

Company Registration No. 12983420 (England and Wales)

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 MARCH 2021**

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**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
COMPANY INFORMATION**

Directors	W W Hastings T W M Maizels P R Sleath N P Wain M W Smith J Hand
Company number	12983420
Registered office	Office 807 Labs House 15-19 Bloomsbury Way London WC1A 2TH
Auditor	RSM UK Audit LLP Chartered Accountants St Philips Point Temple Row Birmingham West Midlands B2 5AF

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
STRATEGIC REPORT
FOR THE PERIOD ENDED 31 MARCH 2021**

The directors present the strategic report for the period ended 31 March 2021.

Fair review of the business

TopSource Worldwide (TS WW) is an employer solutions business which helps its clients unleash their global expansion ambitions. Formed following the combination of two well established businesses, TopSource Global Solutions (TGS) and PEO Worldwide (PEO), the new group, TopSource Worldwide Topco Limited and its subsidiaries, provides Employer of Record (EoR) services, domestic payroll and accounting services as well as provision of multi-country payroll to clients based anywhere in the world.

Following the acquisition of TGS and PEO in December 2020 by the group the business was rebranded to 'TopSource Worldwide' and is now successfully trading as one combined business. The new group generated operating profit before exceptional items, amortisation and depreciation of £465,807 for the 4-month period ended 31 March 2021. Exceptional costs relate to spend associated with the initial transaction and subsequent reorganisation. The business is forecast to expand by both acquisition and organic growth.

Principal risks and uncertainties

The group's long-term objectives are to support increased profitability, improve returns to shareholders through organic growth and invest in new business opportunities through acquisitions. In pursuing these objectives, the group intends to maintain sound financial management and avoid or mitigate excessive risks. The directors continually review and evaluate the risks that the group is facing. The principal risks and uncertainties facing the group are broadly grouped as follows:

Liquidity risk

The group continues to have excellent relations with its bankers and PE investors, and it is the group's policy to ensure continuity of funding through generating cash from its trading operations supplemented by pre-agreed debt facilities to support future acquisitions.

Cash flow and interest risk

The initial acquisition of TGS and PEO were part funded by new external debt financing provided from Dunport Capital, a specialist in supporting PE backed investments with buy build strategies. The £5m of initial debt drawn from this Senior Financing Facility (SFA) is monitored through financial covenants which are reported against on a quarterly basis throughout the lending term. Management regularly reviews the headroom in these covenants on a forward-looking basis to ensure the businesses performance and associated cash flows continue to operate well within the levels prescribed. The Dunport lending facility includes pre-agreement for further funding for permitted acquisitions. This additional funding line will allow management to part or fully fund future acquisitions via debt without renegotiating current financing terms. In addition to the initial facility and funding for future acquisitions, the lending arrangements also include a further £1m RCF to be utilised for any short-term working capital requirements which has yet to be drawn. Whereas the debt funding is on a variable interest rate arrangement the rate is semi-fixed assuming UK LIBOR remains below 50 bps which is anticipated in the near term. Management have reviewed future cash flow forecasts which confirm there is reasonable headroom within the debt service ratio over a sustained period. The SFA and its multiple lines of finance mature in December 2026.

In addition to debt funding, TS WW has access to further investment capital provided from HC. HC have ring fenced £22m of equity funding to cover both the initial acquisition of TGS and PEO and future investments the group chooses to make. This funding can be deployed as and when required, however, it is intended to fund future acquisitions and other significant capital investments. Management continues to have a vested interest in the business as it expands with a combined investment covering about 30% of the company's share capital.

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021**

Principal risks and uncertainties (continued)

Credit risk

Trade debtors represent the group's primary exposure to credit risk in relation to financial assets. A high proportion of fee income is collected in advance of service provision which reduces the credit risk. The group also performs external credit checks as it onboards all new clients and will generally collect client deposits to hold throughout the contract period so as to mitigate any client administration exposures.

Foreign currency risk

The group is exposed to foreign currency risk through its operations in overseas territories. At this stage the group does not use foreign exchange contracts to hedge the uncertainties of expected foreign exchange receivables, payables and cash as it is considered that this risk is mitigated through natural hedging of receipts and payments in the respective currencies. The group also handles international payment flows as a component of its EoR and multi country payroll solutions and for these FX payments the currency risk is eliminated through short-term hedging arranged via the groups FX partner, ebury.

Financial instruments

The group's principal financial instrument is cash generated from operations. The main purpose of the financial instrument is to provide the finance for the group's operations. The group has various other financial instruments such as trade debtors and trade creditors that arise directly from operations. It is, and has been throughout the period under review, the group's policy that no speculative trading in financial instruments shall be undertaken. The main risks arising from the group's financial instruments are liquidity risk, interest rate risk and foreign currency risk, which are commented on above.

