

Company Registration No. 11394532

LIBRA ACQUIRECO LIMITED

**Annual Report and Financial Statements for the period ended
31 December 2018**

MONDAY



A8F3RZY9

A16

30/09/2019

#33

COMPANIES HOUSE

LIBRA ACQUIRECO LIMITED

Annual Report and financial statements for the period ended 31 December 2018

Content	Page
Strategic Report	3
Directors' Report	4
Directors' Responsibilities statement	5
Independent auditor's report to the members of Libra AcquireCo Limited	6
Consolidated income statement	9
Consolidated statement of comprehensive income	10
Consolidated statement of financial position	11
Consolidated statement of changes in equity	12
Consolidated statement of cash flows	13
Notes to the consolidated financial statements	14
Company Statement of Financial Position	37
Company Statement of Changes in Equity	38
Notes to the Company financial statements	39

LIBRA ACQUIRECO LIMITED

Strategic report

Introduction and History

Libra AcquireCo Limited ("the Company") is a private company limited by shares (company no. 11394532) incorporated and domiciled in the United Kingdom under the Companies Act and is registered in England and Wales. It was incorporated on 4th June 2018. These are the Company's first financial statements. The address of the Company's registered office is Paul Hastings (Europe) LLP, 10 Bishops Square, London, United Kingdom, E1 6EG. The ultimate parent company is Vector Talent Holdings, L.P.

On 1st November 2018 it acquired 100% of the share capital of Lumesse Holdings B.V. and its subsidiaries (the "Lumesse Group").

The Group changed its accounting reference date to 31st December 2018 and presents the first set of accounts for the period from incorporation on 4th June 2018 to 31st December 2018.

Business review

The income statement contains 2 month's of trading of Lumesse Holdings B.V. and its subsidiaries acquired on 1st November 2018.

The principal activity of the Group is to provide talent acquisition, talent management, mobile learning experiences and content curation to provide talent experience on a global scale. Its talent solutions are sold either through a direct sales force or indirectly through partners.

The results for the period ended 31st December 2018 are set out in the consolidated income statement. The Group closed the period with revenues (before fair valuation adjustments) of \$10.7m, and operating profit (excluding non-underlying costs, fair value adjustments, amortisation and depreciation) of \$1.5m. This is in line with the business plan given the recent acquisition. After one off non-underlying costs of \$14.7m in relation to post acquisition restructuring activities and legal costs related to the acquisition, fair value adjustment of \$5.5m and depreciation and amortisation of \$2.5m, the Group reported an operating loss of \$21.3m. Net financing costs are \$1.5m, primarily consisting of accrued intercompany interest, and the loss on ordinary activities before tax is \$24.1m. Performance on all KPIs are as expected for the 2 months post acquisition.

No dividend was paid in 2018 and no final dividend is proposed.

Risk management

The Group faces a number of risks and attempts to mitigate these wherever possible, the key ones are summarised briefly below.

- By the nature of the business in which it operates, the Group is exposed to risks around technology and technological innovation. The Group mitigates this risk by taking a proactive approach to technological trends, continuously developing its product offering by launching new functionality, new modules and new versions of the product, and where appropriate, makes strategic acquisitions and partnerships to enhance its product portfolio.
- The Group would be negatively impacted by the loss of key personnel, particularly within certain product development and sales roles. This risk is alleviated by ensuring that personnel are competitively remunerated and that high achievers are recognised and promoted.

Employees


The Directors recognise the importance of good communications with the Group's employees and of informing and consulting with them on a regular basis. This is mainly achieved through regular check-ins and global Saba Sync meetings.

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees. The Group is fully compliant with its obligations in this area, as in all aspects of diversity and inclusion.

Future developments and Research and Development

The Group is committed to its principal products. The Group maintains a dedicated development team and continues to invest in the development of its product offerings to ensure product competitiveness.

This report was approved by the board of directors on 28th June 2019 and signed on its behalf by:



Eric Graham

28 June 2019

LIBRA ACQUIRECO LIMITED

Directors' report

The Directors present their annual report on the affairs of the Group together with the financial statements and the auditor's report for the period from incorporation on 4th June 2018 to 31st December 2018. In accordance with s414(C) (11) of the Companies Act, included in the Strategic Report is information relating to future developments and employees which would otherwise be required by Schedule 7 of the 'large and medium sized companies and Groups (accounts and reports) regulation 2008' to be contained in a Directors' report.

Details of significant events since the balance sheet date are contained in note 23 to the Group financial statements.

Financial risk management objectives and policies

The Group's activities expose it to a number of financial risks including credit risk and liquidity risk.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer fails to meet its contractual obligations and arises principally from the Group's trade receivables from customers. The Group has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial commitments as they fall due.

The Group manages liquidity risk through regular cash flow forecasting and monitoring of cash flows.

Dividends

No dividend was paid in 2018 and no final dividend is proposed.

Research and Development

The Group maintains a dedicated development team and continues to invest in the development of its product offerings to ensure product competitiveness.

