u>	<u>(80,685)</u>
<b>Gross profit</b>		<b>12,544</b>	<b>13,385</b>
Staff Costs	8	(3,434)	(9,074)
Depreciation		(3)	(4)
Other expenses		<u>(2,010)</u>	<u>(3,070)</u>
<b>Operating profit</b>	7	<b>7,097</b>	<b>1,237</b>
Interest income		5	16
Interest expenses		<u>(251)</u>	<u>(95)</u>
<b>Profit before taxation</b>		<b>6,851</b>	<b>1,158</b>
Taxation expenses	10	<u>(1,270)</u>	<u>(1,638)</u>
<b>Profit/ (loss) for the period</b>		<b><u>5,581</u></b>	<b><u>(480)</u></b>
Other comprehensive income for the period		-	-
<b>Total comprehensive Income/ (loss) for the period</b>		<b><u>5,581</u></b>	<b><u>(480)</u></b>

\*Refer note- 23

The Company's profit and other comprehensive income for the period is derived from continuing operations

The accompanying notes form an integral part of these financial statements.

**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

**STATEMENT OF FINANCIAL POSITION**  
For the period 1 April 2020 to 31 December 2020

(In \$ 000's )

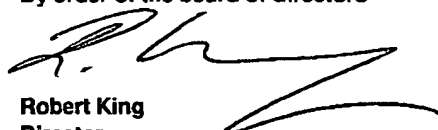
	Note	As at 31 December 2020	As at 31 March 2020 (Restated*)
<b>Non-current assets</b>			
Property, plant and equipment	12	14	13
Investments	13	1	1
Trade and other receivables	14	187	-
		<u>202</u>	<u>14</u>
<b>Current assets</b>			
Trade and other receivables	14	18,641	20,654
Short term investments	13	82	-
Loan and advances	11	1,000	-
Cash at bank		18,385	5,666
		<u>38,108</u>	<u>26,320</u>
<b>Total assets</b>		<u>38,310</u>	<u>26,334</u>
<b>Non-current liabilities</b>			
Deferred tax liability	10	2	-
		<u>2</u>	<u>-</u>
<b>Current liabilities</b>			
Tax payable	10	5,004	4,986
Trade and other payables	15	31,494	25,119
		<u>36,498</u>	<u>30,105</u>
<b>Total liabilities</b>		<u>36,500</u>	<u>30,105</u>
<b>Equity</b>			
Share capital	16	3	3
Share premium	16	294	294
Retained earnings		1513	(4,068)
		<u>1,810</u>	<u>(3,771)</u>
<b>Shareholders' surplus/ (deficit)</b>		<u>1,810</u>	<u>(3,771)</u>
<b>Total equity and liabilities</b>		<u>38,310</u>	<u>26,334</u>

\*Refer note- 23

The accompanying notes form an integral part of these financial statements.

These financial statements were approved by the board of directors on 5 April 2022 and were signed on its behalf by:

By order of the board of directors



Robert King  
Director

Date: 5 April 2022

Registered number: 04590033

**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

For the period 1 April 2020 to 31 December 2020

(In \$ 000's )

	Share capital	Share premium	Retained earnings	Share-based payment reserve	Equity-stock compensation (tax reserve)	Total equity
<b>Balance as at 1 April 2019 (as previously stated)</b>	<b>3</b>	<b>294</b>	<b>9,098</b>	<b>1,718</b>	<b>287</b>	<b>11,400</b>
Effect of restatements (Note- 23)	-	-	(5,486)	-	-	(5,486)
<b>Balance as at 1 April 2019 (as restated)</b>	<b>3</b>	<b>294</b>	<b>3,612</b>	<b>1,718</b>	<b>287</b>	<b>5,914</b>
Loss for the year (Restated)	-	-	(480)	-	-	(480)
Share-based payment expenses	-	-	-	3,525	(136)	3,389
Dividend Paid	-	-	(12,250)	-	-	(12,250)
Share-based payment reversal	-	-	-	(344)	-	(344)
Transfer of share-based reserve*	-	-	5,050	(4,899)	(151)	-
<b>Balance as at 31 March 2020</b>	<b>3</b>	<b>294</b>	<b>(4,068)</b>	<b>-</b>	<b>-</b>	<b>(3,771)</b>
Profit for the period	-	-	5,581	-	-	5,581
<b>Balance as at 31 December 2020</b>	<b>3</b>	<b>294</b>	<b>1,513</b>	<b>-</b>	<b>-</b>	<b>1,810</b>

\* On acquisition of Company by Trident Bidco Limited from Moody's Group, the Company has cancelled the ESOP allocated to its employees, due to which Company has reversed the Shared based reserve and transferred the same to retained earnings.

