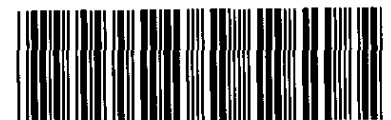


Registered number:
11844231

DYE & DURHAM (UK) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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DYE & DURHAM (UK) LIMITED

COMPANY INFORMATION

Directors	M W Proud C MacCready T Durbin St George <i>Dye & Durham Corporation</i>
Registered number	11844231
Registered office	Courtyard House The Square Lightwater Surrey GU18 5SS
Independent auditor	Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditors Third Floor 10 South Parade Leeds West Yorkshire LS1 5QS

DYE & DURHAM (UK) LIMITED

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DYE & DURHAM (UK) LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2021

Introduction

The directors present their Strategic Report together with the Directors' Report and the audited financial statements of the Company for the year ended 30 June 2021.

The Strategic Report is prepared in accordance with s414(c) of the Companies Act 2006.

Business review

The Group is a provider of cloud-based software and technology solutions designed to boost efficiency and increase productivity for its clients.

On 10 June 2021, the Company acquired Lawyer Checker Limited ("Lawyer Checker") for £11 million.

On 17 May 2021, the Company acquired Future Climate Info Limited and certain assets from CLS Property Insights Limited (together "FCI") for approximately £55 million.

On 12 May 2021, the Company acquired all issued and outstanding shares of Terrafirma IDC Ltd. ("Terrafirma") for approximately £9 million.

On 27 April 2021 the Group acquired Rochford Brady Legal Services Limited ("Rochford Brady") and its subsidiary Lawlink (UK) Limited ("Lawlink") for approximately £4 million.

On 23 September 2020, the Company acquired R-Squared Bidco Limited and certain related assets (collectively, "PIE") for total consideration of £35 million.

The directors are satisfied with the performance of the Group in this year of trading.

Principal risks and uncertainties

Market / economic risk:

The Group is subject to the impact of volumes in the UK housing market. The Group is developing cloud-based solutions, including subscription-based software services, to mitigate these risks as far as possible.

Price / competitive risk:

There are a number of competitors in the Group's current markets. The strategy of continued development and innovation of cloud-based solutions is for the purpose of addressing this risk.

Foreign currency risk:

The Group's functional and presentation currency is GBP. The functional currency of subsidiary entities located in the Republic of Ireland is Euros. Results of operations are converted into the Group's functional currency using the average foreign exchange rates for each period presented. As a result, results of operations may be adversely impacted by an increase in the value of GBP relative to the Euro.

DYE & DURHAM (UK) LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2021

Economic Activity:

General economic conditions may affect our results of operations and financial condition. Demand for our products depends in large part upon the level of capital and operating expenditures by many of our customers and their clients. Decreased capital and operational spending could have a material adverse effect on the demand for our products and our business, results of operations, cash flow and overall financial condition. Decreased capital and operational spending or disruptions in the financial markets could be caused by the outbreak of a contagious illness, such as the recent outbreak of COVID-19. Any of these conditions may reduce the ability of our customers, prospective customers, and their clients to commit funds to purchase our products and services, or their ability to pay for our products and services after purchase.

Credit risk:

Credit risk arises from cash and cash equivalents as well as credit exposures to customers, including outstanding receivables. Individual risk limits are set based on internal and external ratings and reviewed by management. The utilisation of credit limits is regularly monitored with appropriate action taken by management in the event of the breach of a credit limit.

Liquidity risk:

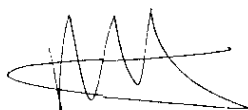
Management reviews cash forecasts of the Group in accordance with practice and limits set by the Group. The Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these.

Financial key performance indicators

	Year ended 30 June 2021	Period from 25 February to 30 June 2020
Revenue	32,162,114	2,419,365
Gross profit	23,613,282	2,005,712
Gross profit %	73%	83%
Operating profit / (loss)	3,130,303	(1,256,172)
Net liabilities	73,464	1,346,306

Trading performance in 2021 featured an increase in the Group's revenue and an increase in operating profit as a direct result of the impact of the acquisitions outlined above, as well as acquisitions completed in the prior period.

This report was approved by the board on 16 March 2022 and signed on its behalf.



T Durbin St George
Director

DYE & DURHAM (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2021

The directors present their report and the financial statements for the year ended 30 June 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, Directors' Report and the consolidated financial statements, in accordance with applicable law.

Company law requires the directors to prepare consolidated financial statements for each financial year. Under that law they have elected to prepare the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) in conformity with the requirements of the Companies Act 2006.

Under company law the directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. In preparing the consolidated 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 they have been prepared in accordance with IFRS in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and 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 Group or 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 Group and to prevent and detect fraud and other irregularities.

Principal activity

The principal activity of the Group during the year under review was the provision of cloud-based software and technology solutions designed to improve efficiency and increase productivity for legal and business professionals.

Results and dividends

The profit for the period, after taxation, amounted to £1,345,354 (2020 - loss £1,346,406).

No dividends were paid in the current or previous accounting period.

Directors

The directors who served during the year were:

M W Proud
C MacCready
T Durbin St George
Dye & Durham Corporation

DYE & DURHAM (UK) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021**

Future developments

The directors are not expecting to make any significant changes in the nature of the business in the near future but acquisitions remain a key focus for the Group's further growth.

