Company Registration No. 11613168 (England and Wales)

CLEARCOURSE PARTNERSHIP ACQUIRECO LTD

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2020

CLEARCOURSE PARTNERSHIP ACQUIRECO LTD

COMPANY INFORMATION

Directors	G J Gualtieri J B Rowe J Tiverton-Brown
Company number	11613168
Registered office	10-12 Eastcheap London EC3M 1AJ
Auditor	RSM UK Audit LLP Chartered Accountants 25 Farringdon Street London EC4A 4AB

The directors present the strategic report for the year ended 31 December 2020 for ClearCourse Partnership AcquireCo Ltd ('the Group').

Review of the business
The results for the year and the financial position are set out in the financial statements on pages 11 to 44.

The Company was formed in October 2018 by Aquiline Capital Partners LLC ('Aquiline') to pursue an acquisitive roll-up strategy in the UK's vertically integrated CRM and payment sectors. The comparative period figures are for the 15 month period from incorporation in October 2018 to December 2019.

During the year ended 31 December 2020, Aquiline have invested £12.3m (2019: £57.6m) of equity in the business as well as providing short term debt of £26.4m. £30.2m of this funding was used to acquire 8 (2019: 18) new businesses and a further £2.3m (2019: £0.6m) has been used to invest in the ClearAccept card payments platform build. The remaining funding was used on working capital.

Within these verticals, ClearCourse offers Customer Relationship Management (CRM) solutions, Content Management Systems (CMS) and other vertical-specific software solutions (e.g. event bookings) allowing its clients to manage their customer base and administer business workflows. Clients range from blue chip corporates through to government and not-for-profit entities across each of these major end markets.

During 2020, ClearCourse continued to develop its integrated payments platform and obtained an approval from the Financial Conduct Authority (FCA) to start providing regulated services allowing the business to monetise the card payment flows and direct debit transactions across its existing portfolio. It's expected to organically grow this part of the business significantly in the second half of 2021.

Key performance indicators
Management uses a number of key performance indicators to measure the Group's financial and non-financial performance. These include, but are not limited to, growth in revenue per annum, recurring revenues as a percentage of all revenues and EBITDA margin.

Performance review
The Group recorded £39.7m (2019: £23.2m) of revenue, an increase of 71% year-on-year, and an EBITDA loss of £3.8m (2019: £4.2m) resulting from the inclusion of a full year's trading of 2019 acquisitions for the year ended 31 December 2020.

On an annualised proforma basis, the total portfolio's revenue increased by 39% from £35.8m (2019) to £49.8m (2020) and adjusted EBITDA, after excluding one-off acquisition-related costs and normalisation of pre-acquisition directors salaries, increased by 98% from £4.5m (2019) to £8.9m (2020). Recurring revenues have increased from 44% (2019) to 59% (2020).

Principal risks and uncertainties

Covid-19 risk
The global pandemic may have an impact on the trading of businesses and the wider economy. The risk and any mitigating actions taken by the Group are detailed in the going concern accounting policy in note 2.

Funding risk
The Group is reliant on access to sufficient capital (equity or debt) to fund the Group's acquisition strategy. To date, capital and short-term debt has been provided by Aquiline to fund acquisitions. The Group has also secured a £50m debt facility, which was partially drawn down in January 2021 to repay the Aquiline debt. Aquiline & debt holders receive regular detailed reports on the performance of the Group. The Group intends to continue its acquisitive roll up strategy, funded by utilising its debt facility and additional capital injection by Aquiline.

Competitive risk
The Group operates in a number of diverse competitive markets and success in these markets depends on a variety of factors. To maintain its success the Group undertakes continuous development of its products and by acquiring similar companies in the two vertical markets and the not-for-profit and public sectors, the Group is able to leverage its breadth of capabilities and enhance cross-selling opportunities.

Principal risks and uncertainties (continued)

Innovation risk
The technology is subject to rapid, and often unpredictable change. As a result of inappropriate technology product and marketing choices or a failure to adopt and develop new technologies quickly enough, the Group's products and services might become unattractive to its customer base or new market opportunities may be missed. The Group actively monitors technology and market developments and invests to keep its existing products, services and sales methods up-to-date, as well as seeking out new opportunities.

Transformation risk
Issues in implementing major programs such as the finance transformation project, could lead to business disruption and loss of intended economic benefits. Steering committees are established for all major programs with regular reporting and oversight. Specialists in transformation projects are engaged to ensure the Group's objectives for the projects are met. The directors are kept appraised of the current status of transformation projects on a regular and ongoing basis.

People (Operational risk)
The Group's business depends on highly skilled employees. Failing to recruit and retain such employees could impact on the Group's ability to deliver contractual commitments. The Group seeks to be an attractive employer and regularly monitors the engagement of its employees. The Group is looking to implement talent management and career planning programmes in the future.

Credit risk
The risk of financial loss to the Group if a customer fails to meet its contractual obligations and arises principally from the Group's receivables from customers. New customers are assessed for credit worthiness when they first trade with the Group. Customer receivables are monitored closely and reports are provided to management on a regular basis and there is continuous engagement with customers to ensure debts are paid promptly.

Future Outlook

Focus on continuous growth
Clearcourse plans to continue pursuing its acquisitive roll up strategy into 2021 and beyond. The management team have identified a strong pipeline of acquisition targets, of which two have been closed as at 31 July 2021 for a total expected consideration of £3.6m, the funding for which was provided by the Group's new £50m debt facility which was executed on 24 December 2020 and from the £6,050,000 received from Aquiline and 3 shareholders between July and August 2021. It's expected that these acquisitions will add annualised revenues of £2.1m and EBITDA of £0.7m to the results of the underlying Group. Further details of the acquisitions are given in note 34.

The Group will continue to drive organic growth opportunities. Across the Group, management was pleased with the overall robustness of our financial performance in 2020 given the unprecedented economic back drop, however a strong pipeline of opportunities and businesses operating in sectors significant impacted in 2020 by Covid restrictions is expected to drive strong organic revenue growth in the future.

A core part of ClearCourse's value creation is to monetise the credit card payments and direct debit transactions that are facilitated by its software portfolio businesses. In December 2020 ClearCourse's subsidiary Clear Accept was approved and regulated by the FCA as an authorised Payment Institution. As of 31 July 2021, Clear Accept has onboarded 74 merchants to its platform and has a strong pipeline supporting its future growth targets.

In June 2021, there was a corporate restructure with the Group's immediate parent company, ClearCourse Partnership LLP, being replaced by a new parent company, ClearCourse Partnership Holdings Limited. The economic interests of the Group were transferred to ClearCourse Partnership Holdings Limited. The Group continues to trade as before as a going concern and is unaffected by the transaction.

Focus on structural & operational improvements

The management team has identified and is committed to continue to develop the Group's internal infrastructure including:

- Embed a divisional structure based upon market verticals which will simplify the group structure, reduce duplication and provide opportunities to rationalise costs.
- The Group is rolling out standardised financial and management reporting across its portfolio, systemising processes, implementing Pipedrive to increase pipeline forecasting accuracy, driving overall accuracy and efficiency in reporting
- Standard master service agreements, contracts and insurance policies are being rolled out across the Group, with central legal counsel available to manage the IP and trademark portfolio.
- Consolidating its banking activities into a single supplier, with the aim of improving security, control and reducing working capital requirements

On behalf of the board

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J Tiverton-Brown

Director

24/05/2021

The directors present their annual report and financial statements for the year ended 31 December 2020.

Principal activities
The principal activity of the Company was that of a holding company with a mission to acquire primarily UK-based group and event management software companies and drive increased growth and profitability through more efficient payments, capital investment and operational support. The principal activity of the Group is the provision of software solutions and services to clients in the membership, business services, events and leisure, retail, and payment solutions sectors.

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

G J Gualtieri
J B Rowe
J Tiverton-Brown (appointed 11 March 2021)

Results and dividends
The results for the period are set out on page 11.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Qualifying third party indemnity provisions
ClearCourse Partnership LLP, the immediate parent entity during the year, made qualifying third-party indemnity provisions for the Company's directors during the year. These provisions remain in force at the reporting date.

Employee involvement and disabled persons
The Group is committed to offering equal employment opportunities and its policies are designed to attract, retain and motivate the best staff regardless of gender, sexual orientation, religion, age, disability or educational background. The Group gives proper consideration to applications for employment when they are received from disabled persons and will employ them in posts whenever suitable vacancies arise. Employees who become disabled are retained whenever possible through re-training, use of appropriate technology and making available suitable alternative employment.