The accompanying notes form an integral part of these financial statements.

## ACUITY KNOWLEDGE PARTNERS (UK) LIMITED

### NOTES

For the period 1 April 2020 to 31 December 2020

#### 1 THE COMPANY AND ITS OPERATIONS

Acuity Knowledge Partners (UK) Limited ("the Company") is a Company incorporated in the United Kingdom. The principal activity of the Company is the provision of business research. The Company provides customized proprietary research support to its clients across Europe, United States, Asia and Australia. During the period, there has been a significant increase of business with existing clients and expansion in terms of new customers mainly in the United States. Further, the portfolio of services offered has diversified to include a number of allied research activities in the field of business research.

#### 2 BASIS OF PREPARATION

##### 2.1 Statement of compliance

The Company meets the definition of a qualifying entity under FRS 101 issued by the FRC. Accordingly, these financial statements have been prepared in accordance with FRS 101 'Reduced Disclosure Framework'.

The Company is exempt by virtue of S400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The consolidated financial statements of the Trident Holdco Limited and its subsidiaries ("the Group"), are prepared in accordance with IFRS, copies of the said consolidated financial statements can be obtained from 27 Old Gloucester Street, London, England, WC1N 3AX.

The company, as a qualifying entity, has taken advantage of the disclosure exemptions available to it as permitted by FRS 101. The Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A statement of cash flows and related notes;
- The requirement to present third balance sheet when there is change in accounting policy, retrospective restatement or reclassification;
- Comparative period reconciliations for share capital, property, plant and equipment;
- Disclosures in respect of related parties with transactions that are within the Group;
- Disclosures in respect of capital management;
- Disclosures in respect of the compensation of key management personnel;
- Certain disclosures required by IFRS 13 "Fair Value Measurement" and the disclosures required by IFRS 7 "Financial Instrument Disclosures" and
- The effects of new but not yet effective IFRSs.

The Company has also taken the exemptions available under FRS 101 in respect of the following disclosures:

- IFRS 2 "Share-based Payments" in respect of group-settled share-based payments and Certain disclosures required by IFRS 15 "Revenue from Contracts with Customers".

##### 2.2 Basis of measurement

These financial statements have been prepared on the going concern and historical cost basis.

## **ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

### **NOTES**

**For the period 1 April 2020 to 31 December 2020**

#### **2.3 Going Concern**

The Directors have received binding commitments from Trident Holdco Ltd to provide financial support to the company to allow it to continue as a going concern for a period of at least 12 months from the date of these financial statements. In considering the ability of Trident Holdco Ltd to provide that support, the Directors have satisfied themselves that the cash flow forecasts of the Group for a period of 12 months from the date of approval of these financial statements indicate that, taking account of reasonably possible downsides including those resulting from the pandemic, the Group will have sufficient funds, to meet its liabilities as they fall due for that period.

In making, their assessment of the Company's ability to continue as a going concern, the Directors have also considered the guarantees given in respect of Company loans, the fixed and floating charges over the Company's assets and the cash flow and covenant forecasts of the Company.

The Directors of the Group are forecasting to maintain the current growth momentum and generate positive cash inflows after servicing the debt of the Company and paying the related interest expense.

The Directors therefore conclude that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

#### **2.4 Functional and presentation currency**

The Company's financial statements are presented in US dollars ('\$'), which is also the Company's functional currency.