Directors

The following Directors held office during the period, and to the date of signing this report, except as noted:

Eric John Graham	(appointed 4 th June 2018)
Shanna Laughton	(appointed 4 th June 2018)
Michael Stewart	(appointed 4 th June 2018)

Auditor

Each of the persons who are a Director at the date of approval of this report confirm that:

- So far as the Director is aware, there is no relevant audit information of which the group's auditor is unaware; and
- The Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

The auditor, Deloitte LLP, has indicated their willingness to continue in office as auditor.

Donations

No donations were made to any political party in the period.

Approval

This report was approved by the board of directors on 28th June 2019 and signed on its behalf by:



Director
Eric Graham
28 June 2019

LIBRA ACQUIRECO LIMITED

Directors' Responsibilities statement

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

Company law requires the directors to prepare such financial statements for each financial year. Under that law the directors are required to prepare the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Article 4 of the IAS Regulation and have also chosen to prepare the parent company financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether Financial Reporting Standard 101 Reduced Disclosure Framework has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

In preparing the group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

LIBRA ACQUIRECO LIMITED

Independent auditor's report to the members of Libra Acquireco Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements of Libra Acquireco Limited (the 'parent company') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2018 and of the group's loss for the period then ended;
- the group financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and IFRSs as issued by the International Accounting Standards Board (IASB);
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated statement of financial position;
- the consolidated statement of changes in equity;
- the consolidated cash flow statement;
- the company balance sheets;
- the company statement of changes in equity;
- the related notes 1 to 23;
- and the company notes 1 to 7

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and IFRSs as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

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

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

LIBRA ACQUIRECO LIMITED

Independent auditor's report to the members of Libra Acquireco Limited

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial 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.

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept 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

LIBRA ACQUIRECO LIMITED

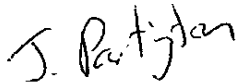
Independent auditor's report to the members of Libra Acquireco Limited

- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jason Partington

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

28 June 2019

LIBRA ACQUIRECO LIMITED

Consolidated Income Statement for the period ended 31 December 2018

	Notes	Adjusted operating profit 2018 \$'000	Non- underlying Items, depreciation, amortisation and impairment 2018 \$'000	Statutory for the period ending 31 December 2018 \$'000
Continuing operations				
Revenue from contracts with customers	3	10,658	(5,522)	5,136
Personnel costs	5, 6	(5,882)	(10,329)	(16,211)
Depreciation and amortisation	10, 11	-	(2,534)	(2,534)
Other operating income/ (expenses)	4, 6	(3,324)	(4,380)	(7,704)
Total operating income/(expenses)		(9,206)	(17,243)	(26,449)
Operating profit/(loss)		1,452	(22,765)	(21,313)
Finance income	8			6
Finance costs	8			(1,522)
Foreign exchange gains/(losses)	8			(1,225)
Loss before tax				(24,054)
Deferred tax	9			81
Income tax	9			(145)
Loss for the period				(24,118)
Attributed to:				
Owners of the parent				(24,118)

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

LIBRA ACQUIRECO LIMITED

Consolidated Statement of Comprehensive Income for the period ended 31 December 2018

	2018 \$'000
Loss for the period	(24,118)
Items that may be reclassified subsequently to profit or loss:	
- Currency translation differences on foreign operations	851
Other comprehensive income	851
Total comprehensive loss attributed to owners of the parent	(23,267)

The accompanying notes form an integral part of these financial statements

LIBRA ACQUIRECO LIMITED

Consolidated Statement of Financial Position as at 31 December 2018

	Notes	2018 \$'000
Assets		
<i>Non-current assets</i>		
Goodwill	7, 11	76,932
Intangible assets	11	27,564
Property, plant and equipment	10	1,598
Deferred tax asset	9	1,456
Asset recognised from the costs incurred to obtain a contract	15	1,256
Other non-current financial assets	13	897
Total non-current assets		109,703
<i>Current assets</i>		
Trade and other receivables	12	21,170
Accrued income	14	1,476
Asset recognised from the costs incurred to obtain a contract	15	1,465
Cash and bank balances	16	5,506
Intercompany with parent group	21	29,702
Current tax assets	9	219
Total current assets		59,548
Total assets		169,251
<i>Current liabilities</i>		
Trade and other payables	17	(7,040)
Deferred income	14	(16,568)
Amounts owed to parent company	21	(7,000)
Current tax liabilities	9	(6,708)
Other taxes	17	(2,915)
Provisions	18	(6,800)
Total current liabilities		(47,031)
<i>Non-current liabilities</i>		
Deferred income	14	(607)
Amounts owed to parent company	21	(125,829)
Provisions	18	(643)
Deferred tax liabilities	9	(2,708)
Total liabilities		(176,818)
Net liabilities		(7,567)
<i>Equity</i>		
Share capital	19	19
Share premium	19	15,681
Retained loss		(24,118)
Cumulative translation adjustment		851
Total equity		(7,567)

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

Approved by the Board of Directors on 28 June 2019 and authorised for issue and signed on its behalf by:



Eric Graham
Director

LIBRA ACQUIRECO LIMITED

Consolidated Statement of Changes in Equity as at 31 December 2018

	Share capital (Note 19) \$'000	Cumulative share premium (Note 19) \$'000	Retained loss \$'000	Cumulative translation adjustment \$'000	Total \$'000
At 4 th June 2018	-	-	-	-	-
Loss for the period	-	-	(24,118)	851	(23,267)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	(24,118)	851	(23,267)
Share capital issued	19	15,681	-	-	15,700
At 31 December 2018	19	15,681	(24,118)	851	(7,567)

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

LIBRA ACQUIRECO LIMITED

Consolidated Statement of Cash Flows for the period ended 31 December 2018

	Notes	2018 \$'000
<i>Cash flows from operating activities</i>		
Loss before taxation		(24,054)
Adjustments for:		
Depreciation of fixtures, fittings and equipment	10	273
Amortisation of intangible assets	11	2,261
Finance costs	8	1,516
Exchange differences	8	1,225
Operating cash flows before working capital changes		(18,779)
<i>Working capital adjustments:</i>		
(Increase)/decrease in trade and other receivables		(5,245)
Increase/(decrease) in trade and other payables		(4,952)
Increase/(decrease) in deferred income		6,234
Cash utilised by operations		(3,963)
Income taxes (paid)		(58)
Net cash from operating activities		(22,800)
<i>Investing activities:</i>		
Cash acquired on acquisition	7	4,112
Acquisition of Lumesse Holdings B.V		(107,912)
Purchases of property, plant and equipment	10	(43)
Purchase of intangible assets	11	(739)
Net cash flows used in investing activities		(104,582)
<i>Cash flows from financing activities:</i>		
Repayments of obligations under finance leases		(154)
Long term intercompany loan with parent group		127,100
Share capital & premium issued		15,700
(Increase)/decrease in amounts owing to parent group		(9,694)
Interest received		(36)
Net cash flows from financing activities		132,916
Increase/(decrease) in cash and cash equivalents		5,534
Movement in cash and cash equivalents		
Cash and cash equivalents at start of period		-
Net increase/(decrease) in cash and cash equivalents		5,534
Net foreign exchange differences		(28)
Net cash and cash equivalents at the end of period		5,506

The accompanying notes form an integral part of these financial statements

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

1. Basis of preparation

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards. The financial statements have also been prepared in accordance with IFRSs adopted by the European Union and therefore the Group financial statements comply with Article 4 of the EU IAS Regulation.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the financial Reporting Council. Accordingly, the company financial statements have been prepared in accordance with Financial Reporting Standard 101 ("FRS 101") 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. In accordance with Section 408 of the Companies Act 2006, the company is exempt from the requirement to present its own profit and loss account and cash flow statement.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS101:

- IFRS 7 Financial Instruments: Disclosures
- Paragraphs 91 to 99 of IFRS 13 – Fair value measurement (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- Paragraphs 38 of IAS 1 – Presentation of financial statements comparative information requirements in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 – Property, plant and equipment
 - paragraph 118(e) of IAS16 – intangible assets (reconciliations between the carrying amount at the beginning and end of the period)
- The following paragraphs of IAS1 – Presentation of financial statements
 - 10(d) - statement of cash flows
 - 10(f) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements
 - 16 – statement of compliance with all IFRSs
 - 38A – requirement for minimum of two primary statements, including cash flow statements
 - 38D – additional comparative information
 - 40A-D – requirements for a third statement of financial position
 - 111 – cash flow statement information
 - 134-136 (capital management disclosures)
- IAS 7 – Statement of cash flows
- Paragraph 30 and 31 of IAS 8 - Accounting policies, changes in accounting estimates and errors (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24 – Related party disclosures in relation to key management compensation
- The requirements in IAS 24 – Related party disclosures to disclose related party transactions entered into between two or more members of a group

The consolidated financial statements are prepared on a historical cost basis, except for the net assets acquired on business combinations. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36. The Group uses external experts to help value intangible assets and property, plant & equipment acquired on acquisition.

The consolidated financial statements are presented in USD and all values are rounded to the nearest thousand except where otherwise indicated.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

2. Accounting policies

The principal accounting policies adopted by the Group and Company are set out below:

Basis of preparation of the consolidated financial statements

The consolidated financial statements include the results of the Company and all its subsidiaries from the date of acquisition on 1st November 2018. Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Group re-assessed whether there were any changes of control and concluded that there were no facts indicating any changes to the elements of control mentioned above.

All intra-group balances, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets and liabilities are recognised and measured in accordance with IAS 12 Income Taxes

Goodwill is measured at the excess of the sum of the consideration transferred over the fair value of the assets and liabilities acquired.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provision amounts for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date. The measurement period cannot exceed one year from the acquisition date.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment.