Disclosure of information to auditors

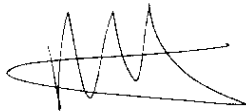
Each of the persons who is a director at the time when this Directors' Report is approved has confirmed that:

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

Auditors

The auditors, Armstrong Watson Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 16 March 2022 and signed on its behalf.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end.

T Durbin St George
Director

DYE & DURHAM (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DYE & DURHAM (UK) LIMITED (CONTINUED)

Opinion

We have audited the financial statements of Dye & Durham (UK) Limited (the 'Company') and its subsidiaries (the 'Group') for the year ended 30 June 2021 which comprise the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows, the Company Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies set out on pages 20 - 26. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) in conformity with the requirements of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and the Company's affairs as at 30 June 2021 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs in conformity with the requirements of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditors' 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.

DYE & DURHAM (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DYE & DURHAM (UK) LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group 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 Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 4, 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 Group's and 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 Group or the Company or to cease operations, or have no realistic alternative but to do so.

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

DYE & DURHAM (UK) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DYE & DURHAM (UK) LIMITED
(CONTINUED)**

We identified the laws and regulations applicable to the group through discussions with directors and other management and review of appropriate industry knowledge;

We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

Performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships; tested journal entries to identify unusual transactions; and tested the operating effectiveness of key controls over purchase cycles on a sample basis.

We have reviewed the application of accounting policies with focus on those with heightened estimation uncertainty.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

Agreeing financial statement disclosures to underlying supporting documentation; and enquiring of management as to actual and potential litigation and claims.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

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



Matthew Osbourne (Senior Statutory Auditor)

for and on behalf of
Armstrong Watson Audit Limited

Chartered Accountants & Statutory Auditors

Leeds

Date: 17 March 2022

DYE & DURHAM (UK) LIMITED

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

		Year ended 30 June 2021 £	<i>Period from 25 February 2019 to 30 June 2020 £</i>
	Note		
Revenue	6	32,162,114	2,419,365
Cost of sales		(8,548,832)	(413,653)
Gross profit		23,613,282	2,005,712
Other operating income	7	10,776	29,481
Administrative expenses		(20,493,755)	(3,291,365)
Profit/(loss) from operations		3,130,303	(1,256,172)
Finance income	9	3,205	11,217
Finance expense	9	(1,044,591)	(24,906)
Profit/(loss) before tax		2,088,917	(1,269,861)
Tax expense	11	(743,563)	(76,545)
Profit/(loss) for the period		1,345,354	(1,346,406)
Other comprehensive income:			
Translation adjustment		(72,512)	-
Total comprehensive income		1,272,842	(1,346,406)

The notes on pages 20 to 43 form part of these financial statements.

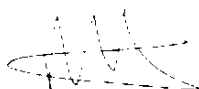
DYE & DURHAM (UK) LIMITED
REGISTERED NUMBER: 11844231

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021 £	2020 £
Assets			
Non-current assets			
Property, plant and equipment	12	3,463,032	1,183,613
Intangible assets	13	146,086,822	13,109,141
Other non-current investments	14	100,018	-
		149,649,872	14,292,754
Current assets			
Inventories		-	14,388
Trade and other receivables	15	10,454,030	1,950,071
Cash and cash equivalents		6,848,060	774,723
		17,302,090	2,739,182
Total assets		166,951,962	17,031,936
Liabilities			
Non-current liabilities			
Loans and borrowings	17	4,492,463	2,695,104
		4,492,463	2,695,104
Current liabilities			
Trade and other liabilities	16	137,151,204	12,939,823
Loans and borrowings	17	8,985,922	1,511,505
Provisions	18	583,139	-
		146,720,265	14,451,328
Total liabilities		151,212,728	17,146,432
Deferred taxation		(15,812,698)	(1,231,810)
Net liabilities		(73,464)	(1,346,306)
Issued capital and reserves attributable to owners of the parent			
Share capital	19	100	100
Retained earnings		(73,564)	(1,346,406)
TOTAL EQUITY		(73,464)	(1,346,306)

The financial statements on pages 11 to 43 were approved and authorised for issue by the board of directors on 16 March 2022 and were signed on its behalf by:

T Durbin St George
Director



The notes on pages 20 to 43 form part of these financial statements.

DYE & DURHAM (UK) LIMITED
REGISTERED NUMBER: 11844231

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021 £	2020 £
Assets			
Non-current assets			
Other non-current investments	14	126,834,644	12,829,198
		<u>126,834,644</u>	<u>12,829,198</u>
Current assets			
Trade and other receivables	15	4,144,054	142,132
		<u>4,144,054</u>	<u>142,132</u>
Total assets		<u>130,978,698</u>	<u>12,971,330</u>
Liabilities			
Current liabilities			
Trade and other liabilities	16	132,513,464	11,611,505
Non-current liabilities			
Trade and other liabilities	16	828,332	1,770,112
		<u>133,341,796</u>	<u>13,381,617</u>
Total liabilities		<u>133,341,796</u>	<u>13,381,617</u>
Net liabilities		<u>(2,363,098)</u>	<u>(410,287)</u>
Issued capital and reserves attributable to owners of the parent			
Share capital	19	100	100
Retained earnings		(2,363,198)	(410,387)
TOTAL EQUITY		<u>(2,363,098)</u>	<u>(410,287)</u>

The financial statements on pages 11 to 43 were approved and authorised for issue by the board of directors on 16 March 2022 and were signed on its behalf by:



T Durbin St George
Director

The notes on pages 20 to 43 form part of these financial statements.