## ACUITY KNOWLEDGE PARTNERS (UK) LIMITED

### NOTES

For the period 1 April 2020 to 31 December 2020

### 3 SIGNIFICANT ACCOUNTING POLICIES

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

#### 3.1 Revenue

Revenue is recognised when control of promised goods or services is transferred to the customer, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

When contracts with customers contain multiple performance obligations, the Company accounts for individual performance obligations separately if they are distinct. The transaction price is allocated to each distinct performance obligation on a relative standalone selling price (SSP) basis. The Company determines the SSP by using the price charged for a deliverable when sold separately or uses management's best estimate of SSP for goods or services not sold separately based on the maximum number of observable data points, including: internal factors relevant to its pricing practices such as costs and margin objectives; standalone sales prices of similar products; percentage of the fee charged for a primary product or service relative to a related product or service; and customer segment and geography. Additional consideration is also given to market conditions such as competitor pricing strategies and market trends.

Revenue arrangements offered by the Company include hosted research and related maintenance, or post contract customer support (PCS), and professional services. Professional services are invoiced as those services are provided. Payment terms and conditions vary by contract type, but primarily include a requirement of payment within 30 to 60 days.

Products and services offered are sold either stand-alone or together in various combinations. In instances where an arrangement contains multiple performance obligations, the Company accounts for the individual performance obligations separately if they are considered distinct. Revenue is generally allocated to all performance obligations based upon the relative SSP at contract inception. Judgment is often required to determine the SSP for each distinct performance obligation. Revenue is recognised for each performance obligation based upon the conditions for revenue recognition noted above.

Customers usually pay a fixed fee for the products and services based on signed contracts. However, accounting for variable consideration is applied mainly for: i) estimates for cancellation rights and price concessions and ii) time and material (T&M) based services.

Each form of variable consideration is included in the transaction price only to the extent that it is probable that a significant reversal of any incremental revenue will not occur.

Costs incurred to obtain customer contracts, such as sales commissions, are deferred and recorded within other current assets and other assets when such costs are determined to be incremental to obtaining a contract, would not have been incurred otherwise and the Company expects to recover those costs. These costs are amortised to expense consistent with the recognition pattern of the related revenue. Depending on the line of business to which the contract relates, this may be based upon the average economic life of the products sold or average period for which services are provided, inclusive of anticipated contract renewals. Determining the estimated economic life of the products sold requires judgment with respect to anticipated future technological changes.

#### 3.2 Cost of sales

The Company outsources work to other companies within the group. Those companies will charge the Company based on agreed resource, product or service delivered or transferred to the ultimate customer which are then recognised as cost of sales during the period.

#### 3.3 Foreign exchange transactions

Transactions in foreign currencies are initially recorded by the Company at the functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. All foreign exchange differences are recognised in the statement of income and other comprehensive income.

## ACUITY KNOWLEDGE PARTNERS (UK) LIMITED

### NOTES

For the period 1 April 2020 to 31 December 2020

## 3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 3.4 Share-based payments

The Company's former ultimate parent Company operated equity-settled, share-based remuneration plans for the employees of the Company, including shares issued under share options and restricted share schemes.

#### Measurement

The fair value of the employees' services received in exchange for the equity instruments granted are recognised as a share-based payment charge over the vesting period in the statement of income and other comprehensive income and the corresponding adjustment is credited in the share-based payment reserve in equity.

At each reporting date, the Company assesses the equity instruments issued:

- After the grant date and before the vesting date, the equity instruments are measured at the grant-date fair value. If any equity instruments fail to meet the vesting conditions, or there is a revision in the estimates of vesting conditions, any difference is adjusted in the Statement of income and other comprehensive income and the share-based payment reserve.
- After the grant date and before the vesting date, if any employee is transferred to another group entity, the share-based payment charge for the period is time apportioned and allocated between the group entities.
- After the vesting date and before the settlement, if the fair value of share options at the reporting date is greater than the grant-date fair value, an accrual for the obligation is recognised in liabilities and a corresponding adjustment is recognised in the share-based payment reserve.
- On exercise of equity instruments, if the settlement-date fair value is greater than the grant-date fair value, the entire settlement amount is recognised against the share-based payment reserve;
- On exercise of equity instruments, if the settlement-date fair value is less than the grant-date fair value, the share-based payment reserve is partially derecognised to the extent of the settlement amount.