Intangible assets

Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, the Group is considered to be one cash-generating unit and is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the Group is less than the carrying value of the Group's assets the impairment loss is allocated first to the goodwill and then to the other assets of the Group. An impairment loss recognised for goodwill is not reversed in a subsequent period.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

2. Accounting policies (continued)

Other intangible assets

New intangible assets recognised under IFRS 3 (see intangible asset note) include customer relationships, existing technologies and trade marks are amortised over a useful economic life of 1-12 years.

Internally generated developed technology is amortised over a useful economic life between 3 and 5 years.

Purchased software is amortised over a useful economic life between 3 and 5 years.

The residual value is considered to be nil.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast. These budgets and forecast calculations are generally covering a period of 1 year. For longer periods, a long term growth rate is calculated and applied to project future cash flows after year 1.

Impairment losses of continuing operations are recognised in the consolidated income statement in those expense categories consistent with the function of the impairment assets.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment in value. Historical cost includes the expenditure that is directly attributable to the acquisition of the assets. All repairs and maintenance are recognised in the consolidated income statement during the financial period in which they are incurred. Depreciation is provided to write off the cost less the estimated residual value based on prices at the balance sheet date of property, plant and equipment over their estimated useful economic lives of between 3 and 5 years on a straight line basis.

Useful economic lives and residual values are assessed annually.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period the item is derecognised.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

2. Accounting policies (continued)

Revenue from contracts with customers

The Group recognises revenue as the performance obligation is satisfied in an amount that reflects the consideration that it expects to be entitled to using the 5 step model:

1. Identify the contract with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise the revenue as the entity satisfies a performance obligation

The Group recognises revenue from the following major sources:

(i) Subscription revenue

Subscription revenue is recognised using an output method based on time, as the customer receives the benefit over the life of the contract. Billing is predominantly annually or quarterly in advance with typical payment terms of 30 days. Consideration is not variable and there is no significant financing component. The Group has a standard Service Level Agreement that sets out the minimum availability of the solution that the customer has subscribed to.

(ii) Implementation revenue

Implementation revenue is recognised over time, using hours worked as the input method, as the Group provides the service to the customer. Billing is as per milestones set in the contract with typical payment terms of 30 days. Consideration is not variable and there is no significant financing component.

(iii) Learning content revenue

Learning content revenue is recognised over time, using a straight line recognition method, as the Group provides the service to the customer. Billing is as per milestones set in the contract with typical payment terms of 30 days. Consideration is not variable and there is no significant financing component.

(iv) Perpetual licence revenue

Perpetual licence revenue is recognised once the associated implementation has been completed on the basis that this is when the customised solution has been delivered. Billing takes place once the licence key is delivered, with typical payment terms of 30 days. Consideration is not variable and there is no significant financing component.

Amounts which are invoiced to customers but not yet recognised as revenue are recorded in the consolidated statement of financial position as deferred income.

Research and development costs

Research costs are expensed in the consolidated income statement as incurred. Development expenditures, on an individual project, are recognised as an intangible asset when the Group can demonstrate:

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

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development the asset is tested for impairment annually.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

2. Accounting policies (continued)

Foreign currencies

The Group's consolidated financial statements are presented in USDs, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

(i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange at the reporting date.

All differences are recognised in the consolidated income statement, with the exception of monetary items that are designated as part of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to the income statement.

Non-monetary items which are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the acquisition date when the fair value is determined.

(ii) Group companies

On consolidation the assets and liabilities of foreign operations are translated into USD at the rate of exchange prevailing at the reporting date and their income statements are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the consolidated income statement.

Cash and short term deposits

Cash and short term deposits include cash at bank and on hand and short term deposits with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash short term deposits as defined above.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date.

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the consolidated income statement on a straight-line basis over the lease term.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Assets held under finance leases are recognised as assets of the group at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate or interest on the remaining balance of the liability. Finance expenses are recognised immediately in the profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the group's general policy on borrowing costs.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

2. Accounting policies (continued)

Incentives received from landlord

In accordance with SIC 15, the aggregate benefit of incentives is recognised as a credit to Consolidated Income Statement. The benefits of the incentives are allocated over the lease term on a straight-line basis.

Pension cost

All pension agreements are defined contribution plans and all costs related to these are recorded as personnel costs in the Consolidated Income Statement as they are incurred.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Property provision

A property provision is recognised when the expected benefits to be derived from the property are lower than the unavoidable cost of meeting the contractual obligations on that property.

Redundancy provisions

Redundancy and restructuring provisions are only recognised when a detailed formal plan for the restructuring exists and it has been communicated to those affected by it.

Onerous contracts

An onerous contract provision is recognised when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

IFRS 9 Financial Instruments

IFRS 9 introduces new requirements for the classification of financial assets and financial liabilities and impairment of financial assets.

All financial assets and financial liabilities were classified at amortised cost under IAS 39, and continue to be classified at amortised cost under IFRS 9, therefore the new classification requirements in IFRS 9 have not affected the financial statements.

The change from incurred loss approach under IAS 39 to an expected credit loss approach under IFRS 9 has not had a material impact on the allowance for credit losses.