Key performance indicators

The group considers its main KPI's to be organic revenue growth, client satisfaction (measured via customer retention and tenure), operating profit and the number of geographical jurisdictions in which the group delivers services. Revenue achieved for the 4-month period to 31 March 2021 was £2,251,140 within 21 different territories serviced outside of the UK, with operating profit before exceptional items, amortisation and depreciation of £465,807. Management regularly monitors these KPI's along with other performance metrics which are included in the monthly Board meeting discussions.

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021**

Future developments

As part of the recent investment made by Horizon Capital (HC), management have produced a 5-year growth plan spanning periods to 2024/25 which reflects the confidence in the sector in which TS WW operates. The group operates globally in the employer services sector, which is seeing high market growth rates generally. These growth assumptions take into account recent wider macro impacts of the COVID pandemic which, in the case of EoR, has actually given rise to increased demand for TS WW's offerings as companies look to support remote working practices. Management's 5-year plan takes a balanced view of this market growth and assesses that there is an opportunity to increase annual revenues organically in FY22 and beyond. In the period since 31 March 2021 the group has continued to trade strongly with both revenues and EBITDA ahead of year-to-date targets and management are expecting to perform in line or marginally ahead of the FY22 budget targets excluding the impact from any acquisitions.

The group also has an active strategy to acquire further businesses to integrate into TS WW group which align to our employer services core offering. Subsequent to the 31 March 2021, TS WW acquired Select Payroll Solutions, a UK based payroll bureau, in August 2021, and Compandben, a global EoR and multi-country payroll business, in September 2021. Further acquisitions are in the pipeline, all of which would be businesses successfully trading as going concerns in their own right and accelerate the growth of the wider group.

At present, TS WW has the ability to serve clients in virtually any market through a combination of owned entities and partnerships. TS WW will continue to develop its global expansion through organic and acquisitive growth. The objective is to ensure clients receive consistently exceptional service in all markets. Concurrent with global expansion, TS WW will continue to invest in its dedicated EoR and other proprietary technology platforms. These applications improve operational efficiency whilst providing functional benefits to clients.

TS WW is exploring opportunities to offer ancillary services to its existing and future clients. Though none are presently targeted, ongoing market research is anticipated to unlock such opportunities which could be exploited through a direct offering or through affiliate partnerships.

On behalf of the board



N P Wain
Director

15 October 2021

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2021**

The directors present their annual report and financial statements for the period from incorporation on 29 October 2020 to 31 March 2021.

Principal activities

The principal activity of the company during the financial period was that of a holding company. The principal activity of the group is that of human resource provision, data processing, hosting and related activities.

Incorporation

The company was incorporated on 29 October 2020 and commenced trading on 14 December 2020 when the group acquired 100% of the shares of TopSource Global Solutions Limited and PEO Worldwide Limited.

Change of name

On 14 September 2021 the company changed its name from Golf Topco Limited to TopSource Worldwide Topco Limited.

Results and dividends

The results for the period are set out on page 10.

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

Directors

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

A M Connelly	(Appointed 29 October 2020 and resigned 20 November 2020)
W W Hastings	(Appointed 11 December 2020)
T W M Maizels	(Appointed 29 October 2020)
P R Sleath	(Appointed 11 December 2020)
N P Wain	(Appointed 11 December 2020)
M W Smith	(Appointed 11 December 2020)
J Hand	(Appointed 20 November 2020)

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the period. These provisions remain in force at the reporting date.

Auditor

RSM UK Audit LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

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.

Matters of strategic importance

Information as required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 including future developments and principal risk and uncertainties has been included in the Strategic Report.

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021**

On behalf of the board



N P Wain
Director

15 October 2021

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2021**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law 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;
- 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 MEMBERS OF TOPSOURCE WORLDWIDE TOPCO LIMITED

Opinion

We have audited the financial statements of TopSource Worldwide Topco Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 March 2021 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including 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 of the parent company's affairs as at 31 March 2021 and of the group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the 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 to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOPSOURCE WORLDWIDE TOPCO LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the 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 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the 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 the 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 group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operates in and how the group and parent company are complying with the legal and regulatory frameworks;
- 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;
- 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 MEMBERS OF TOPSOURCE WORLDWIDE TOPCO LIMITED (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 and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to employment law compliance. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://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

Mitul Raja FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
St Philips Point
Temple Row
Birmingham
West Midlands, B2 5AF
18 October 2021

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2021**

	Notes	Period ended 31 March 2021 £
Turnover	3	2,251,140
Cost of sales		(276,994)
Gross profit		1,974,146
Administrative expenses		(2,628,900)
Other operating income		15,566
Administrative expenses – exceptional items	4	(873,776)
Operating loss	7	(1,512,964)
Operating profit before depreciation, amortisation and exceptional items		465,807
Depreciation and amortisation		(1,104,995)
Exceptional items		(873,776)
Operating loss		(1,512,964)
Interest receivable and similar income	9	16,805
Interest payable and similar expenses	10	(500,334)
Loss before taxation		(1,996,493)
Tax on loss	11	83,859
Loss for the financial period		(1,912,634)
Other comprehensive income net of taxation		
Currency translation differences		(112,087)
Total comprehensive income for the period		<u>(2,024,721)</u>

Loss for the financial period is all attributable to the owners of the parent company.