The Group encourages the participation of all employees in the operation and development of the business and has a policy of regular communications. The Group incentivizes employees and senior management through the payment of bonuses linked to performance objectives.

Going concern and post balance sheet events
During 2020 and 2021, the Group has been funded by Aquiline in order to finance its acquisitions.

The directors have prepared cash flow forecasts for a period of 12 months from the date of the approval of these financial statements, which indicate the Group will have sufficient funds to meet its liabilities as they fall due. These cash flows are not dependent on additional funding from Aquiline and even under worst case scenarios, the directors are confident that sufficient mitigating action can be taken to ensure the solvency of the business.

In March 2020, the World Health Organization formally recognised COVID-19, the novel strain of coronavirus, as a pandemic. With the outbreak in the UK seemingly under control and restrictions planning to be lifted, the Group has already started seeing improved performance across its portfolio. Pent up demand during the pandemic is slowly, but surely resulting in the Group signing up new customers and or upgrading and retaining existing customers.

The Group has taken advantage of the VAT deferral scheme being offered by HMRC and also has utilised the Government's Job retention scheme. In addition, the Group reduced all non-essential expenditure and made employees redundant where necessary.

Going concern and post balance sheet events (continued)
In December 2020, the Group secured an external debt facility of £50m, giving it the bandwidth to continue its acquisitive growth strategy. Subsequent to the year end, the Group used this funding to repay the related party loan of £27,112,000. Aquiline injected a further £4m of capital in February 2021 mainly to cover the Group's contingent consideration liabilities. Between July and August 2021, a further £6,050,000 was received from Aquiline and 3 shareholders in order to fund the acquisition of The EPOS Bureau and for strategic investments.

Based on these forecasts and action plans, the directors consider that the trade carried on by the Group is a going concern.

Auditors
The auditor, RSM UK Audit LLP, Chartered Accountants, have indicated their willingness to be reappointed for another term should the company require an audit, and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Statement of disclosure to auditors
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information.

Strategic report
The Company has chosen in accordance with Companies Act 2006, section 414C(11) to set out in the Company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, schedule 7 to be contained in the directors' report. It has done so in respect of the fair review of the business, key performance indicators, principal risks and uncertainties and future developments of the Group.

On behalf of the board

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J Tiverton-Brown
Director

24/08/2021

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company, and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and 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 Group and Company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF CLEARCOURSE PARTNERSHIP ACQUIRECO LTD

Opinion on financial statements
We have audited the financial statements of ClearCourse Partnership AcquireCo Ltd (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2020 which comprise of the consolidated statement of comprehensive income, the consolidated and company statement of financial position, the consolidated and company statement of changes in equity, the consolidated statement of cashflows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and parent Company's affairs as at 31 December 2020 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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 Group and parent 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 of 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, 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.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF CLEARCOURSE PARTNERSHIP ACQUIRECO LTD (CONTINUED)

Matters on which we are required to report by exception
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 parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent 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 set out on page 7, 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 parent 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 parent 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the Group and parent Company operates in and how the Group and parent Company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF CLEARCOURSE PARTNERSHIP ACQUIRECO LTD (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting relevant correspondence with local tax authorities, evaluating any advice received from internal tax advisors and assessing accounting policies for compliance with the reporting framework.

The most significant laws and regulations that have an indirect impact on the financial statements are General Data Protection Regulation (GDPR). We performed audit procedures to inquire of management whether the Group and parent Company is in compliance with this regulation, reviewed legal expenditure for evidence of unrecorded disputes or breaches, and reviewed the policies and controls put in place by those charged with governance to mitigate the risk of non-compliance.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, sample testing sales to supporting documentation and testing a sample of transactions around the year end to assess whether they were recognised in the correct accounting period.

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

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.

RSM UK Audit LLP

Mark Nisbett FCA (Senior Statutory Auditor)
for and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

24 August 2021

CLEARCOURSE PARTNERSHIP ACQUIRECO LTD

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £'000	15 month period ended 31 December 2019 £'000
Turnover	4	39,688	23,181
Cost of sales		(12,172)	(8,994)
Gross profit		27,516	14,187
Administrative expenses		(42,550)	(23,328)
Other operating income	5	274	-
Operating loss	8	(14,760)	(9,141)
Interest receivable and similar income	9	4	5
Interest payable and similar charges	10	(679)	(26)
Loss before taxation		(15,435)	(9,162)
Taxation	11	1,220	641
Loss on ordinary activities after taxation		(14,215)	(8,521)
Other comprehensive (expense)/income:			
Currency translation differences		(29)	20
Total comprehensive loss for the year/period		(14,244)	(8,501)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £'000	2019 £'000
Fixed assets			
Goodwill	12	53,741	34,175
Other intangible assets	13	44,762	29,646
Tangible fixed assets	15	1,241	952
		99,744	64,773
Current assets			
Debtors due within one year	17	21,957	10,803
Debtors due after more than one year	17	27	-
Cash at bank and in hand	18	11,402	12,282
		33,386	23,085
Creditors: amounts falling due within one year	19	(61,208)	(26,219)
Net current liabilities		(27,822)	(3,134)
Total assets less current liabilities		71,922	61,639
Creditors: amounts falling due after one year	20	(10,483)	(1,230)
Provisions for liabilities	23	(7,813)	(5,589)
Net assets		53,626	54,820
Equity			
Share capital	26	1,189	995
Share premium	27	75,182	62,326
Profit and loss reserve	27	(22,745)	(8,501)
		53,626	54,820

The financial statements on pages 11 to 44 were approved by the board of directors and authorised for issue on 24 August 2021 and are signed on its behalf of:

....
J Tiverton-Brown
Director

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £'000	2019 £'000
Fixed assets			
Tangible fixed assets	15	11	13
Fixed asset investments	16	110,168	68,451
		110,179	68,464
Current assets			
Debtors due within one year	17	14,030	5,636
Debtors due after more than one year	17	-	-
Cash at bank and in hand	18	29	1,113
		14,059	6,749
Creditors: amounts falling due within one year	19	(43,610)	(12,647)
Net current liabilities		(29,551)	(5,898)
Total assets less current liabilities		80,628	62,566
Creditors: amounts falling due after one year	20	(10,287)	(1,230)
Net assets		70,341	61,336
Equity			
Share capital	26	1,189	995
Share premium	27	75,182	62,326
Profit and loss reserve	27	(6,030)	(1,985)
		70,341	61,336

As permitted by section 408 Companies Act 2006, the Company has not presented its own statement of comprehensive income. The Company's loss and total comprehensive expense for the financial year was £4,045,000 (15 month period ended 31 December 2019: £1,985,000).

The financial statements on pages 11 to 44 were approved by the board of directors and authorised for issue on 24 August 2021 and are signed on its behalf by:

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J Tiverton-Brown
Director

CLEARCOURSE PARTNERSHIP ACQUIRECO LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital £'000	Share premium £'000	Profit and loss reserve £'000	Total equity £'000
Balance at 9 October 2018	-	-	-	-
Period ended 31 December 2019:				
Loss for the period	-	-	(8,521)	(8,521)
Other comprehensive income:				
Currency translation differences	-	-	20	20
Total comprehensive expense for the period	-	-	(8,501)	(8,501)
Transactions with owners in their capacity of owners:				
Issue of share capital	995	62,326	-	63,321
Balance at 31 December 2019	995	62,326	(8,501)	54,820
Year ended 31 December 2020:				
Loss for the year	-	-	(14,215)	(14,215)
Other comprehensive income:				
Currency translation differences	-	-	(29)	(29)
Total comprehensive expense for the year	-	-	(14,244)	(14,244)
Transactions with owners in their capacity of owners:				
Issue of share capital	194	12,856	-	13,050
Balance at 31 December 2020	1,189	75,182	(22,745)	53,626

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital £'000	Share premium £'000	Profit and loss reserve £'000	Total equity £'000
Balance at 9 October 2018	-	-	-	-
Period ended 31 December 2019:				
Loss and total comprehensive expense for the period	-	-	(1,985)	(1,985)
Transactions with owners in their capacity of owners:				
Issue of share capital	995	62,326	-	63,321
Balance at 31 December 2019	995	62,326	(1,985)	61,336
Year ended 31 December 2020:				
Loss and total comprehensive expense for the year	-	-	(4,045)	(4,045)
Transactions with owners in their capacity of owners:				
Issue of share capital	194	12,856	-	13,050
Balance at 31 December 2020	1,189	75,182	(6,030)	70,341