Loans and borrowings

A financial asset or liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the income statement.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

2. Accounting policies (continued)

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably)

Non-underlying items

The Group presents non-underlying items on the face of the income statement, being those material items of income and expense which because of their nature and expected frequency of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the period

Income tax

The charge for current taxation is based on the results for the period as adjusted for items which are non-assessable or disallowed, based on tax rates that are enacted or substantively enacted at the reporting date.

Deferred tax is provided, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, at the reporting date

Deferred tax liabilities are recognised for all taxable temporary differences except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss, and
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured 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 (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income tax relating to items recognised directly in other comprehensive income or directly in equity is recognised in other comprehensive income or directly in equity respectively. Otherwise income tax is recognised in the income statement.

Other taxes

Revenues, expenses and assets are recognised net of the amount of sales tax, except:

- when the sales tax incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- trade receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

2. Accounting policies (continued)

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received. Grants related to capitalised research and development expenditure are treated as deferred income and allocated to the income statement (as a deduction to research and development expenditure) over the useful lives of the related assets.

New and revised IFRSs in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective and (in some cases) had not yet been adopted by the EU.

The IASB and IFRIC have issued the following standards and interpretations with an effective date on or after the date of these financial statements. The Group intends to adopt these standards, if applicable, when they become effective.

IFRS 16	Leases
IFRS 17	Insurance Contracts
Amendments to IFRS 9	Prepayment feature with negative compensation
Amendments to IAS 28	Long-term interest in Associates and Joint Ventures
Annual Improvements to IFRS Standards 2015-2017 Cycle	Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs
Amendments to IAS 19 Employee Benefits	Plan Amendment, Curtailment or Settlement
IFRS 10 Consolidated Financial Statements and IAS 28 (amendments)	Sale or contribution of Assets between an Investor and its Associate or Joint Venture
IFRIC 23	Uncertainty over Income Tax Treatments

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statement of the Group and Company in future periods, except as noted below

IFRS16 Leases

IFRS 16, which was endorsed by the EU on 9 November 2017, provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements for both lessors and lessees. IFRS 16 will supersede the current lease guidance including IAS 17 Leases and the related interpretations when it becomes effective for accounting periods beginning on or after 1 January 2019. The date of initial application of IFRS 16 for the Group and Company will be 1 January 2019.

The Group has chosen the modified retrospective application of IFRS 16. Consequently the Group will not restate the comparative information.

Impact of the new definition of a lease

The Group will make use of the practical expedient available on transition to IFRS 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with IAS 17 and IFRIC 4 will continue to apply to those leases entered or modified before 1 January 2019.

The change in definition of a lease mainly relates to the concept of control. IFRS 16 distinguishes between leases and service contracts on the basis of whether the use of an identified asset is controlled by the customer. Control is considered to exist if the customer has:

- The right to obtain substantially all of the economic benefits from the use of an identified asset; and
- The right to direct the use of that asset.

The Group will apply the definition of a lease and related guidance set out in IFRS 16 to all lease contracts entered into or modified on or after 1 January 2019 (whether it is a lessor or a lessee in the lease contract). The Group has carried out a review

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

2. Accounting policies (continued)

and has concluded that the new definition in IFRS 16 will not change significantly the scope of contracts that meet the definition of a lease for the Group.

IFRS 16 will change how the Group accounts for leases previously classified as operating leases under IAS 17, which were off-balance sheet.

On initial application of IFRS16, for all leases (except as noted below), the Group will:

- Recognise right-of-use assets and lease liabilities in the consolidated statement of financial position, initially measured at the present value of the future lease payments;
- Recognise depreciation of right-of-use assets and interest on lease liabilities in the consolidated statement of profit or loss;
- Separate the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the consolidated cash flow statement

Lease incentives (e.g. rent-free period) will be recognised as part of the measurement of the right-of-use assets and lease liabilities whereas under IAS 17 they resulted in the recognition of a lease liability incentive, amortised as a reduction of rental expenses on a straight-line basis.

Under IFRS 16, right-of-use assets will be tested for impairment in accordance with IAS 36 Impairment of Assets. This will replace the previous requirement to recognise a provision for onerous lease contracts.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as photocopiers and franking equipment), the Group will opt to recognise a lease expense on a straight-line basis as permitted by IFRS 16.

As at 31 December 2018, the Group has non-cancellable operating lease commitments of \$7.1m. A preliminary assessment indicates that \$6.3m of these arrangements relate to leases other than short-term leases and leases of low-value assets. The Group has not yet calculated the opening right of use asset or lease liability measured at present value of the future lease payments. The preliminary assessment indicates that \$0.4m of these arrangements relate to short-term leases and leases of low-value assets.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report.

The Group has considerable financial resources together with support from its parent Group. It also has long-term contracts with a number of customers and suppliers across different geographic areas and industries. As a consequence, the directors believe that the Group is well placed to manage its business and economic risks successfully.