Acuity Knowledge Partners Employee Share Plan ("EBT share plan") is given to incentivize employees to remain in employment and grow the value of Acuity Knowledge Partners Group ("the Acuity Group") by aligning the interest of its employees with interest of senior managers of the Trident Group. All eligible employees are entitled to receive such units under EBT share plan ("EBT shares") but do not have any right to it. Acuity Knowledge Partner Employee Benefit Trust ("EBT") has issued award certificate to employees which entitle the holder to the proceeds of the realization of the ultimate parent, Trident Holdco Limited's equity shares in such a way that each unit of EBT shares tracks the value of one equity shares.

At the time of exit (i.e., sale, IPO or liquidation), the EBT shall be required to settle the equity proceeds from the fund maintained by the EBT and distribute to eligible employees after deducting cost of administration of the plan, income taxes, employees national insurance contributions, social security charges and other similar taxes.

As per FRS 2, the units issued to employees of the Acuity Group are equity settled since the Company and its subsidiary, have neither granted their own equity instruments nor they have any obligation to settle these units with the employees. Equity settled share-based payment plans are measured at their grant date fair value. Since employees will only receive any value above fair value of the equity shares on the date of grant, the fair value of these units on the grant date is Nil.

### 3.5 Income taxes

Tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

#### **a) Current income tax**

Current income tax expense is measured as the amount expected to be recovered from or paid to the taxation authorities. Corporate income tax payable on taxable profits is recognised as an expense in the period in which the profits arise. Current tax is measured using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current income tax expense relating to items recognised directly in equity is recognised in equity and not in the statement of comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## ACUITY KNOWLEDGE PARTNERS (UK) LIMITED

### NOTES

For the period 1 April 2020 to 31 December 2020

#### b) Deferred tax

Deferred tax is recognised using the statement of financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences:

- the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither the accounting nor taxable profit or loss,
- differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are only offset when there is both a legal right to set-off and an intention to settle on a net basis.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

#### 4 Critical accounting judgements and key sources of estimation uncertainty

In applying the Company's accounting policies, which are described in note 3, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### Critical judgements in applying the Group's accounting policies

There were no critical accounting judgements that would have a significant effect on the amounts recognised in the parent company financial statements or key sources of estimation uncertainty at the balance sheet date that would have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below

#### 4.1 Share-based payments - Fair value

The fair value of cash settled share-based payments is measured on the reporting date. The fair value of the stock unit is measured using the Black-Scholes option pricing model that uses assumptions and estimates that the Company believes are reasonable. Some of the assumptions and estimates, such as share price volatility and expected option holding period, are based in part on the management's best estimates. The use of different assumptions and estimates in the Black-Scholes option pricing model could produce materially different estimated fair values and related expenses.

At each reporting date, the Group revises its estimates of the number of units that are expected to vest so that, ultimately, the amount recognised for services received as consideration for the units granted shall be based on the number of units that eventually vest.

**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

**NOTES**

For the period 1 April 2020 to 31 December 2020

**5 REVENUE**

The Company generates revenue generally from providing customized proprietary research support to its clients.

(In \$ 000's)

1 April 2020 to  
31 December 2020

1 April 2019 to  
31 March 2020

Revenue from contracts with customers	77,126	88,515
Inter-company revenue	2,660	5,555
	<u>79,786</u>	<u>94,070</u>

**A DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS**

In the following table, revenue from contracts with customers is disaggregated by primary geographical market.

(In \$ 000's)

1 April 2020 to  
31 December 2020

1 April 2019 to  
31 March 2020

**Primary geographical markets**

EU	10,920	9,506
UK	11,658	11,796
North America	45,936	56,882
Asia Pacific	8,592	10,513
Middle East	1,012	2,036
Rest of World	1,668	3,337
	<u>79,786</u>	<u>94,070</u>

**6 COST OF SALES**

(In \$ 000's)

1 April 2020 to  
31 December 2020

1 April 2019 to  
31 March 2020

Consulting Fees	15	-
Subscriptions	335	361
Cost Plus expense-intercompany	66,892	80,324
	<u>67,242</u>	<u>80,685</u>

**7 OPERATING PROFIT**

(In \$ 000's)

1 April 2020 to  
31 December 2020

1 April 2019 to  
31 March 2020

Operating profit is stated after charging:

Staff costs	3,434	9,074
Depreciation of property, plant and equipment	3	4

**Auditor's remuneration**

During the period the Company has obtained the following services from its auditor:

(In \$ 000's)

*Audit service:*

Audit fees	37	157
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*There were no non-audit services provided in the period*

ACUITY KNOWLEDGE PARTNERS (UK) LIMITED

NOTES

For the period 1 April 2020 to 31 December 2020

8 STAFF COSTS

	(In \$ 000's)	
	1 April 2020 to 31 December 2020	1 April 2019 to 31 March 2020
Wages and salaries	2,873	4,688
Social security contributions	421	654
Share-based payment expenses	-	3,525
Pension costs (note 18)	140	207
	<u>3,434</u>	<u>9,074</u>

The average number of persons employed by the Company during the period.