CLEARCOURSE PARTNERSHIP ACQUIRECO LTD

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £'000	2019 £'000
Cash flows from operating activities:			
Cash generated from operations	**28**	621	(146)
Income taxes repaid/(paid)		314	(213)
Net cash inflow/(outflow) from operating activities		935	(359)
Investing activities:			
Acquisition of subsidiaries (net of cash acquired)		(39,885)	(43,491)
Purchase of intangible fixed assets	**13**	(560)	(1,237)
Proceeds on disposal of tangible fixed assets		12	-
Purchase of tangible fixed assets	**15**	(160)	(207)
Interest received		4	5
Net cash used in investing activities		(40,589)	(44,930)
Financing activities:			
New finance lease obligations		-	7
Interest paid		(11)	(26)
Proceeds from issue of shares		12,370	57,570
Proceeds of loans from related parties	**21**	26,444	-
Net cash generated from financing activities		38,803	57,551
Net (decrease)/increase in cash and cash equivalents		(851)	12,262
Cash and cash equivalents at beginning of the year		12,282	-
Effect of foreign exchange rates		(29)	20
Cash and cash equivalents at end of the year		11,402	12,282
Relating to:			
Cash at bank and in hand		11,402	12,282

Included within cash at bank and in hand is £2,215,000 (2019: £6,474,000) of restricted cash. Restricted cash is money received from third parties which is repayable, after deducting commission, to clients.

1. Company information

ClearCourse Partnership AcquireCo Ltd is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 10-12 Eastcheap, London, EC3M 1AJ. The Group consists of the Company and all of its subsidiaries as set out in note 16.

The principal activity of the Company was that of a holding company with a mission to acquire primarily UK-based group and event management software companies and drive increased growth and profitability through more efficient payments, capital investment and operational support. The principal activity of the Group is the provision of software solutions and services to clients in the membership, business services, events and leisure, retail, and payment solutions sectors.

2. Accounting policies

Accounting convention

These financial statements have been prepared under historical cost convention in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (**"FRS 102"**) and the requirements of the Companies Act 2006.

The financial statements are prepared in Sterling, which is the functional currency of the Company and of its Group. Monetary amounts in these financial statements are rounded to the nearest £1,000.

Reduced disclosures

The Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this Company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group.

The Company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 "Statement of Financial Position" – Reconciliation of the opening and closing number of shares;
- Section 7 "Statement of Cash Flows" - Presentation of a Statement of Cash Flows and related notes and disclosures;
- Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instrument Issues" - Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income; and
- Section 33 "Related Party Disclosures" - Compensation for key management personnel

Reporting period

The comparative reporting period presents the financial information for the 15 month period ended 31 December 2019. The current reporting period reflects the year to 31 December 2020. As such, the comparative amounts presented in these financial statements are not entirely consistent.

Going concern

During 2020 and 2021, the Group has been funded by Aquiline in order to finance its acquisitions.

The directors have prepared cash flow forecasts for a period of 12 months from the date of the approval of these financial statements, which indicate the Group will have sufficient funds to meet its liabilities as they fall due. These cash flows are not dependent on additional funding from Aquiline and even under worst case scenarios, the directors are confident that sufficient mitigating action can be taken to ensure the solvency of the business.

In March 2020, the World Health Organization formally recognised COVID-19, the novel strain of coronavirus, as a pandemic. With the outbreak in the UK seemingly under control and restrictions planning to be lifted, the Group has already started seeing improved performance across its portfolio. Pent up demand during the pandemic is slowly, but surely resulting in the Group signing up new customers and or upgrading and retaining existing customers.

2. Accounting policies (continued)

Going concern (continued)

The Group has taken advantage of the VAT deferral scheme being offered by HMRC and also has utilised the Government's Job retention scheme. In addition, the Group reduced all non-essential expenditure and made employees redundant where necessary.

In December 2020, the Group secured external debt facility of £50m, giving it the bandwidth to continue its acquisitive growth strategy. Subsequent to the year end, the Group used this funding to repay the related party loan of £27,112,000. Aquiline also injected a further £4m of capital in February 2021 mainly to cover the Group's deferred consideration liabilities. Between July and August 2021, a further £6,050,000 was received from Aquiline and 3 shareholders in order to fund the acquisition of The EPOS Bureau and for strategic investments. The Group however is not predicting a requirement to raise further capital injections for working capital purposes.

At the balance sheet date, the Group has net assets of £53,626,000 (2019: £54,820,000) and cash at bank and in hand of £11,402,000 (2019: £12,282,000). The directors have reviewed the current financial position of the Group, making reasonable assumptions about the future performance and cash flow. The Group has sufficient reserves to meet all liabilities as they fall due, and therefore the directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Consolidation

The consolidated financial statements incorporate those of ClearCourse Partnership AcquireCo Ltd and all of its subsidiaries (that is entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries, and any trade and assets, acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 December 2020.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus directly attributable costs. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

Company statement of comprehensive income

As permitted by section 408 of the Companies Act 2006, the Company has not presented its own statement of comprehensive income as it prepares group accounts and the Company's statement of financial position shows its profit or loss for the financial period.

Turnover

In accordance with Section 23 of FRS 102, the Group measures revenue at the fair value of the consideration received or receivable. The fair value of the consideration received or receivable takes into account the amount of any trade discounts, prompt settlement discounts and volume rebates. The Group includes in revenue only the gross inflows of economic benefits received and receivable on its own account and exclude from revenue all amounts collected on behalf of third parties such as sales taxes, goods and services taxes and value added taxes.

In an agency relationship, the Group (as agent) includes in revenue only the amount of its commission. The amounts collected on behalf of the principal are not revenue of the Group.

The Group applies the revenue recognition criteria separately to each separately identifiable component of the transactions that it enters into when and as necessary to reflect the substance of the transaction.

2. Accounting policies (continued)

Recognition of revenue
The Group operates a number of diverse businesses and accordingly applies a variety of methods for revenue recognition, based on the principles set out in section 23 of FRS102.

a) Rendering of services
When the outcome of a transaction involving the rendering of services can be estimated reliably, the Group recognises revenue associated with the transaction by reference to the stage of completion of the transaction at the end of the year (sometimes referred to as the percentage of completion method). The outcome of a transaction can be estimated reliably when all the following conditions are satisfied: (a) the amount of revenue can be measured reliably; (b) it is probable that the economic benefits associated with the transaction will flow to the entity; (c) the stage of completion of the transaction at the end of the year can be measured reliably; and (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

- **Licensing and hosting revenue** – Entities whose primary objective is the provision of cloud-based CRM software solutions under the SaaS model (Software as a Service) recognise revenue on a straight-line basis over the licensing period.

- **Maintenance and support revenue** – Maintenance and support revenue is recognised on a straight-line basis over the period of the maintenance and support contract.

- **Professional services revenue (installation services and consulting)** – Professional services are distinguishable from licensing revenue, in part due to existence of a standalone selling prices, and revenue is recognised over the professional services project period*. When services are performed by an indeterminate number of acts over a specified period of time, the Group recognises revenue on a straight-line basis over the specified period unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other act, the entity postpones recognition of revenue until the significant act is executed.

  * The Group determines the stage of completion of a transaction or contract using the method that measures most reliably the work performed. When determining the stage of completion the Group considers the proportion of costs incurred for work performed to date over the estimated total costs, or the completion of a proportion of the service contract, as appropriate. Progress payments and advances received from customers often do not reflect the work performed.

- **Professional services revenue (event and subscription services)** – Revenue related to the provision to technology 'data gathering' services at an event is recognised over the event preparation period on the basis of the time and cost incurred up to and during the event itself, and revenue related to the provision subscription services is recognised over relevant subscription period.

- **Transactional services revenue** – For 'transactional arrangements' revenue is recognised in line with the number of processes transactions or clicks. Each transaction or click is assigned a value and revenue is recognised accordingly. For 'unlimited packs' and in circumstances where packs are not fully utilised revenue is recognised evenly over the service utilisation period, which is estimated based on historical transactions and clicks.

- **Managed services** - This is a fixed monthly fee for additional development and continuous improvements of systems as well as general support and revenue is recognised when invoiced.

2. **Accounting policies (continued)**

Recognition of revenue (continued)
When the outcome of the transaction involving the rendering of services cannot be estimated reliably, the Group recognises revenue only to the extent of the expenses recognised that it is probable will be recovered.

b) Sale of goods
The Group recognises revenue from the sale of goods when all the following conditions are satisfied: (a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods; (b) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; (c) the amount of revenue can be measured reliably; (d) it is probable that the economic benefits associated with the transaction will flow to the entity; and (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

c) Rental income
Rental income is recognised over the rental period on a straight-line basis.