DYE & DURHAM (UK) LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Share capital	Retained earnings	Total attributable to equity holders of parent	Total equity
	£	£	£	£
At 1 July 2020	100	(1,346,406)	(1,346,406)	(1,346,306)
Comprehensive income for the year				
Profit for the year	-	1,345,354	1,345,354	1,345,354
Total comprehensive income for the year	-	1,345,354	1,345,354	1,345,354
Contributions by and distributions to owners				
Translation adjustment	-	(72,512)	(72,512)	(72,512)
Total contributions by and distributions to owners	-	(72,512)	(72,512)	(72,512)
At 30 June 2021	100	(73,564)	(73,564)	(73,464)

The notes on pages 20 to 43 form part of these financial statements.

DYE & DURHAM (UK) LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2020**

	Share capital	Retained earnings	Total attributable to equity holders of parent	Total equity
	£	£	£	£
At 25 February 2019	-	-	-	-
Shares issued during the year	100	-	-	100
Comprehensive income for the period				
Loss for the period	-	(1,346,406)	(1,346,406)	(1,346,406)
Total comprehensive income for the period	-	(1,346,406)	(1,346,406)	(1,346,406)
Contributions by and distributions to owners	-	-	-	-
At 30 June 2020	100	(1,346,406)	(1,346,306)	(1,346,306)

The notes on pages 20 to 43 form part of these financial statements.

DYE & DURHAM (UK) LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Share capital	Retained earnings	Total equity
	£	£	£
At 1 July 2020	100	(410,387)	(410,287)
Comprehensive income for the year			
Loss for the year	-	(1,952,811)	(1,952,811)
Total comprehensive income for the year	-	(1,952,811)	(1,952,811)
Contributions by and distributions to owners	-	-	-
At 30 June 2021	100	(2,363,198)	(2,363,098)

The notes on pages 20 to 43 form part of these financial statements.

DYE & DURHAM (UK) LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2020**

	Share capital	Retained earnings	Total equity
	£	£	£
At 25 February 2019	-	-	-
Shares issued during the year	100	-	100
Comprehensive income for the period			
Loss for the period	-	(410,387)	(410,387)
Total comprehensive income for the period	-	(410,387)	(410,387)
Contributions by and distributions to owners	-	-	-
At 30 June 2020	100	(410,387)	(410,287)

The notes on pages 20 to 43 form part of these financial statements.

DYE & DURHAM (UK) LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021**

	Year ended 30 June 2021 £	Period from 25 February 2019 to 30 June 2020 £
Cash flows from operating activities		
Profit/(loss) for the year / period	1,345,354	(1,346,406)
Adjustments for		
Depreciation and amortisation	6,332,525	772,782
Finance expense	1,044,591	24,906
Increase in provisions	583,139	-
Income tax expense	743,563	76,545
	10,049,172	(472,173)
Movements in working capital		
Increase in trade and other receivables	(8,489,571)	(1,964,458)
Increase in trade and other payables	6,517,224	2,582,889
Increase in deferred revenue	1,541,123	245,242
Net cash from operating activities	9,617,948	391,500
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquired	(110,372,443)	(8,823,191)
Purchases of property, plant and equipment	(7,101,085)	(800,181)
Translation adjustment arising on consolidation	-	-
Net cash used in investing activities	(117,473,528)	(9,623,372)
Cash flows from financing activities		
Borrowing from parent company	114,799,060	10,031,501
Interest paid	(870,143)	(24,906)
Net cash from financing activities	113,928,917	10,006,595
Net cash increase in cash and cash equivalents	6,073,337	774,723
Cash and cash equivalents at the beginning of year / period	774,723	-
Cash and cash equivalents at the end of the year / period	6,848,060	774,723

The notes on pages 20 to 43 form part of these financial statements.

DYE & DURHAM (UK) LIMITED

**COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021**

	Year ended 30 June 2021 £	<i>Period from 25 February 2019 to 30 June 2020 £</i>
Cash flows from operating activities		
Loss for the year / period	(1,952,811)	(410,387)
Adjustments for		
Finance costs	869,812	-
	(1,082,999)	(410,387)
Movements in working capital		
Increase in trade and other receivables	(4,001,922)	(142,132)
Increase in trade and other payables	5,084,921	552,519
Net cash used in operating activities	-	-
Net change in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning / end of the year / period	-	-

The notes on pages 20 to 43 form part of these financial statements

DYE & DURHAM (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting policies

1.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at this time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

DYE & DURHAM (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting policies (continued)

1.2 Going concern

The directors are confident that the Group will continue in operational existence for the foreseeable future, which has been confirmed by the support of the Group's parent undertaking for a minimum period of 12 months from the date of signing these financial statements. The directors are confident that the Group can continue to meet its obligations as they fall due. The directors therefore consider it appropriate to continue to apply the going concern basis for preparing the financial statements.