Total comprehensive income for the period is all attributable to the owners of the parent company.

TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Notes	2021 £	£
Fixed assets			
Goodwill	12	17,002,566	
Other intangible assets	12	1,262,083	
Total intangible assets		18,264,649	
Tangible assets	13	103,528	
			18,368,177
Current assets			
Debtors	17	3,182,534	
Cash at bank and in hand		7,001,525	
		10,184,059	
Creditors: amounts falling due within one year	18	(11,642,095)	
Net current liabilities			(1,458,036)
Total assets less current liabilities			16,910,141
Creditors: amounts falling due after more than one year	19		(14,441,326)
Provisions for liabilities	21		(240,181)
Net assets			2,228,634
Capital and reserves			
Called up share capital	23	9,700	
Share premium account	24	4,243,655	
Profit and loss reserves	24	(2,024,721)	
Total equity			2,228,634

The financial statements were approved by the board of directors and authorised for issue on 15 October 2021 and are signed on its behalf by:



N P Wain
 Director

TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Notes	2021 £	£
Fixed assets			
Investments	14		1
Current assets			
Debtors	17	8,899,699	
Creditors: amounts falling due within one year	18	(340,214)	
Net current assets			8,559,485
Total assets less current liabilities			8,559,486
Creditors: amounts falling due after more than one year	19	(4,216,811)	
Net assets			4,342,675
Capital and reserves			
Called up share capital	23		9,700
Share premium account	24		4,243,655
Profit and loss reserves	24		89,320
Total equity			4,342,675

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's profit for the period was £89,320.

The financial statements were approved by the board of directors and authorised for issue on 15 October 2021 and are signed on its behalf by:



N P Wain
Director

TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2021

		Share capital	Share premium account	Profit and loss reserves	Total
	Notes	£	£	£	£
Period ended 31 March 2021:					
Loss for the period		-	-	(1,912,634)	(1,912,634)
Other comprehensive income net of taxation:					
Currency translation differences		-	-	(112,087)	(112,087)
Total comprehensive income for the period		-	-	(2,024,721)	(2,024,721)
Issue of share capital	23	9,700	4,243,655	-	4,253,355
Balance at 31 March 2021		9,700	4,243,655	(2,024,721)	2,228,634

TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2021

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Period ended 31 March 2021:					
Profit and total comprehensive income for the period		-	-	89,320	89,320
Issue of share capital	23	9,700	4,243,655	-	4,253,355
Balance at 31 March 2021		<u>9,700</u>	<u>4,243,655</u>	<u>89,320</u>	<u>4,342,675</u>

TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2021

	Notes	2021 £	£
Cash flows from operating activities			
Cash generated from operations	25	2,002,027	
Interest paid		(163,028)	
Income taxes paid		(28,708)	
Net cash inflow from operating activities			1,810,291
Investing activities			
Purchase of business (net of cash acquired)		(13,432,048)	
Purchase of tangible fixed assets		(25,393)	
Interest received		16,805	
Net cash used in investing activities			(13,440,636)
Financing activities			
Proceeds from issue of shares net of costs		4,253,355	
Issue of preference shares		4,216,811	
New bank loan net of arrangement costs		4,334,541	
New loan notes		5,889,974	
Net cash generated from financing activities			18,694,681
Net increase in cash and cash equivalents			7,064,336
Cash and cash equivalents at beginning of period			-
Effect of foreign exchange rates			(62,833)
Cash and cash equivalents at end of period			7,001,503
Relating to:			
Cash at bank and in hand			7,001,525
Bank overdrafts included in creditors payable within one year			(22)

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

1 Accounting policies

Company information

TopSource Worldwide Topco Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Office 807, Labs House, 15-19, Bloomsbury Way, London, England, WC1A 2TH.

The group consists of TopSource Worldwide Topco Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared 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 including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Basis of consolidation

The consolidated financial statements incorporate those of TopSource Worldwide Topco Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries 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 March 2021. 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.

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.

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 costs directly attributable to the business combination. 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.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

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.

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021**

1 Accounting policies (Continued)

Going concern

Having carried out a detailed review of the group's position and its forecasts at the date of signing the accounts, the directors are satisfied that the group has sufficient cash resources based on its current facilities to meet its liabilities as they fall due for at least one year from the date of approval of the accounts. The directors are also satisfied there is adequate levels of headroom in the financial covenants that are linked to current facilities. The group has made some acquisitions post year end and pre-agreed additional funding is available from the existing lenders to fund these and any further known planned acquisitions. Thus, the directors have prepared the accounts on a going concern basis.