Interest income
Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding at the effective interest rate.

Taxation
The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the period. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income or expenses from subsidiaries that will be assessed to or allow for tax in a future period except where the Group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

2. **Accounting policies (continued)**

Goodwill
Goodwill that arises on acquisitions represents the excess of the fair value of the consideration and associated costs over the fair value of the identifiable assets and liabilities acquired. Goodwill is capitalised and is then amortised on a straight line basis over its expected useful economic life, which is ten years. Provision is made for any impairment in value.

Other intangible assets
Intangible assets purchased other than in a business combination are recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets arising on a business combination are recognised separately from goodwill if the intangible is both separable and arises from legal or contractual rights. The Group has elected to recognise non-contractual customer relationships separately from goodwill. All other intangible assets that either arise from legal or contractual rights, or are separable, are presented within goodwill.

Intangible assets are initially recognised at cost (which for intangible assets acquired in a business combination is the fair value at acquisition date) and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:

Customer relations	over 3 to 10 years
Information technology	over 5 to 7 years
Order book	over 2 years
Other intangibles	over 3 to 10 years

Amortisation is revised prospectively for any significant change in useful life or residual value.

On disposal, the difference between the net disposal proceeds and the carrying amount of the intangible asset is recognised in profit or loss.

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight-line basis over its expected useful life, as follows:

Freehold land	not depreciated
Feehold buildings	over 50 years
Leasehold property	over the period of the lease term
Computer equipment	over 1 to 4 years
Fixtures, fittings and office equipment	over 3 to 5 years
Motor vehicles	over 4 to 5 years

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Revaluation of properties
Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the balance sheet date. The fair value of the land and buildings is usually considered to be their market value.

Impairment of fixed assets
An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Group estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

2. Accounting policies (continued)

Impairment of fixed assets (continued)
If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Excluding against goodwill, recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in profit or loss. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Fixed asset investments
In the separate financial statements of the Company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Leases
An asset and corresponding liability are recognised for leasing agreements that transfer to the Group substantially all the risks and rewards incidental to ownership ("finance leases"). The amount capitalised is the fair value of the leased asset or, if lower, the present value of the minimum lease payments payable during the lease term, both determined at inception of the lease. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are expensed as incurred.

All other leases are operating leases and the annual rentals are charged to profit or loss on a straight-line basis over the lease term. Rent free periods or other incentives received for entering into an operating lease are accounted for as a reduction to the expense and are recognised, on a straight-line basis over the lease term.

Financial instruments
The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets
Debtors
Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

2. Accounting policies (continued)

Financial liabilities and equity
Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments
Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Creditors
Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Borrowings
Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Derecognition of financial assets and liabilities
A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Provisions
Provisions are recognised when the Group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Government grants
Government grants are recognised at the fair value of the asset received or receivable when there is a reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in other income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in other income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

Revenue recognition
Significant estimation and judgement is applied when determining the amounts of turnover and assets recognised based on contracted obligations and the progress through the contract. Each contract is analysed separately to identify the performance obligations and judgements made as to whether, for example, goods and services should be combined. Judgement is also required to allocate the transaction price to each performance obligation based on the standalone selling price. Revenue is then spread appropriately across the correct periods for different elements of the contract. Consideration is given to any potential additional costs and provisions made accordingly.

Contingent consideration
The valuations of contingent consideration in business combinations are particularly sensitive to changes in one or more unobservable inputs which are considered reasonably possible within the next financial year.

Goodwill and other intangible assets
The calculation of goodwill, split of intangible assets, and their useful economic life are inherently based on estimates and judgements at the date of acquisition. Goodwill and intangible assets are tested for impairment annually and whenever events or changes in circumstances indicate that the carrying amount of goodwill or intangible assets have been impaired. In order to determine if the value of goodwill or intangible assets have been impaired, the cash-generating unit to which goodwill or intangible assets have been allocated must be valued using present value techniques. Changes in the conditions for these judgments and estimates can significantly affect the assessed value of goodwill or intangible assets.

If COVID-19 persists for the foreseeable future, then there is an increased likelihood of impairing the carrying value of goodwill and other intangibles particularly those in the hospitality and events sectors. However, contingent consideration liabilities may decrease if trading was to be disrupted. In addition, directors have also identified planned expenditure which can be reduced if forecasts are not achieved.

Deferred taxation
Deferred tax liabilities are assessed on the basis of assumptions regarding the future, the likelihood that assets will be realised and liabilities will be settled, and estimates as to the timing of those future events and as to the future tax rates that will be applicable.

Provision for doubtful debts
A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. The level of provision recognised is an area of judgement by management.

Useful economic life of intangibles
The useful economic life of intangible assets is determined by the period over which the asset is expected to be available for use. Other intangibles have a life which is determined by the expected usage of the asset by the Group. Intangibles acquired at acquisition have useful lives which are assessed by reference to: the typical life cycle of the product; comparison with published information on useful lives of similar assets; technological obsolescence; the stability of the industry in which the asset operates; and expected action from competitors.

Recoverability of investments
Each year, the Group carries out tests to ensure that the carrying value of investments is recoverable. The tests involve calculations of the value in use of the investments using estimates of future cash flows including long-term revenue growth rates and an appropriate discount rate to be applied to future cash flows.

3. Critical accounting estimates and areas of judgement (continued)

Dilapidations provision
The Group has provided for the expected liability existing with respect of land and buildings held under a lease by way of a dilapidations provision (see note 23). The liability represents the expected costs associated with bringing the relevant property into an acceptable state agreed by both parties at the conclusion of the lease. This is reviewed annually by the directors and will be adjusted annually should estimated costs materially change. The provision at 31 December 2020 was £20,000 (2019: £Nil).

4. Turnover

The Group's turnover is wholly derived from its principal activities undertaken predominantly within the United Kingdom. Overseas turnover amounted to £846,000 (15 month period ended 31 December 2019: £911,000).

An analysis of the Group's turnover by class of business is as follows:

	2020 £'000	2019 £'000
Class of business		
Professional services – installation services and consulting	13,145	11,700
Licensing	9,140	4,868
Maintenance and support	7,065	2,863
Managed services	3,354	-
Transactional services	2,246	938
Hosting	1,740	831
Professional services - events	897	1,542
Hardware sales	774	152
Other	1,327	287
	39,688	23,181

5. Other operating income

	2020 £'000	2019 £'000
Government grants	274	-

Government grants of £274,000 (2019: £Nil) were received during the year in relation to COVID-19 support.

6. Staff costs

	2020 No.	2019 No.
The average monthly number of persons (including directors) employed by the Group during the year/period was:		
Client service staff	320	131
Administration	120	42
	440	173

	2020 £'000	2019 £'000
Staff costs for the above persons:		
Wages and salaries	18,057	13,597
Social security costs	1,667	1,249
Pension costs	790	382
	20,514	15,228

7. Directors' remuneration

No directors received any remuneration for their services to the Company during the year (2019: £Nil) as they are remunerated by the company's parent company. No directors were accruing retirement benefits under contribution schemes in the year (2019: none).

8. Operating loss

Operating loss is stated after charging/(crediting):	2020 £'000	2019 £'000
Amortisation of intangible fixed assets – goodwill (note 12)	4,239	1,923
Amortisation of other intangible fixed assets (note 13)	6,402	2,748
Depreciation of tangible assets – owned assets (note 15)	322	235
Depreciation of tangible assets – assets held under finance lease (note 15)	6	6
(Profit)/loss on disposal of tangible fixed assets	(7)	2
Operating lease rentals – land and buildings	1,398	804
Operating lease rentals – plant and machinery	47	43
Operating lease rentals – motor vehicles	120	24
Other income – property rental income	(97)	(78)
Bad debt expense	299	152

Fees payable to RSM UK Audit LLP in respect of both audit and non-audit services are as follows:

	2020 £'000	*2019* £'000
Auditor's remuneration:		
Statutory audit of group and company accounts	140	90
Other non-audit services	325	83
	465	173

9. Interest receivable and similar income

	2020 £'000	2019 £'000
Bank interest receivable	4	5

10. Interest payable

	2020 £'000	2019 £'000
Interest on bank overdrafts and loans	1	11
Interest on related party loans	668	-
Interest on finance leases and hire purchase contracts	9	15
Other interest payable	1	-
	679	26

11. Taxation

The taxation arising in relation to the consolidated statement of comprehensive income is as follows:

	2020 £'000	2019 £'000
Current tax		
UK corporation tax	-	(36)
Adjustments in respect of prior periods – pre-acquisition tax charge	219	-
Adjustments in respect of prior periods	(20)	46
Foreign taxation	2	10
Total current tax charge	201	20
Deferred tax		
Origination and reversal of timing differences	(1,421)	(661)
Total deferred tax credit	(1,421)	(661)
Total tax credit	(1,220)	(641)

The tax assessed for the year is higher than the standard rate of corporation tax in the UK 19%. The differences are explained below:

	2020 £'000	2019 £'000
Group loss before tax	(15,435)	(9,163)
Group loss multiplied by the standard rate of corporation tax in the UK of 19% (2019 – 19%)	(2,933)	(1,741)
Effects of:		
Fixed asset differences	41	19
Expenses not deductible for tax purposes	750	455
Income not taxable for tax purposes	-	-
Other permanent differences	-	263
Adjustments in respect of prior periods – pre-acquisition tax	219	-
Adjustments in respect of prior periods	(46)	46
Notional R&D tax credits written off re prior periods	26	-
Adjustments in respect of prior periods – deferred tax	(149)	-
Foreign tax	-	7
Effect of changes in tax rate	-	78
Deferred tax not recognised	882	232
Foreign timing differences	(10)	-
Tax credit	(1,220)	(641)

Deferred tax losses of £882,000 (2019: £232,000) have not been recognised during the year due to the uncertainty of when the losses will be utilised.

In March 2020, the Finance Bill 2020 was enacted and included legislation to hold the main rate of corporation tax at 19% with effect from 1 April 2020, an increase from 17% as announced in the 2016 Finance Act. As this change was substantively enacted at the balance sheet date, deferred tax is recognised at 19% in the current year (2019: 17%). In the March 2021 Budget, it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have a consequential effect on the Group's future tax charge.

12. Intangible fixed assets - Goodwill

	Goodwill
Group	**£'000**
Cost:	
At 1 January 2020	36,098
Additions through business combinations (see note 14)	25,221
Adjustment arising from change in contingent consideration	(1,416)
At 31 December 2020	59,903
Amortisation:	
At 1 January 2020	1,923
Charge for the year	4,239
At 31 December 2020	6,162
Net book value:	
At 31 December 2020	53,741
At 31 December 2019	34,175

The amortisation of goodwill is included within administrative expenses. The Company does not have any goodwill.

13. Other intangible fixed assets

		Acquired intangibles			
	Other intangibles	Customer relations	Information technology	Order book	Total
Group	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cost:					
At 1 January 2020	1,269	19,871	11,254	-	32,394
Additions through business combinations (see note 14)	50	10,606	7,654	299	18,609
Additions	560	-	-	-	560
Reclassification from tangible fixed assets	40	-	-	-	40
Transfer from related party	2,312	-	-	-	2,312
At 31 December 2020	4,231	30,477	18,908	299	53,915
Amortisation:					
At 1 January 2020	61	1,489	1,198	-	2,748
Charge for the year	429	3,420	2,429	124	6,402
Reclassification from tangible fixed assets	3	-	-	-	3
At 31 December 2020	493	4,909	3,627	124	9,153
Net book value:					
At 31 December 2020	3,738	25,568	15,281	175	44,762
At 31 December 2019	1,208	18,382	10,056	-	29,646

The amortisation and amounts recognised in profit or loss for the year in respect of intangible fixed assets are included within administrative expenses. The Company does not have any intangible fixed assets.

14. Acquisitions

The subsidiaries have been accounted for using the acquisition method of accounting. At the acquisition dates, the total assets and liabilities acquired from the new subsidiaries were consolidated at their fair values as set out below:

	Book value £'000	Fair value adjustments £'000		Total £'000
Intangible fixed assets – other than goodwill (note 13)	50	-		50
Tangible fixed assets (note 15)	499	-		499
Debtors	3,794	-		3,794
Cash at bank and in hand	3,730	-		3,730
Creditors	(3,933)	-		(3,933)
Customer relations (note 13)	-	10,606		10,606
Order book (note 13)	-	299		299
Information technology (note 13)	-	7,654		7,654
Net deferred tax liabilities (note 24)	(43)	(3,582)		(3,625)
Total identifiable net assets	4,097	14,977		19,074
Cash consideration			30,289	
Contingent cash consideration			12,169	
Equity instruments (3,794,929 A2 Ordinary shares)			680	
Acquisition costs			1,157	
Total consideration				44,295
Goodwill arising				25,221

All equity instruments issued are A2 ordinary shares in ClearCourse Partnership Acquireco Limited.

	Sub-note	Book value £'000	Fair value adjustments £'000	Total value £'000	Consideration £'000	Goodwill £'000
Felinesoft Limited	(i)	1,250	2,247	3,497	6,766	3,269
Practice Point Limited	(ii)	221	692	913	2,614	1,701
FLG Limited	(iii)	345	3,193	3,538	6,485	2,947
Adelante Software Ltd	(iv)	903	3,653	4,556	11,840	7,284
E-Novations (London) Limited	(v)	685	1,177	1,862	4,116	2,254
Bevy of Swans Ltd	(vi)	424	2,186	2,610	7,586	4,976
Mosaic Software Ltd	(vii)	22	670	692	1,283	591
Garage Data Systems Limited	(viii)	247	1,159	1,406	3,605	2,199
		4,097	14,977	19,074	44,295	25,221

14. Acquisitions (continued)

The goodwill arising on the acquisitions of £25,221,000 is considered to have a useful life of 10 years.

Consolidated turnover and consolidated profit after tax contributed by the acquired subsidiaries between the dates of acquisition and the 31 December 2020 is as follows:

	Turnover £'000	Profit after tax £'000
Felinesoft Limited	3,836	163
Practice Point Limited	302	(44)
FLG Limited	769	227
Adelante Software Ltd	564	50
E-Novations (London) Limited	446	(54)
Bevy of Swans Ltd	857	9
Mosaic Software Ltd	23	(13)
Garage Data Systems Limited	60	7
	6,857	345

The acquisitions are listed below in date order.

(i) Felinesoft Limited

On 28 February 2020, Clearcourse Partnership Acquireco Ltd acquired 100 per cent of the issued share capital of Felinesoft Limited. Felinesoft Limited is incorporated in England and provides bespoke operational and digital solutions for membership and charity organisations. Details of assets and liabilities acquired are set out below:

	Book value £'000	Fair value adjustments £'000		Total £'000
Intangible fixed assets – other than goodwill	19	-		19
Tangible fixed assets	60	-		60
Debtors	1,284	-		1,284
Cash at bank and in hand	485	-		485
Creditors	(598)	-		(598)
Customer relations	-	854		854
Order book	-	299		299
Information technology	-	1,690		1,690
Net deferred tax liabilities	-	(596)		(596)
Total identifiable net assets	1,250	2,247		3,497
Cash consideration			3,005	
Contingent cash consideration			2,925	
Equity instruments (3,794,929 A2 Ordinary shares)			680	
Acquisition costs			156	
Total consideration				6,766
Goodwill arising				3,269

14. Acquisitions (continued)

(ii) Practice Point Limited

On 31 July 2020, Clearcourse Partnership Acquireco Ltd acquired 100 per cent of the issued share capital of Practice Point Limited. Practice Point Limited is incorporated in England and provides hardware and software solutions for the veterinary industry. Details of assets and liabilities acquired are set out below:

	Book value £'000	Fair value adjustments £'000		Total £'000
Tangible fixed assets	1	-		1
Debtors	82	-		82
Cash at bank and in hand	249	-		249
Creditors	(111)	-		(111)
Customer relations	-	491		491
Information technology	-	363		363
Net deferred tax liabilities	-	(162)		(162)
Total identifiable net assets	221	692		913
Cash consideration			1,404	
Contingent cash consideration			1,098	
Acquisition costs			112	
Total consideration				2,614
Goodwill arising				1,701

(iii) FLG Limited

On 31 August 2020, Clearcourse Partnership Acquireco Ltd acquired 100 per cent of the issued share capital of FLG Limited. FLG Limited is incorporated in England and provides a customer relationship management platform to customers. Details of assets and liabilities acquired are set out below:

	Book value £'000	Fair value adjustments £'000		Total £'000
Tangible fixed assets	7	-		7
Debtors	224	-		224
Cash at bank and in hand	430	-		430
Creditors	(316)	-		(316)
Customer relations	-	2,581		2,581
Information technology	-	1,361		1,361
Net deferred tax liabilities	-	(749)		(749)
Total identifiable net assets	345	3,193		3,538
Cash consideration			6,344	
Acquisition costs			141	
Total consideration				6,485
Goodwill arising				2,947