1.3 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that are expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1.4 Turnover

Turnover represents net invoiced fees and accrued fees for the value of services provided, excluding value added tax. Search fees are recognised on completion of each property information search provided and on an accruals basis for partially complete property information searches.

DYE & DURHAM (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting policies (continued)

1.5 Leasing

The Group adopted IFRS16 using the modified retrospective approach, with recognition of transitional adjustments on the date of initial application (25 February 2019), without restatement of comparative figures.

The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset.

1.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.7 Foreign currency translation

Functional and presentation currency

The Group and Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

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

DYE & DURHAM (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting policies (continued)

1.8 Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Group operates and generates income.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

1.9 Investments

Investments in subsidiaries are stated at cost. Investments are tested for impairment when circumstances indicate that the carrying value may be impaired.

DYE & DURHAM (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting policies (continued)

1.10 Impairment of non-financial assets

At each balance sheet date, the directors review the carrying amounts of the Group's non-current assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. If the recoverable amount of a cash-generating unit is less than its carrying amount, the impairment loss is allocated to the assets of the unit *pro rata* based on the carrying amount of each asset in the unit.

An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior periods. A reversal of an impairment loss is recognised in the income statement immediately.

1.11 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

Investment in lease	Over the remaining period of the lease
Right-of-use asset	Over the remaining period of the lease
Leasehold properties	Over the remaining period of the lease
Furniture and equipment	20 to 33% straight line
Computer equipment	20 to 33% straight line

DYE & DURHAM (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting policies (continued)

1.12 Intangible assets

The Group's intangible assets relate to developed software technology or acquired identifiable intangible assets, such as software technology, brands and trademarks, licences, patents and customer lists. Intangible assets acquired separately are measured on initial recognition at cost.

Research costs are expensed as incurred. Certain costs incurred in connection with the development of software to be used internally or for providing services to customers are capitalised once a project has progressed beyond a conceptual, preliminary stage to that of application development. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- Technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- Intention to complete and its ability and intention to use or sell the asset
- The asset will generate future economic benefits;
- The availability of resources to complete the assets; and
- The ability to measure reliably the expenditure during development

The useful lives of intangible assets are assessed as either finite or infinite. Intangible assets with a finite life are amortised over the estimated useful life. Intangible assets are amortised on a straight line basis as follows:

Software technologies	Up to 12 years
Brands and trademarks	Up to 8 years
Licences and patents	Up to 8 years
Customer lists	Up to 12 years

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Change in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as a change in accounting estimates.

Intangible assets with indefinite useful lives are not amortised. These assets have indefinite useful lives because there is no foreseeable limit to the cash flows generate by those intangible assets. They are tested for impairment at least annually or more frequently when there is an indication that the asset has been impaired, either individually or at the CGU level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of comprehensive income when the asset is derecognised.

1.13 Cash and cash equivalents

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

DYE & DURHAM (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting policies (continued)

1.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are made, they are charged to the provision carried in the balance sheet.

1.16 Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.17 Equity

Equity comprises the following:

"Share Capital" represents amounts subscribed for shares at nominal value.

"Retained Earnings" represents the accumulated profits and losses attributable to equity shareholders.

1.18 Retirement benefits

The Company operates a defined contribution scheme. Contributions payable to the Company's pension scheme are charged to the profit and loss account in the period to which they relate.

1.19 Employee benefits

The cost of short-term employee benefits is recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2. Reporting entity

Dye & Durham (UK) Limited (the 'Company') is a limited company incorporated in the United Kingdom. The Company's registered office is at Courtyard House, The Square, Lightwater, Surrey, United Kingdom, GU18 5SS. These consolidated financial statements comprise the Company and its subsidiaries (collectively the 'Group' and individually 'Group companies').

DYE & DURHAM (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3. International Financial Reporting Standards in issue but not yet effective

At the date of authorisation of the financial statements, the IASB and IFRS Interpretations Committee have issued standards, interpretations and amendments which are applicable to the Group.

Whilst these standards and interpretations are not effective for, and have not been applied in the preparation of, these financial statements, the following could have a material impact on the Group's financial statements going forward:

New/Revised International Financial Reporting Standards		Effective Date: Annual periods beginning on or after:	EU adopted
IAS 17	<i>Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)</i>	1 January 2022	No
IAS 1	<i>Classification of Liabilities as Current or Non-current – Amendments to IAS 1</i>	1 January 2022	No
IAS 8	<i>Definition of Accounting Estimate (Amendments to IAS 8)</i>	1 January 2023	No
IAS 12	<i>Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12 Income Taxes</i>	1 January 2023	No

New / revised International Financial Reporting Standards which are not considered to potentially have a material impact on the Group's financial statements going forwards have been excluded from the above.

Management anticipates that all relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments not listed above are not expected to have a material impact on the Group's financial statements.

There are no other standards and interpretations in issue but not yet adopted that the directors anticipate will have a material effect on the reported income or net assets of the Group.

4. Functional and presentation currency

These consolidated financial statements are presented in GBP, which is the Group and Company's functional currency. All amounts have been rounded to the nearest pound, unless otherwise indicated.

DYE & DURHAM (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5. Accounting estimates and judgements

In preparing these financial statements, the directors have made the following judgements:

They have determined whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

They have determined whether there are indicators that the Group's tangible and intangible assets, including goodwill, have been impaired. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash generating unit, the viability and expected future performance of that unit.