Reporting period

The financial statements have been presented for the period from incorporation, 29 October 2020 to 31 March 2021.

Turnover

Revenue is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from contracts for the provision of professional services is recognised at a point in time in line with the nature and terms of the engagement. Revenue from finance and accounting services is recognised upon provision of the completed deliverables and revenue from payroll and employer of record services are recognised in the accounting period in which the services are rendered.

The following indicators are evaluated amongst others when determining whether the group is acting as a principal or agent in the transaction and recording revenue on a gross, or net, basis:

- the group has the primary responsibility for providing the services to the customer;
- the group has latitude in establishing prices, either directly or indirectly; and
- the group bears the customer's credit risk for the amount receivable from the customer.

Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021**

1 Accounting policies (Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Intellectual property	10 years
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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 recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	33.33% straight line
Fixtures and fittings	33.33% straight line
Computers	50% straight line
Office equipment	33.33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Fixed asset investments

In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. 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.

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021**

1 Accounting policies (Continued)

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, 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.

Classification of financial liabilities

Financial liabilities and equity instruments are classified 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.

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021**

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

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 year. 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 and expenses from subsidiaries, associates, branches and interests in jointly controlled entities, 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 and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021**

1 Accounting policies (Continued)

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Government grants

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

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

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021**

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Acquisition fair value adjustments

The group initially measures the separable intangible assets acquired in a business combination at their fair value at the date of acquisition. Estimates are used by management in deriving a number of assumptions which are used in assessing the fair value of each acquisition intangible including the timing and amount of future incremental cash flows expected to be generated by the asset and in calculating an appropriate cost of capital. Please refer to Note 11 of the financial statements for further information regarding the carrying values of the related assets at the balance sheet date.

Intangibles and amortisation period

Amortisation is provided on intangibles based on the estimate of the useful economic life. Forecasts are used to assess the useful economic life of both goodwill and intellectual property. These are based in management's knowledge of the business, assets and prior experience. The estimated useful lives for goodwill and intellectual property are 5 and 10 years respectively. At the balance sheet date the total amortisation charged was £1,091,173.

Impairment of goodwill and other intangible assets

Determining whether goodwill or other intangible assets are impaired requires an estimation of the value in use of the asset or cash generating units to which they have been allocated or belong. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the asset or cash generating unit and a suitable discount rate in order to calculate present value. Please refer to Note 11 of the financial statements for further information regarding the carrying values of the related assets at the balance sheet date.

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021**

2 Judgements and key sources of estimation uncertainty (Continued)

Key areas of management judgement

The following are the management judgements made in applying the accounting policies of the Group that have the most significant effect on the amounts recognised in the financial statements:

Principal vs agent

Significant judgement is required in determining whether the group is acting as principal, reporting revenue on a gross basis, or agent, reporting revenue on a net basis in respect of its employer of record arrangements.

The directors have performed a detailed evaluation of the indicators set out within FRS 102 to determine whether it is acting as principal or agent. Upon balance, the directors are satisfied that it does not have exposure to the significant risks and rewards associated with the rendering of these services and, therefore, the related revenue is recorded net. Gross cash flows amount to £11.6m have been received during the period in relation to these arrangements.

Determination of directly attributable costs to a business combination

The cost of a business combination includes any costs which are directly attributable to the combination. Judgement is involved in some instances to distinguish between costs which are attributable to the cost of an acquisition and those which are attributable to issuing financial instruments to finance the acquisition. Please refer to Note 15 of the financial statements for further information regarding the quantum of costs deemed to be directly attributable to the cost of the business combinations during the period.

3 Turnover and other revenue

	2021
	£
Turnover analysed by class of business	
Rendering of services	2,251,140
	<u>2,251,140</u>
	2021
	£
Other revenue	
Interest income	16,805
Grants received	15,566
	<u>32,371</u>
	2021
	£
Turnover analysed by geographical market	
UK	1,084,096
United States of America	473,512
India	346,691
Europe	264,286
Rest of the World	82,555
	<u>2,251,140</u>
	<u>2,251,140</u>

TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

4 Exceptional item

	2021
	£
Expenditure	
Acquisition and reorganisation costs	873,776
	<u>873,776</u>

Exceptional items comprise legal and professional costs in respect of the acquisitions of TopSource Global Solutions Limited and PEO Worldwide Limited and the subsequent reorganisation of the enlarged group.