24	25
----	----

9 DIRECTORS' EMOLUMENTS

	(In \$ 000's)	
	1 April 2020 to 31 December 2020	1 April 2019 to 31 March 2020
Aggregate emoluments and benefits	<u>1,008</u>	<u>419</u>
<b>Highest paid director:</b>		
Salaries, fees, bonuses and benefits in kind*	<u>565</u>	<u>248</u>

\*The Group has not paid any pension contributions for the directors during the period ended 31 December 2020.

10 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	(In \$ 000's)	
	1 April 2020 to 31 December 2020	1 April 2019 to 31 March 2020 (Restated)
<b>UK Corporation tax</b>		
UK corporation tax on profits of the period	804	900
Adjustments in respect of prior periods	-	(14)
Transfer pricing adjustment	464	394
Tax related interest and charges	-	98
<b>Deferred tax</b>		
Originating and reversal of timing differences	2	260
<b>Tax expense</b>	<u>1,270</u>	<u>1,638</u>

**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

**NOTES**

For the period 1 April 2020 to 31 December 2020

**Reconciliation of effective tax rate:**

	1 April 2020 to 31 December 2020	(In \$ 000's) 1 April 2019 to 31 March 2020 (Restated)
Profit on ordinary activities before taxation	6,851	1,158
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (31 March 2020: 19%)	1,302	220
Effect of:		
Expenses not deductible for tax purposes :		
Share-based payment/(reversals)	-	670
Customer Entertainment	1	6
Deferred tax expense on timing differences	2	260
UK Group tax relief	(499)	-
Capital Allowances	-	(3)
Adjustments in respect of previous periods	-	(14)
Transfer pricing adjustment	464	394
Tax related interest and charges	-	98
Others	-	7
<b>Total tax expense</b>	<b>1,270</b>	<b>1,638</b>

(In \$ 000's)

**Tax (Receivable)/Payable**

	As at 31 December 2020	As at 31 March 2020 (Restated)
Tax receivable, 1 April 2019 (as previously stated)	-	(427)
Impact of restatement (Note - 23)	-	5,486
Tax receivable, 1 April 2020 and 1 April 2019 (restated)	4,986	5,059
Impact of restatement (Note - 23)	-	492
Charge for the period/ year	1,268	886
Paid during the period/ year	(1,250)	(1,451)
<b>Tax payable</b>	<b>5,004</b>	<b>4,986</b>

**DEFERRED TAX LIABILITY**

Deferred tax is calculated at 19% (31 March 2020: 19%) on timing differences

The balance on the provision for deferred taxation is as follows:

	As at 31 March 2020	Charge/ (credit) to Statement of Profit and Loss	As at 31 December 2020
Accelerated capital allowances	-	2	2
<b>Net deferred tax liability</b>	<b>-</b>	<b>2</b>	<b>2</b>

**Factors affecting the tax charge in future years**

The standard rate of corporation tax applied to reported profit is 19% (31 October 2019; 19%).

The Finance Act 2016 had previously enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020. However, in the March 2020 Budget it was announced that the reduction would not occur and the Corporation Tax Rate would be held at 19%. The Provisional Collection of Taxes Act was used to substantively enact the revised 19% tax rate on 17 March 2020 and accordingly the deferred tax balances have been re-calculated to 19% at the year end.

The Finance Act 2021, which was not substantively enacted at the year end, includes a further increase to the main rate of corporation tax to 25% from April 2023. This rate has not been substantively enacted at the balance sheet date as at 31 December 2020 continue to be measured at 19%.