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

2. Accounting policies (continued)

Significant critical accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, at the end of the reporting period. However, uncertainty about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Key sources of estimation uncertainty

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

- **Taxes**
Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Tax losses recognised at 31 December 2018 are \$5.1m. Tax losses unrecognised at 31 December 2018 are \$205.9m. See note 9 (c) for further information.

The calculation of our tax liabilities involves uncertainties in the application of tax laws in different tax jurisdictions and our estimate for the potential outcome of any uncertain tax position is judgmental. However, we believe that we have adequately provided for any uncertain tax positions. The Group recognises a liability for uncertain tax positions when it is probable that a tax outflow will occur. The measurement of the liability for uncertain tax positions is based on management's best estimate of the amount of tax that will be realised upon settlement and the settlement of these uncertain tax positions in a manner inconsistent with expectations could have an impact on our financial results and cash flows. The estimated expected exposure range is between €6.4m and nil. The Group has recorded an uncertain tax position of €5.5m.

- **Valuation of acquired assets**
The measurement of fair values on a business combination requires the recognition and measurement of the identifiable assets and liabilities. The key judgements involved are the valuation of the acquired intangible assets (trade marks, customer lists and developed technologies) which require the estimation of future cash flows and the selection of suitable discount rates. A professional valuation company was used to provide the valuation.
- **Goodwill impairment**
The value in use calculation is most sensitive to revenue growth rates and customer attrition. If customer attrition was higher than the forecasts used in the value in use calculation or revenue growth rates were lower, this would change the result of the calculation and lead to impairment. A 1% reduction in the revenue growth rate used in the model would result in a \$3.4m impairment of goodwill.

Key judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

- **Revenue**
The review of licence contracts requires judgement to ensure that the transaction price is appropriately allocated between performance obligations.
- **Capitalisation of development costs**
Management reviews the costs incurred by the research and development function to ensure the correct classification of costs between costs that should be capitalised and those that should be expensed.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

3. Revenue from contracts with customers

As a result of IFRS 15 the Group has reviewed its contracts with customers and disaggregated them into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. Revenues are disaggregated into categories by location for the period ended 31 December 2018.

Revenue from contracts with customers	EMEA	USA	Asia Pacific	Fair value adjustment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Subscription	7,082	559	342	(4,624)	3,359
Services	2,184	56	185	(898)	1,527
Learning content	41	-	-	-	41
Licences	190	-	19	-	209
Total revenue from contracts with customers	9,497	615	546	(5,522)	5,136

Subscription revenue is predominantly billed annually or quarterly in advance. The performance obligation is satisfied over the length of the subscription. On invoicing, the trade receivable and deferred revenue will both increase. The trade receivable will be extinguished at the point the receivable is settled whilst the deferred revenue will be released to the income statement over the length of the period covered by the billing.

Implementation and Learning content revenue is billed based upon the milestones agreed in the contract, whilst the performance obligation is satisfied over the period of implementation based upon the work carried out. The relationship of the performance obligation to the trade receivable depends upon the timing of milestones within the contract.

Perpetual licence revenue is billed when the licence key is delivered. The performance obligation is satisfied once the implementation has been completed, so a contract asset is recognised in relation to the perpetual licence fee until the implementation has been completed at which point the revenue is recognised.

4. Other operating expenses

	2018 \$'000
Direct costs	(646)
Sales and marketing costs	(237)
Consulting and legal fees	(172)
Telecommunications and hosting	(998)
Travel costs	(260)
Bad debt credit/(charge)	(166)
Rent	(533)
Other operating lease rentals	(79)
Other costs	(233)
	(3,324)

Non-underlying costs are disclosed separately in note 6

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

4. Other operating expenses (continued)

Auditor's Remuneration

	2018 \$'000
<i>Current auditor</i>	
Fees payable to the company's auditor for the audit of the company's accounts	217
Fees payable to the company's auditor for the audit of the company's subsidiaries	130
Total audit fees	347
Tax services	51
	398

5. Personnel costs

	2018 \$'000
Wages and salaries	(4,519)
Bonus and commissions	(850)
Social security costs	(862)
Pension costs	(164)
Other personnel costs	(225)
Amounts capitalised (note 11)	738
Total personnel costs	(5,882)

Non underlying costs are disclosed separately in note 6.

All pension costs are in respect of defined contribution schemes.

Directors' remuneration costs are borne by the owner of the Group.

The average monthly number of full time equivalent employees, including executive managers, was as follows

	2018 Number
EMEA	418
USA	14
Asia Pacific	38
	470

6. Non-underlying items

The Group incurred the following costs in the period which are non-underlying in nature:

	Note	2018 Other operating non-underlying \$'000	2018 Personnel costs \$'000	2018 Total \$'000
Restructuring and integration costs	1	(235)	(10,329)	(10,564)
Onerous contract costs	2	(640)	-	(640)
Acquisition costs	3	(3,505)	-	(3,505)
Total non-underlying (costs)		(4,380)	(10,329)	(14,709)

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

6. Non-underlying items (continued)

- ¹ *Restructuring & integration costs* – On 1st November 2018, the Company completed the acquisition of Lumesse Holdings B.V. and its subsidiaries. As a result of this acquisition a number of restructuring actions have been communicated and undertaken
- ² *Onerous contract costs* – Provisions have been created for a number of properties which are vacant or under utilised as a result of the restructuring programme.
- ³ *Acquisition costs* are the directly attributable costs of the acquisition.