5 Employees

The average monthly number of persons (including directors) employed during the period was:

	Group 2021 Number	Company 2021 Number
Staff and works employees	206	-
Management and directors	10	6
Total	<u>216</u>	<u>6</u>

Their aggregate remuneration comprised:

	Group 2021 £	Company 2021 £
Wages and salaries	1,677,547	-
Social security costs	66,046	-
Pension costs	20,911	-
	<u>1,764,504</u>	<u>-</u>

An average of 1,006 number of individuals have co-employment contracts with the group and for the period ended 31 March 2021, £11.6m has been invoiced to third parties and paid directly to these individuals. As these individuals solely provide services to the third parties under their control and that the group purely acts in the capacity of processing the month payroll and ensuring compliance with tax payments and statutory filings, the directors have concluded that it would be misleading to include these individuals in the staff costs and employee disclosure.

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021**

6 Directors' remuneration

**2021
£**

Remuneration for qualifying services	194,631
Company pension contributions to defined contribution schemes	4,313
	<u>198,944</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1.

7 Operating loss

**2021
£**

Operating loss for the period is stated after charging/(crediting):

Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	65,088
Government grants - furlough scheme	(15,566)
Depreciation of owned tangible fixed assets	13,822
Amortisation of intangible assets	1,091,173
Operating lease charges	67,944
	<u>1,192,461</u>

8 Auditor's remuneration

**2021
£**

Fees payable to the company's auditor and associates:

For audit services

Audit of the financial statements of the group and company	56,000
	<u>56,000</u>

9 Interest receivable and similar income

**2021
£**

Interest income

Interest on bank deposits	10,791
Other interest income	6,014
	<u>16,805</u>
Total income	<u>16,805</u>

**TOPSOURCE WORLDWIDE TOPCO LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021**

10 Interest payable and similar expenses

	2021
	£
Interest on bank overdrafts and loans	199,320
Interest on preference shares	126,735
Interest on loan notes	174,279
	<hr/>
Total interest payable and similar expenses	500,334
	<hr/>

11 Taxation

	2021
	£
Current tax	
UK corporation tax on profits for the current period	(51,839)
Foreign current tax on profits for the current period	32,288
	<hr/>
Total current tax	(19,551)
	<hr/>
Deferred tax	
Origination and reversal of timing differences	(64,308)
	<hr/>
Total tax credit	(83,859)
	<hr/>

The total tax credit for the period included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2021
	£
Loss before taxation	(1,996,493)
	<hr/>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00%	(379,334)
Tax effect of expenses that are not deductible in determining taxable profit	286,008
Effect of overseas tax rates	9,482
	<hr/>
Taxation credit	(83,844)
	<hr/>
Taxation credit in the financial statements	(83,859)
	<hr/>

***Reconciliation - the current year tax charge does not reconcile to the above analysis.
Please review figures in the database.***

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TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

11 Taxation (Continued)

In the budget on 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 21. Deferred tax has been calculated at 19% which was the tax rate substantively enacted at 31 December 2020. The effect of remeasuring deferred tax to 25% would increase recognised deferred tax liabilities at 31 March 2021 to £316,028 and increase recognised deferred tax assets at 31 March 2021 to £101,211.

12 Intangible fixed assets

Group	Goodwill	Intellectual property	Total
	£	£	£
Cost			
Additions - business combinations	18,055,822	1,300,000	19,355,822
At 31 March 2021	18,055,822	1,300,000	19,355,822
Amortisation and impairment			
Amortisation charged for the period	1,053,256	37,917	1,091,173
At 31 March 2021	1,053,256	37,917	1,091,173
Carrying amount			
At 31 March 2021	17,002,566	1,262,083	18,264,649

The company had no intangible fixed assets at 31 March 2021.

The amortisation of goodwill and intellectual property is included within administrative expenses.

13 Tangible fixed assets

Group	Plant and equipment	Fixtures and fittings	Computers	Office equipment	Total
	£	£	£	£	£
Cost					
Additions	-	-	25,393	-	25,393
Business combinations	137	4,011	87,280	1,408	92,836
Exchange adjustments	-	(79)	(800)	-	(879)
At 31 March 2021	137	3,932	111,873	1,408	117,350
Depreciation and impairment					
Depreciation charged in the period	26	303	13,167	326	13,822
At 31 March 2021	26	303	13,167	326	13,822
Carrying amount					
At 31 March 2021	111	3,629	98,706	1,082	103,528

TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

13 Tangible fixed assets (Continued)

The company had no tangible fixed assets at 31 March 2021.