Management determine whether there are indicators of impairment of the Company's investments. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Other key sources of estimation uncertainty

Purchased goodwill

Purchased goodwill is amortised over its useful life. The useful lives of assets are assessed annually and may vary depending on a number of factors.

Intangible fixed assets

Intangible fixed assets arising on acquisitions are accounted for on a fair value basis and subject to amortisation over the useful economic life of the asset. In determining the amounts to be capitalised and the period over which they are to be amortised, management make assumptions regarding the time value, expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

Software development costs

Qualifying software development costs are capitalised in accordance with accounting standards and the Group's accounting policy. In determining the amounts to be capitalised and the period over which they are to be amortised, management make assumptions regarding the time spent, expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

Provision for bad debts

Trade debtors are stated in the balance sheet at their nominal value less provisions for irrecoverable debts. In determining whether a provision is required management are required to make a judgement regarding the overall recoverability of the debtors. In exercising this judgement, consideration is given to both the overall economic environment in which a debtor operates as well as specific indicators that the recovery of the balance may be in doubt.

DYE & DURHAM (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

6. Revenue

The following is an analysis of the Group's revenue for the year from continuing operations:

	Year ended 30 June 2021 £	<i>Period from 25 February 2019 to 30 June 2020 £</i>
Sale of services	32,162,114	2,419,365
	<u>32,162,114</u>	<u>2,419,365</u>

Analysis of revenue by country of destination:

	Year ended 30 June 2021 £	<i>Period from 25 February 2019 to 30 June 2020 £</i>
United Kingdom	30,728,586	2,368,637
Rest of Europe	1,433,528	50,728
	<u>32,162,114</u>	<u>2,419,365</u>

7. Other operating income

	Year ended 30 June 2021 £	<i>Period from 25 February 2019 to 30 June 2020 £</i>
Other operating income	10,776	29,481
	<u>10,776</u>	<u>29,481</u>

8. Operating profit

	Year ended 30 June 2021 £	<i>Period from 25 February 2019 to 30 June 2020 £</i>
Operating profit is stated after charging/(crediting):		
Fees payable to the Group's auditors for the audit of the annual financial statements (incl subsidiaries)	113,600	45,525
Depreciation of PPE	184,040	25,271
Amortisation of right of use assets	530,893	53,600
Amortisation of intangibles	5,566,753	1,144,197
	<u>5,895,286</u>	<u>1,368,593</u>

DYE & DURHAM (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

9. Finance income and expense

	Year ended 30 June 2021 £	<i>Period from 25 February 2019 to 30 June 2020 £</i>
Finance income		
Other interest receivable	3,205	11,217
Finance expense		
Accretion costs	(1,044,591)	(24,906)
Net finance expense recognised in profit or loss	<u>(1,041,386)</u>	<u>(13,689)</u>

10. Staff costs and employees

Staff costs during the year were as follows:

	Year ended 30 June 2021 £	<i>Period from 25 February 2019 to 30 June 2020 £</i>
Wages and salaries	8,916,662	1,299,638
Social security costs	856,863	103,126
Other pension costs	297,066	101,503
	<u>10,070,591</u>	<u>1,504,267</u>

The average number of employees of the Group during the year was:

	2021 Number	2020 Number
Searchers, office and management	<u>370</u>	<u>28</u>

Remuneration in respect of directors was as follows:

	2021 £	2020 £
Emoluments for qualifying services	201,356	87,636
Pension contributions to money purchase pension schemes	11,520	8,586
	<u>212,876</u>	<u>96,222</u>

During the current and prior period one director participated in money purchase pension schemes.

The amounts set out above include remuneration in respect of the highest paid director as follows:

	2021 £	2020 £
Emoluments	171,794	87,636
Pension contributions to money purchase pension schemes	11,520	8,586
	<u>183,314</u>	<u>96,222</u>

DYE & DURHAM (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

11. Tax expense

11.1 Income tax recognised in profit or loss

	Year ended 30 June 2021 £	<i>Period from 25 February 2019 to 30 June 2020 £</i>
Current tax		
Current tax on profits for the year	908,442	76,545
Total current tax	908,442	76,545
Deferred tax expense		
Origination and reversal of timing differences	(164,879)	-
Total deferred tax	(164,879)	-
Total tax expense	743,563	76,545

The reasons for the difference between the actual tax charge for the period and the standard rate of corporation tax in the United Kingdom applied to profits / losses for the year / period are as follows:

	Year ended 30 June 2021 £	<i>Period from 25 February 2019 to 30 June 2020 £</i>
Profit/(loss) for the period	1,345,354	(1,346,406)
Income tax expense (including income tax on associate, joint venture and discontinued operations)	743,563	76,545
Profit/(loss) before income taxes	2,088,917	(1,269,861)
Tax charged at 19%	396,894	(241,274)
Deferred tax not recognised	26,532	100,421
Difference in tax rates	(53,339)	-
Expenses not deductible for tax purposes	730,393	217,398
Adjustments to prior periods	(258,352)	-
Income not taxable	(98,565)	-
Total tax expense	743,593	76,545

Changes in tax rates and factors affecting the future tax charges

An increase in the UK corporation tax rate from 19% to 25% was announced in the 2021 budget, this is scheduled to take effect from April 2023. The rate for small profits under £50,000 will remain at 19%, and there will be taper relief for businesses with profits between £50,000 and £250,000.