7. Acquisition of subsidiary

On 1st November 2018, the Company acquired 100% of the issued share capital of Lumesse Holdings B.V., gaining control of the company and its subsidiaries. Lumesse Holdings B.V. is a holding company for the group of subsidiaries known as the Lumesse Group which has expansive capabilities across talent acquisition, talent management and content curation.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are deemed provisional due to the proximity of the finalisation of the acquisition to the end of the period.

	Net book value on the opening balance sheet	Fair value adjustment	Lumesse Holdings B.V.
	\$'000	\$'000	\$'000
Indentifiable intangible assets	13,556	15,499	29,055
Tangible assets	1,409	434	1,843
Other non current assets	5,067	-	5,067
Cash	4,112	-	4,112
Current assets	17,727	-	17,727
Deferred revenue ¹	(22,082)	14,329	(7,753)
Other liabilities	(25,612)	-	(25,612)
Total identifiable assets	(5,823)	30,262	24,439
Goodwill			76,932
Total consideration			101,371
Satisfied by:			
Purchase costs paid by acquired group cash			(6,541)
Intercompany with parent group			107,912
Total consideration transferred			101,371
Net cash outflow arising on acquisition			
Completion cash consideration			96,709
Amounts paid to Escrow ²			4,661
Less: cash and cash equivalent balances acquired			(4,112)
			97,258

¹ Provisional value subject to finalisation of valuation report and agreement of final completion balance sheet

² Completion cash consideration is based on the draft completion statement. A final completion statement will be agreed subsequent to the year end resulting in either a refund from the Escrow account or a payment from the Escrow account to the seller.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

7. Acquisition of subsidiary (continued)

The goodwill of \$76.9m arising from the acquisition consists of the future economic benefits arising from assets which the recognition of discrete intangible assets is not permitted or that cannot be identified individually and recognised separately. None of the goodwill is expected to be deductible for income tax purposes.

Acquisition related costs (included in non-underlying items) amount to \$3.5m.

All revenue and losses relate to the post acquisition period

If the acquisition had taken place at the 1st January 2018 the revenue for the year would have been \$70.2m and the loss for the year \$47.5m.

8. Finance income and costs

	2018 \$'000
Other finance income	6
Total finance income	6
Interest on intercompany loan with Libra Finco LLP	(1,485)
Interest on intercompany loan with Saba UK	(13)
Other interest	(24)
Finance cost on financial liabilities not at fair value through the income statement	(1,522)
Total finance costs	(1,522)
Foreign exchange gains/(loss)	(1,225)

9. Income tax

(a) Income tax on loss before tax:

Consolidated income statement

	Note	2018 \$'000
Current taxation		(145)
Total current taxation		(145)
Deferred taxation		
Losses recognised/(utilised)		(45)
Movement on group intangibles		127
Accounting depreciation in advance of tax depreciation		9
Other timing differences		(10)
Total deferred income tax credit		81
Income tax (charge)/credit	(b)	(64)

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

9. Income tax (continued)

(b) Factors affecting the tax charge:

The tax assessed on the loss on ordinary activities on continuing operations for the period is higher than the applicable blended rate. The blended rate of 18.64% is the weighted average of tax rates in the individual jurisdictions. This is calculated by multiplying the individual profit or loss before tax in each jurisdiction by its local tax rate.

The differences are reconciled below:

	2018 \$'000
Loss on ordinary activities before tax on continued operations	(24,054)
Taxation using the blended corporation tax rate	4,485
Non-deductible interest	(988)
Other expenses not deductible for tax purposes/non taxable income	(846)
Utilisation of tax losses brought forward previously, not recognised	156
Unutilised current tax losses carried forward, not recognised	(1,801)
Temporary differences, not recognised	(1,070)
Income tax (charge)/credit (see (a) above)	(64)

(c) Deferred income tax

The amounts recognised and unrecognised for deferred income tax are set out below:

	Recognised 2018 \$'000	Unrecognised 2018 \$'000
Accounting depreciation in advance of tax depreciation	(72)	2,391
Other short-term temporary differences	191	3,640
Group intangibles	(2,636)	-
Tax losses	1,285	38,308
	(1,252)	44,339

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. In countries where there is a history of tax losses, deferred tax assets are only recognised in excess of deferred tax liabilities if there is convincing evidence that future taxable profits will be available. Where this is the case, the directors have relied on business plans supporting future profits.

The Group has tax losses of \$205.9m on which no deferred tax has been recognised that may be available for use by offset against future taxable profits in the companies in which the losses arose.

The Group has losses carried forward in tax terms on which no deferred tax has been recognised amounting to \$38.3m. Of these losses \$1.7m relate to subsidiaries that have a history of losses, do not expire and may not be used to offset taxable income elsewhere in the Group. The subsidiaries have no taxable temporary differences or any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets.