14. Acquisitions (continued)

(iv) Adelante Software Ltd

On 30 September 2020, Clearcourse Partnership Acquireco Ltd acquired 100 per cent of the issued share capital of Adelante Software Ltd. Adelante Software Ltd is incorporated in England and provides credit and debit card payment solutions. Details of assets and liabilities acquired are set out below:

	Book value £'000	Fair value adjustments £'000		Total £'000
Intangible fixed assets – other than goodwill	31	-		31
Tangible fixed assets	43	-		43
Debtors	830	-		830
Cash at bank and in hand	695	-		695
Creditors	(696)	-		(696)
Customer relations	-	3,458		3,458
Information technology	-	1,053		1,053
Net deferred tax liabilities	-	(858)		(858)
Total identifiable net assets	903	3,653		4,556
Cash consideration			7,702	
Contingent cash consideration			3,955	
Acquisition costs			183	
Total consideration				11,840
Goodwill arising				7,284

(v) E-Novations (London) Limited

On 30 September 2020, Clearcourse Partnership Acquireco Ltd acquired 100 per cent of the issued share capital of E-Novations (London) Limited. E-Novations (London) Limited is incorporated in England and provides EPOS software for the retail and hospitality sector. Details of assets and liabilities acquired are set out below:

	Book value £'000	Fair value adjustments £'000		Total £'000
Tangible fixed assets	4	-		4
Debtors	513	-		513
Cash at bank and in hand	580	-		580
Creditors	(412)	-		(412)
Customer relations	-	649		649
Information technology	-	804		804
Net deferred tax liabilities	-	(276)		(276)
Total identifiable net assets	685	1,177		1,862
Cash consideration			2,343	
Contingent cash consideration			1,635	
Acquisition costs			138	
Total consideration				4,116
Goodwill arising				2,254

14. Acquisitions (continued)

(vi) Bevy of Swans Ltd

On 31 October 2020, Clearcourse Partnership Acquireco Ltd acquired 100 per cent of the issued share capital of Bevy of Swans Ltd and its direct and indirect subsidiaries which include Swan Retail Systems Ltd, Swan Orginiation Ltd, Swan Retail, Swan Retail (G7) Ltd, Touchretail Holdings Limited and Touchretail Limited. All of the companies are incorporated in England and provide retail solution software and marketing services to the retail industry. Details of assets and liabilities acquired are set out below:

	Book value £'000	Fair value adjustments £'000		Total £'000
Tangible fixed assets	340	-		340
Debtors	656	-		656
Cash at bank and in hand	911	-		911
Creditors	(1,440)	-		(1,440)
Customer relations	-	804		804
Information technology	-	1,894		1,894
Net deferred tax liabilities	(43)	(512)		(555)
Total identifiable net assets	424	2,186		2,610
Cash consideration			5,936	
Contingent cash consideration			1,425	
Acquisition costs			225	
Total consideration				7,586
Goodwill arising				4,976

(vii) Mosaic Software Ltd

On 30 November 2020, Clearcourse Partnership Acquireco Ltd acquired 100 per cent of the issued share capital of Mosaic Software Ltd. Mosaic Software Ltd is incorporated in England and provides electronic payment solutions software. Details of assets and liabilities acquired are set out below:

	Book value £'000	Fair value adjustments £'000		Total £'000
Tangible fixed assets	11	-		11
Debtors	34	-		34
Cash at bank and in hand	118	-		118
Creditors	(141)	-		(141)
Customer relations	-	695		695
Information technology	-	132		132
Net deferred tax liabilities	-	(157)		(157)
Total identifiable net assets	22	670		692
Cash consideration			1,189	
Acquisition costs			94	
Total consideration				1,283
Goodwill arising				591

14. Acquisitions (continued)

(viii) Garage Data Systems Limited

On 1 December 2020, Clearcourse Partnership Acquireco Ltd acquired 100 per cent of the issued share capital of Garage Data Systems Limited. Garage Data Systems is incorporated in England and provides retail solutions software and marketing services to the retail industry. Details of assets and liabilities acquired are set out below:

	Book value £'000	Fair value adjustments £'000		Total £'000
Tangible fixed assets	33	-		33
Debtors	171	-		171
Cash at bank and in hand	262	-		262
Creditors	(219)	-		(219)
Customer relations	-	1,074		1,074
Information technology	-	357		357
Net deferred tax liabilities	-	(272)		(272)
Total identifiable net assets	247	1,159		1,406
Cash consideration			2,368	
Contingent cash consideration			1,130	
Acquisition costs			107	
Total consideration				3,605
Goodwill arising				2,199

15. Tangible fixed assets

Group	Freehold land & buildings £'000	Leasehold property £'000	Computer equipment £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Total £'000
Cost:						
At 1 January 2020	-	187	555	429	22	1,193
Additions through business combinations (see note 14)	220	28	161	86	4	499
Additions	-	2	150	8	-	160
Reclassification to intangible fixed assets	-	-	(40)	-	-	(40)
Disposals	-	-	(1)	(4)	-	(5)
At 31 December 2020	220	217	825	519	26	1,807
Depreciation:						
At 1 January 2020	-	54	108	75	4	241
Charge for the year	-	61	164	98	5	328
Reclassification to intangible fixed assets	-	-	(3)	-	-	(3)
At 31 December 2020	-	115	269	173	9	566
Net book value:						
At 31 December 2020	220	102	556	346	17	1,241
At 31 December 2019	-	133	447	354	18	952

15. Tangible fixed assets (continued)

The depreciation charge for the year is included within administrative expenses.

Leased plant and machinery
The net book value of computer equipment includes £50,000 (2019: £27,000) in respect of assets held under finance leases. Depreciation charged in the year/period was £6,000 (2019: £6,000).

Company	Computer equipment £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost:			
At 1 January 2020 and 31 December 2020	4	15	19
Depreciation:			
At 1 January 2020	1	5	6
Charge for the year	2	-	2
At 31 December 2020	3	5	8
Net book value:			
At 31 December 2020	1	10	11
At 31 December 2019	3	10	13

16. Fixed asset investments

Company	Subsidiary undertakings £'000
Cost:	
At 1 January 2020	68,451
Additions	41,717
At 31 December 2020	110,168
Provisions for impairment:	
At 1 January 2020 and 31 December 2020	-
Carrying amount:	
At 31 December 2020	110,168
At 31 December 2019	68,451

16. Fixed asset investments (continued)

The Company's subsidiary undertakings as at 31 December 2020 are set out below:

Name of undertaking and registered office	Country of incorporation	Nature of business	Class of shareholding	% held
GiftPro Limited *Stirley House Ampress Lane. Ampress Business Park, Lymington, Hampshire, England, SO41 8LW*	United Kingdom	Software provider	Ordinary	100%
Clearcourse Membership Services Limited (previously Miller Technology Limited) *10-12 Eastcheap, First Floor, London, England, EC3M 1AJ*	United Kingdom	Software provider	Ordinary	100%
Ariadne Limited *130 Lifstan Way, Southend On Sea, Essex, England, SS1 2XF*	United Kingdom	Software provider	Ordinary	100%
NFP Services Co. Limited *340 Gray's Inn Road, London, England, WC1X 8BG*	United Kingdom	Software provider	Ordinary	100%
Mantra IT Systems Private Limited *Baani, The Address, 1 Golf Course Road, 207, 2nd Floor. Sector 56, Gurgaon. Haryana 122011, India*	India	Software provider	Ordinary	100%
Silverbear Limited *1 Faraday Road, Guildford, Surrey, England, GU1 1EA*	United Kingdom	Software provider	Ordinary	100%
E-Dataware Limited *10-12 Eastcheap, First Floor, London, England, EC3M 1AJ*	United Kingdom	Software provider	Ordinary	100%
Cleara Consulting Limited *10-12 Eastcheap, First Floor, London, England, EC3M 1AJ*	United Kingdom	Consultancy	Ordinary	100%
Clearcourse Business Services Limited (previously Brightoffice Limited) *10-12 Eastcheap, First Floor, London, England, EC3M 1AJ*	United Kingdom	Software provider	Ordinary	100%
Shepherdland Limited *Stratum House, Stafford Park 10, Telford, Shropshire, England, TF3 3AB*	United Kingdom	Software provider	Ordinary	100%
Stratum Holdings Limited *Stratum House, Stafford Park 10, Telford, Shropshire, England, TF3 3AB*	United Kingdom	Software provider	Ordinary	100%*
APT Solutions Limited *Stratum House, Stafford Park 10, Telford, Shropshire, England, TF3 3AB*	United Kingdom	Software provider	Ordinary	100%*
Memnet Limited *10-12 Eastcheap, First Floor, London, England, EC3M 1AJ*	United Kingdom	Software provider	Ordinary	100%*
APT Software Limited *Stratum House. Stafford Park 10, Telford, Shropshire, England, TF3 3AB*	United Kingdom	Software provider	Ordinary	100%*
APT Solutions (Australasia) Pty Ltd *Suite 14.03, Level 14, 14 Martin Place. Sydney. NSW 2000, Australia*	Australia	Software provider	Ordinary	100%*