DYE & DURHAM (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

11.2 Current tax assets and liabilities

	2021 £	2020 £
Current tax liabilities		
Corporation tax payable	1,863,767	329,665
	<u>1,863,767</u>	<u>329,665</u>

11.3 Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated statement of financial position:

	2021 £	2020 £
Fixed asset timing differences	(7,567)	12,810
Losses carried forward	15,969,137	-
Deferred tax arising on fair value adjustments	(148,872)	1,219,000
	<u>15,812,698</u>	<u>1,231,810</u>

DYE & DURHAM (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

12. Property, plant and equipment

	Right-of use assets £	Leasehold properties £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
Additions during the period from 25 February 2019 to 30 June 2020	1,154,738	55,705	232,463	405,117	1,848,023
At 30 June 2020	1,154,738	55,705	232,463	405,117	1,848,023
Additions	-	-	2,464	46,254	48,718
Disposals	(45,600)	-	(14,821)	(29,723)	(90,144)
Acquired through acquisitions	2,580,007	266,601	514,785	451,004	3,812,397
At 30 June 2021	<u>3,689,145</u>	<u>322,306</u>	<u>734,891</u>	<u>872,652</u>	<u>5,618,994</u>
Accumulated depreciation and impairment					
Charge on owned assets for the period	53,600	484	1,614	23,173	78,871
Acquired through acquisitions	-	26,093	202,035	357,411	585,539
At 30 June 2020	53,600	26,577	203,649	380,584	664,410
Charge on owned assets for the year	530,893	23,213	63,266	97,561	714,933
Disposals	-	-	(14,821)	(29,723)	(44,544)
Acquired through acquisitions	-	93,521	380,831	346,811	821,163
At 30 June 2021	<u>584,493</u>	<u>143,311</u>	<u>632,925</u>	<u>795,233</u>	<u>2,155,962</u>
Net book value					
At 30 June 2020	1,101,138	29,128	28,814	24,533	1,183,613
At 30 June 2021	<u>3,104,652</u>	<u>178,995</u>	<u>101,966</u>	<u>77,419</u>	<u>3,463,032</u>

DYE & DURHAM (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

13. Intangible assets

Group

	Goodwill	Development expenditure	Patents	Customer relationships
	£	£	£	£
Cost				
Additions during the period from 25 February 2019 to 30 June 2020	5,670,359	1,395,058	1,685,023	5,502,898
At 30 June 2020	5,670,359	1,395,058	1,685,023	5,502,898
Additions	69,364,963	21,237,712	6,167,323	41,671,867
Disposals	-	(171,561)	-	(113,528)
Revaluation	-	252,236	13,390	213,528
At 30 June 2021	<u>75,035,322</u>	<u>22,713,445</u>	<u>7,865,736</u>	<u>47,274,765</u>
				Total £
Cost				
Additions during the period from 25 February 2019 to 30 June 2020				14,253,338
At 30 June 2020				14,253,338
Additions				138,441,865
Disposals				(285,089)
Revaluation				479,154
At 30 June 2021				<u>152,889,268</u>

DYE & DURHAM (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

	Goodwill £	Development expenditure £	Patents £	Customer relationships £
Intangible assets (continued)				
Accumulated amortisation and impairment				
Charge for the period from 25 February 2019 to 30 June 2020	-	365,638	-	778,559
At 30 June 2020	-	365,638	-	778,559
Charge for the year	-	1,414,345	634,468	3,517,940
Disposals	-	(155,668)	-	(113,528)
Revaluation	-	197,795	4,924	157,973
At 30 June 2021	-	1,822,110	639,392	4,340,944
Net book value				
At 30 June 2020	5,670,359	1,029,420	1,685,023	4,724,339
At 30 June 2021	<u>75,035,322</u>	<u>20,891,335</u>	<u>7,226,344</u>	<u>42,933,821</u>
			Total	£
Accumulated amortisation and impairment				
Charge for the period				1,144,197
At 30 June 2020				<u>1,144,197</u>
Charge for the year				5,566,753
Disposals				(269,196)
Revaluation				360,692
At 30 June 2021				<u>6,802,446</u>
Net book value				
At 30 June 2020				13,109,141
At 30 June 2021				<u>146,086,822</u>

DYE & DURHAM (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

14. Other non-current investments

Group	2021	2020
	£	£
Unlisted investments	100,018	-
	100,018	-
Company	2021	2020
	£	£
Investments in subsidiary companies	126,834,644	12,829,198
	126,834,644	12,829,198

At 30 June 2021 the Company owned 100% of the ordinary share capital of the following subsidiary undertakings:

Company name	Registration number
R-Squared Bidco Limited ^	10708732
Property Information Exchange Limited #	06029390
PSG Client Services Limited #	04762434
PSG Connect Limited # ^	03674092
Stanley Davis Group Limited	02413680
Formations Direct Limited # ^	04267328
Practical Vision Limited ^	06983855
Brady & Co (Law Searchers) Limited *#	IE265079
Hibernian Legal (International) Limited *#	IE67773
Eurolife Company Services Limited #	01604010
JH Management Services Limited #	00862283
JH VAT Services Limited #	02788589
Lawlink (UK) Limited # ^	03521834
Rochford Brady Legal Services Limited *	IE206927
Future Climate Info Limited ^	08318444
Terraforma IDC Limited ^	09726669
Easy Convey Limited ^	03963769
Index Insure Limited ^	06194513
Index Franchising Limited ^	07303274
Index Property Information Limited ^	07161499
Lawyer Checker Limited # ^	07879507
Index Pf Group Limited	06194515
Index Property Searches (East Central) Limited	08301422
Homeinfo UK Limited #	05035207

All subsidiaries are based in the United Kingdom unless denoted with a *.