14 Fixed asset investments

	Notes	Group 2021 £	Company 2021 £
Investments in subsidiaries	15	-	1
		<u> </u>	<u> </u>
Movements in fixed asset investments			
Company			Shares in group undertakings £
Cost or valuation			
At 29 October 2020			-
Additions			1
			<u> </u>
At 31 March 2021			1
			<u> </u>
Carrying amount			
At 31 March 2021			1
			<u> </u>

TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
TopSource Worldwide Holdco Limited (formerly Golf Holdco Limited)	1	Holding company	Ordinary	100.00	-
TopSource Worldwide Midco Limited (formerly Golf Midco Limited)	1	Holding company	Ordinary	-	100.00
TopSource Worldwide Group Limited (formerly Golf Bidco Limited)	1	Holding company	Ordinary	-	100.00
PEO Worldwide Limited	2	Human resources provision and management of human resources functions	Ordinary	-	100.00
TopSource Global Solutions Limited	3	Provision of employer solutions including payroll process and accounting services	Ordinary	-	100.00
EBS Holdings Limited	3	Holding company	Ordinary	-	100.00
Practical Payroll Solutions Limited	3	Provision of employer solutions including payroll process and accounting services	Ordinary	-	100.00
Epsilon Business Services Limited	3	Provision of employer solutions including payroll process and accounting services	Ordinary	-	100.00
Bookslot Limited	3	Dormant	Ordinary	-	100.00
TopSource Infotech Pvt Ltd	4	Provision of employer solutions including payroll process and accounting services	Ordinary	-	100.00
TopSource Support Services Pvt Ltd	4	Provision of employer solutions including payroll process and accounting services	Ordinary	-	100.00
Dispersa Services Inc	5	Human resources provision and management of human resources functions	Ordinary	-	100.00
Dispersa S.A.S	6	Human resources provision and management of human resources functions	Ordinary	-	100.00
Dispersa GmbH	7	Human resources provision and management of human resources functions	Ordinary	-	100.00
Dispersa Consultancy Kft.	8	Human resources provision and management of human resources functions	Ordinary	-	100.00
Dispersa Sp.z.o.o.	9	Human resources provision and management of human resources functions	Ordinary	-	100.00
Dispergo, Lda	10	Human resources provision and management of human resources functions	Ordinary	-	100.00
Disperso Britannica Srl	11	Human resources provision and management of human resources functions	Ordinary	-	100.00
Dispersa Pte Limited	12	Human resources provision and management of human resources functions	Ordinary	-	100.00
Dispersa Limited	13	Human resources provision and management of human resources functions	Ordinary	-	100.00

**TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021**

15 Subsidiaries (Continued)

Registered office addresses (all UK unless otherwise indicated):

1. Office 807, Labs House, 15-19, Bloomsbury Way, London, England, WC1A 2TH
2. Ts2 Pinewood Business Park, Coleshill Road, Solihull, B37 7HG
3. Office 807, Labs House, 15-19 Bloomsbury Way, London, WC1A 2TH
4. 3rd Floor, Gamma 1 Giga Space, Viman Nagar Pune, MH 411014, India
5. 1 Place Ville-Marie, Suite 1170, Montreal, QC H3B 2A, Canada
6. 3 rue de Colonei Moil, 75017, Paris, France
7. Neuer Wall 80, 20354, Hamburg, Germany
8. 1201 Budapest, Berkenye setany 5. fszt
9. 59 Zlota Street, Warsaw 00-120, Poland
10. A. Antonio Augusto de Aguiar no. 74, R/C Dto 1050-018, Lisbon, Portugal
11. 27A Virgil Madgearu Street, Palladian Complex, B Wing, apt. 2, Sector 1, Bucharest, Romania
12. 16 Raffles Quay, #33-03, Hong Leong Building, Singapore (048581)
13. Unit 18/19, the Reeks Gateway, Tralee Road, Killarney, Co. Kerry, Ireland

TopSource Global Solutions Limited (Registered No. 04626779), PEO Worldwide Limited (Registered No. 08827617), EBS Holdings Limited (Registered No. 11176664), Practical Payroll Solutions Limited (Registered No. 04075438), Bookslot Limited (Registered No. 02447301) and Epsilon Business Services Limited (Registered No. 02923652), incorporated in England and Wales have taken exemption in section 479A of the Companies Act (the "Act") from the requirement in the Act for their individual accounts to be audited.

In order for these companies to take the audit exemption in Section 479A of the Companies Act 2006, the company has guaranteed all outstanding liabilities of those subsidiary companies at 31 March 2021 until those liabilities are satisfied in full.

TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

16 Acquisition

On 14 December 2020, the group acquired 100 percent of the issued capital of TopSource Global Solutions and its fellow subsidiaries for a consideration of £11,467,610 (including legal fees), taking control of the company and all of its subsidiaries.