16. Fixed asset investments (continued)

Name of undertaking and registered office	Country of incorporation	Nature of business	Class of shareholding	% held
Crafty Clicks Limited *St. Andrews House, St. Mary's Walk, Maidenhead, England, SL6 1QZ*	United Kingdom	Software provider	Ordinary	100%
NetXtra Limited *Linden Square, 146 Kings Road, Bury St. Edmunds, Suffolk, England, IP33 3DJ*	United Kingdom	Consultancy	Ordinary	100%
IntelligentGolf Limited *10-12 Eastcheap, First Floor, London, England, EC3M 1AJ*	United Kingdom	Software provider	Ordinary	100%
Instagiv Limited *Number One, Lanyon Quay, Belfast, Northern Ireland, BT1 3LG*	United Kingdom	Software provider	Ordinary	100%
CircData Limited *Unit K, Venture House, Bone Lane, Newbury, Berkshire, England, RG14 5SH*	United Kingdom	Software provider	Ordinary	100%
Circdata Polska sp. z o.o. *Ul. Królewska 57, 30-081 Kraków, Poland*	Poland	Software provider	Ordinary	100%*
Trillium Systems Limited *Solo House The Courtyard, London Road, Horsham, West Sussex, England, RH12 1AT*	United Kingdom	Software provider	Ordinary	100%*
Portrilio Solutions, Unipessoal, Lda *Rua Julio Dinis, 561 4 Sala 402 - Centro Empresarial, 4050-325 Porto, Portugal*	Portugal	Software provider	Ordinary	100%*
Protech Computer Systems Limited *Protech House, Wharf Approach, Anchor Brook Industrial Park, Aldridge, Walsall, West Midlands, England, WS9 8BX*	United Kingdom	Software provider	Ordinary	100%
Clearcourse Payments Holdco Limited *10-12 Eastcheap, First Floor, London, England, EC3M 1AJ*	United Kingdom	Holding company	Ordinary	100%
ClearAccept Limited *10-12 Eastcheap, First Floor, London, England, EC3M 1AJ*	United Kingdom	Software provider	Ordinary	100%*
ClearAccept Operations Limited *10-12 Eastcheap, First Floor, London, England, EC3M 1AJ*	United Kingdom	Software provider	Ordinary	100%*
ClearAccept Technology Limited *10-12 Eastcheap, First Floor, London, England, EC3M 1AJ*	United Kingdom	Software provider	Ordinary	100%*
Hart Square Limited *10-12 Eastcheap, First Floor, London, England, EC3M 1AJ*	United Kingdom	Consultancy	Ordinary	100%
Garage Data Systems Limited *Armstrong House, Flemingate, Beverley, East Yorkshire, England, HU17 0NW*	United Kingdom	Software provider	Ordinary	100%
Practice Point Limited *10-12 Eastcheap, First Floor, London, England, EC3M 1AJ*	United Kingdom	Software provider	Ordinary	100%
E-Novations (London) Limited *Northern And Shell Tower, 4 Selsdon Way, City Harbour, London, E14 9GL*	United Kingdom	Software provider	Ordinary	100%
Adelante Software Ltd *Unit 3 The Switchback, Gardner Road, Maidenhead, Berkshire, SL6 7RJ*	United Kingdom	Software provider	Ordinary	100%

16. Fixed asset investments (continued)

Name of undertaking and registered office	Country of incorporation	Nature of business	Class of shareholding	% held
Bevy of Swans Ltd *10-12 Eastcheap, First Floor. London, EC3M 1AJ*	United Kingdom	Software provider	*Ordinary*	*100%*
Swan Retail Systems Ltd *10-12 Eastcheap, First Floor. London, EC3M 1AJ*	United Kingdom	Software provider	Ordinary	100%*
Touchretail Holdings Limited *10-12 Eastcheap, First Floor, London, EC3M 1AJ*	United Kingdom	Holding company	Ordinary	100%*
Touchretail Limited *10-12 Eastcheap, First Floor, London, EC3M 1AJ*	United Kingdom	Software provider	Ordinary	100%*
Swan Origination Ltd *10-12 Eastcheap, First Floor, London, EC3M 1AJ*	United Kingdom	Software provider	Ordinary	100%*
Swan Retail Ltd *10-12 Eastcheap, First Floor, London, EC3M 1AJ*	United Kingdom	Software provider	Ordinary	100%*
Mosaic Software Ltd *8 Brunel Building, Scottish Enterprise Technology Park, East Kilbride, Glasgow, G75 0QD*	United Kingdom	Software provider	Ordinary	100%
Felinesoft Limited *Whitefriars Sixth Floor, Suite D, Lewins Mead, Bristol, BS1 2NT*	United Kingdom	Software provider	Ordinary	100%
ClearCourse Partnership AcquireCo Holdings Limited *10-12 Eastcheap, First Floor, London, EC3M 1AJ*	United Kingdom	Holding company	Ordinary	100%
ClearCourse Partnership AcquireCo Finance Limited *10-12 Eastcheap, First Floor, London, EC3M 1AJ*	United Kingdom	Holding company	Ordinary	100%*

* represents an indirect holding

17. Debtors

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
Amounts falling due within one year:				
Trade debtors	6,627	4,914	-	-
Other debtors	2,674	288	1	35
Amounts due from group undertakings	9,584	4,200	1,741	-
Amounts due from related parties	-	-	8,622	4,647
Prepayments and accrued income	3,072	1,401	3,666	954
	21,957	10,803	14,030	5,636
Amounts falling due after more than one year:				
Other debtors	27	-	-	-
	21,984	10,803	14,030	5,636

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

18. Cash at bank and in hand

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
Cash at bank	11,402	12,282	29	1,113

Included within cash at bank and in hand for the Group is £2,215,000 (2019: £6,474,000) of restricted cash. *Restricted cash is money received from third parties which is repayable, after deducting commission, to clients.*

19. Creditors: Amounts falling due within one year

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
Borrowings (note 21)	27,112	-	27,112	-
Obligations under finance leases	55	7	-	-
Trade creditors	1,634	1,746	267	300
Amounts due to group undertakings	-	-	1,477	2,145
Amounts due to related parties	10,211	4,415	10,211	4,415
Other taxation and social security	3,952	1,703	581	-
Corporation tax payable	759	88	-	-
Other creditors	4,385	1,043	-	-
Accruals and deferred income	9,138	11,457	-	27
Contingent consideration	3,962	5,760	3,962	5,760
	61,208	26,219	43,610	13,877

The amounts due to group undertakings are unsecured, interest free and repayable on demand.

20. Creditors: Amounts falling due after more than one year

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
Obligations under finance leases	12	-	-	-
Other creditors	184	-	-	-
Contingent consideration	10,287	1,230	10,287	1,230
	10,483	1,230	10,287	1,230

21. Borrowings

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
Loans from related parties	27,112	-	27,112	-
Payable within one year	27,112	-	27,112	-

21. Borrowings (continued)

A fixed and floating charge over the assets of the Group was given as security for the loan. The loan was subsequently repaid following the year end. The loan accrued interest at 8% per annum and at the year end, interest of £668,000 (2019: £Nil) had been accrued which is included in the amount above.

New charges were registered across the Group during the year in relation to new debt drawn down after the year end. The charge contains fixed charges, floating charges covering all of the property or undertaking of ClearCourse Partnership AcquireCo Finance Limited, and negative pledges.

During the year, a number of guarantees entered into by subsidiary companies were satisfied.

22. Finance lease obligations

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
The total future minimum lease payments fall due as follows:				
Less than one year	55	7	-	-
Between one and five years	12	-	-	-
	67	7	-	-

Obligations under finance leases represent rentals payable by the Group for certain items of computer equipment. All leases are on a fixed repayment basis and no arrangements have been made for contingent rental payments.