Subsidiaries denoted with an # are held indirectly.

Subsidiaries denoted with a ^ claimed audit exemption in accordance with S479A of the Companies Act 2006 for the period / year ended 30 June 2021.

DYE & DURHAM (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

15. Trade and other receivables

Group

	2021	2020
	£	£
Trade receivables	8,555,838	1,459,319
Prepayments and accrued income	1,789,409	348,986
Other receivables	108,783	141,766
Total trade and other receivables	10,454,030	1,950,071

Company

	2021	2020
	£	£
Receivables from related parties	4,127,912	-
Prepayments and accrued income	-	125,469
Other receivables	16,142	16,663
Total trade and other receivables	4,144,054	142,132

The fair value of those trade and other receivables are not materially different from the carrying value.

The Group's exposure to credit and market risks, including impairments and allowances for credit losses, relating to trade and other receivables is disclosed in the financial risk management note.

DYE & DURHAM (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

16. Trade and other payables

Group

	2021 £	2020 £
Trade payables	2,253,915	1,825,642
Payables to group undertakings	124,830,562	10,031,502
Other payables	73,678	23,684
Accruals	5,851,459	454,837
Total financial liabilities, excluding loans and borrowings	133,009,614	12,335,665
Tax and social security payments	4,141,590	604,158
Total trade and other payables	<u>137,151,204</u>	<u>12,939,823</u>

Company

	2021 £	2020 £
Trade payables	80,615	94,631
Payables to group undertakings	128,127,430	10,232,252
Deferred consideration	5,130,051	3,050,396
Accruals	3,700	4,338
Total trade and other payables	133,341,796	13,381,617
Total current portion	(132,513,464)	(11,611,505)
Total non-current portion	<u>828,332</u>	<u>1,770,112</u>

The fair value of the trade and other payables classified as financial instruments are disclosed in the financial instruments note.

The Group's exposure to market and liquidity risks, including maturity analysis, related to trade and other payables is disclosed in the financial risk management and impairment note.

DYE & DURHAM (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

17. Loans and borrowings

Group

	2021	2020
	£	£
Non-current		
Deferred consideration	2,433,832	1,770,113
Right of use assets	2,058,631	924,991
	4,492,463	2,695,104
Current		
Deferred consideration	8,377,480	1,280,284
Right of use assets	608,442	231,221
	8,985,922	1,511,505
Total loans and borrowings	<u>13,478,385</u>	<u>4,206,609</u>

The carrying value of loans and borrowings classified as financial liabilities measured at amortised cost approximates fair value.

Deferred consideration is payable as follows:

	2021	2020
	£	£
Within one year	8,377,480	1,280,284
One to two years	2,433,832	1,620,113
Two to three years	-	150,000
	<u>10,811,312</u>	<u>3,050,397</u>

Lease obligations in respect of rents payable on the right of use assets are payable as follows

	2021	2020
	£	£
Within one year	608,442	231,221
One to two years	415,595	235,733
Two to three years	445,360	140,412
Three to four years	460,845	150,387
Five or more years	736,831	398,459
	<u>2,667,073</u>	<u>1,156,212</u>

DYE & DURHAM (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

18. Provisions

Group

	Other provisions £
Charged to profit or loss	583,139
At 30 June 2021	<u>583,139</u>

19. Share capital

Authorised

	2021 Number	2021 £	2020 Number	2020 £
Shares treated as equity				
Ordinary shares of £1.00 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

20. Fair value measurement

The fair value of cash and cash equivalents, receivables, accounts payable and accrued liabilities, customer advances and holdbacks approximate their carrying values due to the immediate or short-term maturity of these financial instruments. The fair value of loans and borrowings approximate their carrying value due to the variable interest rate on these instruments. The Group measures its contingent consideration on acquisitions at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted [unadjusted] market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Contingent consideration on acquisitions is classified as Level 3 financial instruments. Convertible debentures and derivative liability are classified as Level 2 financial instruments. During the periods ended 30 June 2021 and 2020, there were no transfers of amounts between levels.

Change in interest or discount rate by 1% would have nominal impact on the fair value of contingent consideration.

DYE & DURHAM (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

21. Financial instruments and risk management

Capital management

The Group's objectives when managing capital are to maintain flexibility in order to pursue its strategy of organic and acquisition growth and to provide returns to its shareholders. The Group defines capital as the aggregate of its share capital and borrowings.