The assets and liabilities acquired were as follows:

	Book Value £	Adjustments £	Fair Value £
Net assets acquired			
Property, plant and equipment	50,354	-	50,354
Intangible Assets - Intellectual Property	-	1,300,000	1,300,000
Trade and other receivables	5,013,034	-	5,013,034
Cash and cash equivalents	4,615,121	-	4,615,121
Long term creditors	(802,379)	-	(802,379)
Trade and other payables	(7,997,918)	-	(7,997,918)
Tax liabilities	(98,262)	-	(98,262)
Deferred tax	22,918	(247,000)	(224,082)
Total identifiable net assets	802,868	1,053,000	1,855,868
Goodwill			9,611,742
Total consideration			11,467,610
The consideration was satisfied by:			£
Cash			4,441,255
Deferred consideration			2,160,078
Issue of loan notes			4,138,000
Legal costs			728,277
			11,467,610

Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:

	£
Turnover	1,285,358
Profit after tax	223,195

The goodwill arising on acquisition of £9,611,742 is considered to have a useful life of 5 years.

TOPSOURCE WORLDWIDE TOPCO LIMITED
(FORMERLY GOLF TOPCO LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

16 Acquisition (Continued)

On 14 December 2020 the group acquired 100 percent of the issued capital of PEO Worldwide Limited and its fellow subsidiaries for a consideration of £9,339,864, taking control of the company and all of its subsidiaries.

The assets and liabilities acquired were as follows:

	Book Value	Adjustments	Fair Value
	£	£	£
Net assets acquired			
Property, plant and equipment	42,482	-	42,482
Trade and other receivables	1,003,071	-	1,003,071
Cash and cash equivalents	2,760,327	-	2,760,327
Trade and other payables	(2,638,935)	-	(2,638,935)
Tax liabilities	(267,673)	-	(267,673)
Deferred tax	(3,487)	-	(3,487)
Total identifiable net assets	895,785	-	895,785
Goodwill			8,444,079
Total consideration			9,339,864
The consideration was satisfied by:			£
Cash			4,249,894
Issue of loan notes			3,589,970
Deferred consideration			1,500,000
			9,339,864

Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:

	£
Turnover	965,782
Profit after tax	565,740

The goodwill arising on acquisition of £8,444,079 is considered to have a useful life of 5 years.

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17 Debtors

	Group 2021 £	Company 2021 £
Amounts falling due within one year:		
Trade debtors	1,085,048	-
Corporation tax recoverable	27,787	-
Amounts owed by group undertakings	-	8,899,699
Other debtors	1,710,129	-
Prepayments and accrued income	282,650	-
	<u>3,105,614</u>	<u>8,899,699</u>
Deferred tax asset (note 21)	76,920	-
	<u>3,182,534</u>	<u>8,899,699</u>

18 Creditors: amounts falling due within one year

	Notes	Group 2021 £	Company 2021 £
Bank loans and overdrafts	20	22	-
Trade creditors		120,005	-
Corporation tax payable		339,393	-
Other taxation and social security		1,319,999	-
Other creditors		8,817,846	126,735
Accruals and deferred income		1,044,830	213,479
		<u>11,642,095</u>	<u>340,214</u>

19 Creditors: amounts falling due after more than one year

	Notes	Group 2021 £	Company 2021 £
Loan notes	20	5,889,974	-
Bank loans	20	4,334,541	-
Preference shares	20	4,216,811	4,216,811
		<u>14,441,326</u>	<u>4,216,811</u>

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20 Borrowings

	Group 2021 £	Company 2021 £
Loan notes	5,889,974	-
Bank loans	4,334,541	-
Bank overdrafts	22	-
Preference shares	4,216,811	4,216,811
	<u>14,441,348</u>	<u>4,216,811</u>
Payable within one year	22	-
Payable after one year	<u>14,441,326</u>	<u>4,216,811</u>

The group has a bank loan amounting to £5,000,000 is fully secured by a fixed and floating charge over the property and other assets of the group. The loan term is 5 years and the loan is repayable in full on 14 December 2025.

The loan note of £5,889,974 is due to Horizon Capital 2018 Limited Partnership. The loan accrues interest at 10% per annum, is repayable on the earlier of 14 June 2026 or the date of a future disposal of the group, and is unsecured.

Debt issue costs of £698,695 were capitalised and have been off-set against the bank loan in the financial statements. In the current period £33,326 of these costs have been amortised through profit and loss.

On 14 December 2020 the company issued:

- 252,912 A Preference shares of £1.00 at £1.00 per share
- 3,963,899 B Preference shares of £1.00 at £1.00 per share

The A and B Preference shares are redeemable in accordance with article 34 of the articles of association of the company. The holders of A Preference shares have no right to vote or attend any general meeting. In respect of rights to dividends, the company shall accrue in respect of each A and B Preference shares, a fixed cumulative preferential dividend at the annual rate of 10% of the Issue Price per Preference share.

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21 Deferred taxation

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

	Liabilities 2021 £	Assets 2021 £
Group		
Intangible assets	240,181	-
Tax losses	-	51,456
Accelerated capital allowances	2,236	22,508
Other timing differences	(1,851)	2,956
	<u>240,566</u>	<u>76,920</u>
 Statutory database figures differ from the trial balance:		
Deferred tax balances	240,181	76,920
Difference	385	-

The company has no deferred tax assets or liabilities.