The Group's obligations under finance leases bear interest at 4.8% are secured by the lessor's charge over the leased assets. The net book value of the secured assets is disclosed in note 15.

23. Provisions for liabilities

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
Deferred tax liabilities (see note 24)	7,793	5,589	-	-
Dilapidations provisions	20	-	-	-
	7,813	5,589	-	-

Movements on provisions apart from deferred tax liabilities:

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
At 1 January 2020	-	-	-	-
Additional provisions in the year	20	-	-	-
At 31 December 2020	20	-	-	-

24. Deferred tax

Group	Deferred tax liability £'000
At 1 January 2020	5,589
Acquired as a result of business combinations (note 14)	3,625
Credited to profit or loss	(1,421)
At 31 December 2020	7,793

The Company does not have any deferred tax liabilities.

The major deferred tax liabilities and assets recognised by the Group are:

	Liabilities 2020 £'000	Liabilities 2019 £'000	Assets 2020 £'000	Assets 2019 £'000
Fixed asset timing differences	7,944	5,589	-	-
Losses and other deductions	-	-	151	-
	7,944	5,589	151	-

25. Retirement benefit schemes

	2020 £'000	2019 £'000
Charge to profit or loss in respect of defined contribution schemes	790	382

The Group operates several defined contribution pension schemes for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. There were contributions of £133,000 outstanding at the year end (2019: £64,000).

26. Share capital

	2020 £'000	2019 £'000
Ordinary share capital		
Issued and fully paid		
44,773,338 (2019: 38,108,208) ordinary A1 shares of 1p each	448	381
4,172,568 (2019: 3,795,904) ordinary A2 shares of 1p each	42	38
1 (2019: 1) ordinary B1 share of 1p each	-	-
	490	419
Preference share capital		
Issued and fully paid		
69,940,095 (2019: 57,570,233) preference shares of 1p each	699	576
	1,189	995

On 21 February 2020, the Company issued 4,000,000 1p preference shares and 2,161,064 1p A1 ordinary shares, recognising a premium of £2,557,000 and £1,381,000 respectively.

On 25 February 2020, the Company issued 2,869,862 1p preference shares and 1,589,346 1p A1 ordinary shares, recognising a premium of £1,818,000 and £1,007,000 respectively.

26. Share capital (continued)

On 28 February 2020, the Company issued 376,664 1p A2 ordinary shares, recognising a premium of £676,371.

On 14 April 2020, the Company issued 3,000,000 1p preference shares and 1,696,107 1p A1 ordinary shares, recognising a premium of £1,886,000 and £1,067,000 respectively.

On 12 December 2020, the Company issued 2,500,000 1p preference shares and 1,218,613 1p A1 ordinary shares, recognising a premium of £1,656,000 and £807,080 and respectively.

Share rights
The Company's A1 ordinary shares carry full rights with respect to voting, receiving dividends and, in the event of winding up, a capital distribution, subject to a preferred return.

The Company's A2 ordinary shares carry no rights with respect to voting, but do carry rights with respect to receiving dividends and, in the event of winding up, a capital distribution, subject to a preferred return.

The Company's B1 ordinary share carries no right with respect to voting, but does carry rights with respect to receiving dividends and, in the event of winding up, a capital distribution, subject to a preferred return.

The Company's preference shares carry full rights with respect to voting, receiving dividends and, in the event of winding up, a capital distribution.

27. Reserves

Profit and loss reserve
Cumulative profit and loss net of distributions to owners.

Share premium
Consideration received for shares issued above their nominal value net of transaction costs.

28. Cash generated from operations

	2020 £'000	2019 £'000
Group loss for the financial year/period	(14,215)	(8,521)
Adjustments for:		
Finance income	(4)	(5)
Finance cost	679	26
Taxation	(1,220)	(641)
Depreciation of tangible fixed assets	328	241
Amortisation of goodwill	4,239	1,923
Amortisation of other intangible fixed assets	6,402	2,748
(Profit)/loss on disposal of tangible fixed assets	(7)	2
Transfer of tangible fixed assets from related party	(2,312)	-
Provision movement	20	-
	(6,090)	(4,227)
Movements in working capital:		
Increase in debtors	(6,438)	(4,523)
Increase in creditors	13,149	8,604
Cash generated by operations	621	(146)

29. Analysis of changes in net funds/(debt) - group

Group	1 January 2020 £'000	Cashflow £'000	Non-cash movements £'000	31 December 2020 £'000
Cash at bank and in hand	12,282	(909)	29	11,402
Borrowings excluding overdrafts	-	(26,444)	(668)	(27,112)
Obligations under finance lease	(7)	(10)	(50)	(67)
Total net funds/(debt)	12,275	(27,363)	(689)	(15,777)

30. Control

The immediate parent undertaking of the Company during the reporting period was ClearCourse Partnership LLP, a limited liability partnership incorporated in England and Wales.

After the year end, management undertook a group reorganisation resulting in the sale of the trade and assets of ClearCourse Partnership LLP, into a new limited parent company, ClearCourse Partnership Holdings Limited. There is no change in the ultimate control of the Group following the group reorganisation.

The Group is controlled by Aquiline Holdings GP (Offshore) Limited located at 535 Madison Avenue, 24th Floor, New York, NY 10022.

31. Related party transactions

The Group and the Company have taken advantage of the exemption in FRS 102 Section 33 from the requirement to disclose transactions entered into between two or more members of a group provided that any subsidiary which is party to the transaction is wholly owned by such a member.

During the year, the immediate parent of the Company charged management fees of £6,100,000 (2019: £4,415,000) to ClearCourse Partnership AcquireCo Ltd. At the year end, the amount owed by the Group in respect of these charges was £10,211,000 (2019: £4,206,000).

During the year, the Group entered into the following transactions with the Company's immediate parent:

	2020 £'000	2019 £'000
Management fees charged to the Group	6,100	4,415
Sales to the Group	76	-
Purchases from the Group	70	-
Recharges to the Group	277	-
Recharges from the Group	61	-
Loans to the Group	1,850	-
Unpaid share capital due to the Group	2,500	-

At 31 December 2020, the amount owed to the Group in respect of these transactions is £9,584,000 (2019: £4,211,000).

During the year, the Group received a loan from its ultimate holding company, Aquiline Holdings GP (Offshore) Limited, of £26,444,000 (2019: £Nil) and accrued interest of £668,000 on the loan (2019: £Nil). At the balance sheet date, £27,112,000 was outstanding. The loan was repaid in January 2021 (see note 21).

32. Operating lease commitments

Lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
Within one year	983	835	-	-
Between two and five years	1,765	1,637	-	-
More than five years	124	-	-	-
	2,872	2,472	-	-

33. Capital commitments

At 31 December 2020, there were capital commitments of £885,000 (£2019: £1,776,000) in relation to a payments platform project.

34. Post balance sheet events

In December 2020, the Group secured an external debt facility of £50 million, giving it the bandwidth to continue its acquisitive growth strategy. Subsequent to the year end, the Group used this funding to repay the related party loan of £27,112,000 (note 21). Aquiline also injected a further £4 million of capital in February 2021 mainly to cover the Group's deferred consideration liabilities. Between July and August 2021, the Group received £6,050,000 from Aquiline and 3 shareholders in order to fund the acquisition of The EPOS Bureau and for strategic investments.

Following the year end, the company transferred its investments to ClearCourse Partnership AcquireCo Finance Limited, as a condition of the debt facility raised in December 2020.

During 2021, management have undertaken a group reorganisation resulting in the sale of the trade and assets of ClearCourse Partnership LLP, the Group's immediate parent, into a new limited parent company, as well as the transfer of the trade and assets of several of the Group's subsidiaries into either ClearCourse Membership Services Limited or ClearCourse Business Services Limited. There is no change in the ultimate control of the Group following the group reorganisation.

On 11 January 2021 the Group acquired the assets of PPM Software Limited, a leading provider of health practice management software, for an initial consideration of £1,800,000.

On 31 July 2021, the Group completed the acquisition of The EPOS Bureau, a leading provider of stock control and inventory management software focused on the independent grocer and farm shop sector, for an initial consideration of £1,748,000.

35. Subsidiary audit exemption

The subsidiaries of ClearCourse Partnership AcquireCo Ltd have claimed the audit exemption under the Companies Act 2006 Section 479A with respect to the year ended 31 December 2020. The Company has given a statement of guarantee under Companies Act Section 479C, to guarantee all outstanding liabilities to which all subsidiary companies are subject as at 31 December 2020.