	2021	2020
	£	£
Ordinary share capital	100	100
Loans and borrowings	13,478,385	4,206,609
	<u>13,478,485</u>	<u>4,206,709</u>

The Group manages its capital structure in accordance with changes in economic conditions. In order to maintain or adjust its capital structure, the Group may elect to *issue or repay financial liabilities*, issue shares, repurchase shares, pay dividends or undertake any other activities as deemed appropriate under the specific circumstances. The Group is not subject to any externally imposed capital requirements.

Credit risk

Credit risk is risk of financial loss to the Group if any counter-party to a financial asset fails to meet its contractual obligations and arises principally from deposits with banks and outstanding receivables. The Group has assessed the credit risk on its cash and cash equivalents as low as its funds are held in highly rated United Kingdom and Irish financial institutions. Due to the Group's diversified customer base there is no particular concentration of credit risk relating to the Group's receivables. Trade and other receivables are monitored on an ongoing basis to ensure timely collection of amounts due. There are no receivables from individual customers for 10% or more of revenues or receivables.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is not exposed to interest rate risk at 30 June 2021.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its obligations as they come due. The Group manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities.

As per normal operating activities, the Group intends to rely on positive cash flows from operations and obtaining additional financing to achieve its future objectives. However, there can be no assurance that actual cash flows from operations will be as forecasted or that such equity and/or debt financings will be available on a timely basis under terms acceptable to the Group.

Foreign exchange risk

Foreign exchange risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries. The Group has minimal foreign exchange risk at 30 June 2021 or 2020.

DYE & DURHAM (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

22. Controlling party

Dye & Durham Corporation (incorporated in Canada) is the immediate parent company, by virtue of its 100% holding in Dye & Durham (UK) Limited. The registered address of the parent company is 199 Bay St Suite #4610, Toronto, ON M5L 1E9. The ultimate parent company is Dye & Durham Limited (incorporated in Canada). A copy of the consolidated financial statements of the group is available at: www.sedar.com

23. Related party transactions

Payables to group undertakings are comprised of amounts owing to the Group's parent undertaking, Dye & Durham Corporation (incorporated in Canada).

24. Events after the balance sheet date

On 7 July 2021 the Group acquired all issued and outstanding shares of TM Group (UK) Limited for total cash consideration of approximately £90m.

There have been no other reportable subsequent events between 30 June 2021 and the date of signing this report.

25. Business combinations

The Group's acquisition, restructuring and other costs are as follows:

	Year ended 30 June 2021 £	Period from 25 February 2019 to June 2020 £
Integration costs	410,840	451,489
Severance	972,827	-
Legal fees	34,507	-
Acquisition costs	1,109,339	3,935
Other costs	181,179	-
	<u>2,708,692</u>	<u>455,424</u>

Acquisitions that are determined to be business combinations have been recorded under the purchase method of accounting and results have been included in the consolidated statements of profit or loss and comprehensive profit or loss from their respective acquisition dates. Accordingly, the allocation of the purchase price to assets and liabilities is based on the fair value, with the excess of the purchase price over the fair value of the assets acquired being allocated to goodwill.

All of the acquisitions qualified as businesses and were accounted for using the acquisition method of accounting. Accordingly, the results of the acquisition have been included in the financial statements of the Group from the date of closing.

DYE & DURHAM (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

25. Business combinations (continued)

The goodwill recognised in connection with the above acquisitions is primarily attributable to the anticipated improvement in the operations of the companies acquired and synergies with existing operations as a result of implementation of management's business strategies and methodologies. Goodwill also includes other intangibles such as assembled workforce that do not qualify for separate recognition under IFRS. This goodwill is not deductible for income tax purposes.

The Group completed numerous acquisitions during the periods ended 30 June 2021 and 2020. The allocation of the fair value of the identifiable assets acquired and liabilities assumed as at the date of the acquisition was as follows:

	2021	2020
	£	£
Consideration paid	108,806,893	9,778,700
Deferred consideration	9,326,466	3,050,397
Total consideration	118,133,359	12,829,097
Fair value of net assets acquired	(48,768,396)	(7,158,738)
Goodwill arising	<u>69,364,963</u>	<u>5,670,359</u>

Pro forma results of operations

On 23 September 2020 the Group completed the acquisition of the R-Squared group of companies. In these accounts the R-Squared group of companies have contributed revenue and profits before tax of £17,467,507 and £3,451,929 respectively. For the 18 month period ended 30 June 2021 the companies acquired made total revenues and profits before tax of £24,873,628 and £605,602 respectively.

The Group also completed acquisitions of the following entities during the year ended 30 June 2021.

		Included within these consolidated accounts		Per the individual company financial statements	
		Revenue	Profit after tax	Revenue	Profit / (loss) after tax
		£	£	£	£
Lawyer Checker Limited	*	327,818	159,870	988,254	(57,323)
Future Climate Info Limited	**	787,265	462,936	3,341,220	1,270,822
Terraforma IDC Limited	#	437,713	85,110	2,631,942	481,038
Rochford Brady Legal Services Limited	*	370,035	86,798	1,740,638	315,639
Lawlink (UK) Limited	*	156,812	102,330	695,679	414,286

Dates of acquisitions are noted on the Group Strategic Report on page 4.

The figures per the individual company financial statements as listed above relate to the following periods:

* 9 months ended 30 June 2021

** 3 months ended 30 June 2021

10 months ended 30 June 2021