**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

**NOTES**

For the period 1 April 2020 to 31 December 2020

(In \$ 000's)

	As at 31 December 2020	As at 31 March 2020
<b>11 LOAN AND ADVANCES</b>		
Unsecured intercompany loan to group undertaking	1000	-
	<u>1000</u>	<u>-</u>

**Terms and repayment schedule**

Particulars	Currency	Nominal interest rate	Year of maturity	Face value	Carrying Amount
Intercompany Loan	\$	10%	Repayable on demand	1,000,000	1,000 thousand

**12 PROPERTY, PLANT AND EQUIPMENT**

(In \$ 000's)

<b>Cost</b>		
At 1 April 2020		56
Addition during the period		4
<b>Closing balance as at 31 December 2020</b>		<u>60</u>
<b>Depreciation</b>		
At 1 April 2020		43
Charge for the period		3
<b>At 31 December 2020</b>		<u>46</u>
<b>Net book value</b>		
<b>At 31 December 2020</b>		<u>14</u>
At 31 March 2020		<u>13</u>

Depreciation is recognised in the statement of income and other comprehensive income on a straight-line basis over the estimated useful lives of property, plant and equipment or its major components, if any.

The estimated useful life of computer & office equipment is as follows:

- Computer & Office equipment 3 years

**ACUITY KNOWLEDGE PARTNERS (UK) LIMITED**

**NOTES**

For the period 1 April 2020 to 31 December 2020

**13 INVESTMENTS**

(In \$ 000's)  
As at  
31 March 2020      As at  
31 March 2020

**Investments in subsidiary**

**Cost**

At 31 December 2020 and 31 March 2020

1                      1

Details of the Company's investment is as follows:

Company	Country of incorporation	Principal Activity	Shareholding	Number of Shares	Nominal Value
Acuity Knowledge Partners (US) Inc. (formerly known as Moody's Analytics Knowledge Services (US) Inc.) Registered address 108 West 13th Street, Wilmington, DE 19801, New Castle.	United States of America	Holding of investments	100%	1,000	\$1

**Other investments**

(In \$ 000's)  
As at  
31 December 2020      As at  
31 March 2020

**Current investments**

Short term investments

82                      -  
82                      -

The Company has invested in 13.5% convertible unsecured loan notes issued by Abydos Intelligent Solutions Limited, which are due in December 2021.

ACUITY KNOWLEDGE PARTNERS (UK) LIMITED

NOTES

For the period 1 April 2020 to 31 December 2020

14 TRADE AND OTHER RECEIVABLES

(In \$ 000's)

	As at 31 December 2020	As at 31 March 2020
Trade receivables	12,564	16,665
Trade and other receivables due from Group undertakings	2,392	1,018
	<u>14,956</u>	<u>17,683</u>
Less: loss allowance	(84)	(255)
	<u>14,872</u>	<u>17,428</u>
Accrued revenue	1,976	1,987
Deposits	81	87
Prepaid expenses	1,143	976
Other receivables	756	176
	<u>18,828</u>	<u>20,654</u>
Non-current	187	-
Current	18,641	20,654
	<u>18,828</u>	<u>20,654</u>

Amounts due from group undertakings are unsecured, interest free and repayable on demand.

15 TRADE AND OTHER PAYABLES

(In \$ 000's)

	As at 31 December 2020	As at 31 March 2020
Trade payables	218	941
Trade payables due to group undertakings	25,555	22,040
Other payables and accruals	4,878	1,049
VAT and social security	843	1,089
	<u>31,494</u>	<u>25,119</u>

ACUITY KNOWLEDGE PARTNERS (UK) LIMITED

NOTES

For the period 1 April 2020 to 31 December 2020

16 SHAREHOLDER'S INTEREST

A Movement in allotted, called up and fully paid share capital

(In \$ 000's)

	As at 31 December 2020	As at 31 March 2020
Opening balance	3	3
Increase during the period/ year	-	-
Decrease during the period/ year	-	-
<b>Closing balance</b>	<b>3</b>	<b>3</b>
1,869,968 Ordinary shares of £ 0.001 each	<b>3</b>	<b>3</b>

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 meetings of the Company.