	Group 2021 £	Company 2021 £
Movements in the period:		
Asset at 29 October 2020	-	-
Credit to profit or loss	(67,410)	-
On acquisitions	227,569	-
	<u>160,159</u>	<u>-</u>
Net liability at 31 March 2021	160,159	-
 Balance per TB	 163,261	 -
Warning - Difference exists; check stat db entries	3,102	-

22 Retirement benefit schemes

	2021 £
Defined contribution schemes	
Charge to profit or loss in respect of defined contribution schemes	<u>20,911</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

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23 Share capital

	Group and Company	
	2021	2021
	Number	£
Ordinary share capital		
Issued and fully paid		
A Ordinary shares of 1p each	617,118	6,171
B Ordinary shares of 1p each	207,883	2,079
C Ordinary shares of 1p each	145,000	1,450
	<u>970,001</u>	<u>9,700</u>

On incorporation, 29 October 2020, the company issued 1 A Ordinary share of £1 at par.

On 11 December 2020 the 1 A Ordinary share was sub-divided into 100 A Ordinary shares of £0.01.

On 14 December 2020 the company issued:

- 617,018 A Ordinary shares of £0.01 at £1.00 per share which generated a share premium of £610,849
- 111,101 B Ordinary shares of £0.01 at £1.00 per share which generated a share premium of £109,990
- 96,782 B Ordinary shares of £0.01 at £36.68 per share which generated a share premium of £3,548,996
- 145,000 C Ordinary shares of £0.01 at £1.00 per share which generated a share premium of £143,550

The A, B and C Ordinary shares are non-redeemable, but hold full rights in respect of voting with one vote per share, and entitle the holders to full participation in a dividend issued by the directors.

24 Reserves

Share premium

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

Profit and loss reserves

The profit and loss reserve represents cumulative profits and losses for the company net of distributions to owners.

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25 Cash generated from group operations

	2021
	£
Loss for the period after tax	(1,912,634)
Adjustments for:	
Taxation credited	(83,859)
Finance costs	500,334
Investment income	(16,805)
Amortisation of intangible assets	1,091,173
Depreciation of tangible fixed assets	13,822
Foreign exchange gains on cash equivalents	(89,246)
Movements in working capital:	
Movement in debtors	2,920,071
Movement in creditors	(420,829)
Cash generated from operations	<u><u>2,002,027</u></u>

26 Analysis of changes in net debt - group

	29 October 2020	Cash flows	Exchange rate movements	31 March 2021
	£	£	£	£
Cash at bank and in hand	-	7,064,358	(62,833)	7,001,525
Bank overdrafts	-	(22)	-	(22)
	<u>-</u>	<u>7,064,336</u>	<u>(62,833)</u>	<u>7,001,503</u>
Bank loans	-	(4,334,541)	-	(4,334,541)
Loan notes	-	(5,889,974)	-	(5,889,974)
Preference shares	-	(4,216,811)	-	(4,216,811)
	<u>-</u>	<u>(7,376,990)</u>	<u>(62,833)</u>	<u>(7,439,823)</u>

27 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2021 £	Company 2021 £
Within one year	<u>36,000</u>	<u>-</u>

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28 Events after the reporting date

On 1 August 2021 the group acquired 100% of the share capital of Select Payroll Solutions Limited for an initial consideration of £90,000, with a further contingent amount to be determined. The acquisition will further enhance the group's payroll service offering.

On 28 September 2021 the group acquired 100% of the share capital of the following Compañías companies:

- Compañía SA incorporated and domiciled in Switzerland
- Compañía International Limited incorporated and domiciled in the United Kingdom
- Compañía Sweden AB incorporated and domiciled in Sweden
- Compañía Iceland ehf. incorporated and domiciled in Iceland
- Compañía Internacional SLU incorporated and domiciled in Andorra

The acquisition will further strengthen the group's payroll and HR service offerings. Due to the recent timing of the acquisition and the availability of information, a full assessment of the fair values of assets and liabilities acquired has not yet been completed. Furthermore, the total consideration payable cannot yet be determined.

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29 Related party transactions

Horizon Capital 2018 Limited Partnership are the controlling party of the group through their ownership of 59.02% of the share capital of TopSource Worldwide Topco Limited (formerly Golf Topco Limited).

During the period, the partnership subscribed for ordinary shares of the company totalling £610,026 and granted a loan note totalling £5,889,974. Interest of £174,279 has been accrued during the period on the loan note and is owed as at 31 March 2021.

Furthermore, management charges of £43,250 and arrangement fees of £169,729 were incurred during the period from the partnership. These amounts were outstanding for payment as at 31 March 2021.

30 Controlling party

The ultimate controlling party of the Group is Horizon Capital 2018 Limited Partnership.