B Retained earnings

(In \$ 000's)

	As at 31 December 2020	As at 31 March 2020 (Restated)
Opening balance	(4,068)	9,098
Effect of restatements (note-23)	-	(5,486)
Profit for the period / year (Restated)	5,581	(480)
Dividend paid	-	(12,250)
Transfer	-	5050
<b>Closing balance</b>	<b>1,513</b>	<b>(4,068)</b>

C Share Premium

(In \$ 000's)

	As at 31 December 2020	As at 31 March 2020
Opening balance	294	294
Increase during the period/ year	-	-
Decrease during the period/ year	-	-
<b>Closing balance</b>	<b>294</b>	<b>294</b>

D Share-based payment reserve

(In \$ 000's)

	As at 31 December 2020	As at 31 March 2020
Opening balance	-	1,718
Expense during the period/ year	-	3,525
Transfer during the period/ year	-	(4,899)
Reversal during the period/ year	-	(344)
<b>Closing balance</b>	<b>-</b>	<b>-</b>

17 DIVIDENDS

(In \$ 000's)

	As at 31 December 2020	As at 31 March 2020
	-	12,250

Dividends paid

No dividend was declared or paid for the current period, for the previous year ended 31 March 2020, an interim dividend of \$8,250 thousand and \$4,000 thousand was paid to Moody's Analytics Knowledge Services (Jersey) Limited (on 27 September 2019) and Moody's Analytics Knowledge Services BVI Limited (4 November 2019) respectively.

## ACUITY KNOWLEDGE PARTNERS (UK) LIMITED

### NOTES

For the period 1 April 2020 to 31 December 2020

#### 18 PENSION PLAN

A defined contribution pension scheme covers the majority of the Company's employees. Contributions to the scheme are independently administered by insurance companies.

The total pension cost of the Company for the period ended 31 December 2020 was \$140 thousand (31 March 2020: \$207 thousand).

#### 19 SUBSEQUENT EVENTS

Shailendra Gupta (Chief Finance Officer, and Director of Group Companies until his death on 12 May 2021), passed away as a result of the Covid-19 pandemic prior to the date of this report. The Board has sent their deepest condolences to their families and has been supporting them to the fullest extent possible at this very difficult time.

#### 20 ULTIMATE PARENT

The ultimate parent of Acuity Knowledge Partners (UK) Limited ("the Company") is Trident Holdco Limited ("Trident") from 8 November 2019. Trident is registered in United Kingdom. Trident Holdco Limited includes the Company in its consolidated financial statements.

The ultimate controlling party of Trident Holdco Limited are funds managed by Equistone Partners Europe Limited, a European private equity firm.

#### 21 COMMITMENTS AND CONTINGENCIES

The Company has provided a guarantee and registered a charge, making the Company jointly and severally liable, together with other Group entities, for a loan of \$110,000 thousand obtained by Trident Bidco Limited, a Company registered in UK and an intermediate Parent Undertaking of Acuity Knowledge Partners (UK) Limited.

#### 22 CHANGE OF ACCOUNTING REFERENCE DATE, SHORTER CURRENT FINANCIAL YEAR (9 MONTHS)

During the year, the accounting reference date was changed to 31 December, to align its reporting period with the rest of the Group. Consequently, the current financial year's results are presented for 9 months against the corresponding 12 months of the previous financial year ended 31 March 2020.

#### 23 PRIOR YEAR ADJUSTMENTS

On 8 November 2019, Equistone Partners Europe acquired the Knowledge Services business from Moody's Corporation and renamed it as Acuity Knowledge Partners. After acquisition, the Management of the Company reassessed the tax position relating to the transfer pricing arrangements between entities within the group and concluded that the Company should have accounted for additional tax liabilities for periods prior to 31 March 2020. The Company has accounted for current tax for the nine month period ended 31 December 2020, based on the revised tax position. The Company has restated its financial information for the period ended 31 March 2020 in accordance with the requirements of FRS 101 as follows:

Particulars	(In \$ 000's)		
	As previously reported	Impact due to prior year adjustment	Restated balance
Income tax expense	1,146	492	1,638
Profit after tax	11	(492)	(480)
Profit before tax	1,158	-	1,158
Tax receivable	(992)	992	-
Tax payable	-	4,986	4,986
Retained earnings brought forward	9,098	(5,486)	3,612
Retained earnings carried forward	1,910	(5,978)	(4,068)