There are temporary differences in respect of unremitted overseas retained earnings of \$11.9m for which deferred tax liabilities have not been recognised.

At 31 December 2018 there was a deferred tax asset of \$1.5m and deferred tax liabilities of \$2.7m.

The standard rate of corporation tax in the UK changed from 20% to 19% with effect from 1 April 2017. Accordingly, the Company's profits for this accounting year are taxed at an effective rate of 19%.

A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016. The change was to reduce the main rate to 17% from 1 April 2020.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

9. Income tax (continued)

(d) Reconciliation of movement on deferred tax

	2018 \$'000
At acquisition	(1,327)
(Charged)/credited to the Consolidated income statement	
Reversal of temporary differences arising on the amortisation of intangibles	127
Accounting depreciation in advance of tax depreciation	9
Recognition of deferred tax on losses	(10)
Recognition of deferred tax on losses	(45)
	81
Foreign exchange differences	(6)
Deferred tax at 31 December	(1,252)

(e) Current tax (liabilities)/asset

	2018 \$'000
Current tax assets	229
Current tax liabilities	(6,708)

10. Property, plant and equipment

	Property, plant & equipment \$'000
Cost:	
At 4 June 2018	
Acquisition	1,843
Additions	43
Effect of foreign currency exchange differences	(15)
At 31 December 2018	1,871
Depreciation:	
At 4 June 2018	
Depreciation	(273)
At 31 December 2018	(273)
Net book value at 31 December 2018	1,598

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

11. Intangible assets

	Goodwill \$'000	Customer relationships \$'000	Trademarks \$'000	IPRD & Developed technology \$'000	Software licenses \$'000	Total \$'000
Cost:						
At 4 June 2018	-	-	-	-	-	-
Acquisition	76,932	9,343	2,507	16,668	537	105,987
Additions	-	-	-	738	1	739
Currency adjustment	-	-	-	34	(3)	31
At 31 December 2018	76,932	9,343	2,507	17,440	535	106,757
Amortisation:						
At 4 June 2018	-	-	-	-	-	-
Amortisation	-	(206)	(418)	(1,560)	(77)	(2,261)
At 31 December 2018	-	(206)	(418)	(1,560)	(77)	(2,261)
Net book value at 31 December 2018	76,932	9,137	2,089	15,880	458	104,496

Additions to IPRD & Developed technology relate to internal development expenditure that has been recognised as an intangible asset in accordance with the Group accounting policy. Included within the income statement is expensed R&D costs of \$0.6m.

All recognisable intangibles are amortised over their useful economic life in accordance with the Group accounting policy.

Impairment testing of intangible assets with definite lives

Intangible assets are reviewed if there is an indication of impairment by calculating the asset's recoverable amount in accordance with IAS36. There were no indications of impairment at 31st December 2018.

Impairment testing of goodwill

For the purpose of impairment testing, the Group is considered to be one cash-generating unit and is tested for impairment at least annually.

The recoverable amount of Goodwill has been determined using a value-in-use calculation from the detailed projections in the 2019 plan with cash flows beyond the end of the plan being extrapolated with a discount rate applied. The discount rate applied to cash flow projections is 19.4%.

Key assumptions used in the value-in-use calculations

The calculation of value in use is most sensitive to the following assumptions:

- Levels of customer churn across the product set over the five year period.
- Revenue growth rates.
- Discount rates reflect the current market assessment of the risks specific to the business. The discount rate was estimated using the average of guideline competitor companies.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

12. Trade and other receivables (current)

	2018 \$'000
Trade receivables	14,607
Less provision for bad debts	(377)
Net trade receivables	14,230
Other receivables	6,940
Total trade and other receivables	21,170

All amounts are due within one year. Trade receivables are non-interest bearing and on average have thirty to sixty day settlement terms.

As at 31 December 2018, trade receivables at nominal value of \$0.4m were impaired and provided for.

Bad debt provision	\$'000
At 4 June 2018	-
Acquisition	(300)
Additions	(171)
Releases	94
At 31 December 2018	(377)

Ageing of trade receivables

	Total \$'000	Not past due nor impaired \$'000	Past due but not impaired		
			<30 days \$'000	30-90 days \$'000	>90 days \$'000
2018	14,607	7,250	6,461	687	209

13. Other non-current financial assets

	2018 \$'000
Rent deposits	897
	897

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

14. Contract assets/(liabilities)

	2018 \$'000
Contract assets	
Accrued income	1,476
Contract liabilities	
Deferred revenue to be recognised within one year	(16,568)
Deferred revenue to be recognised after one year	(607)
Deferred revenue	(17,175)

Accrued income is the value of unbilled work recognised on projects in accordance with the accounting policy outlined in note 2.

The movement in contract assets and liabilities during the period is as set out in the table below:

	Accrued income \$'000	Deferred revenue \$'000
At 4 June 2018	-	-
Acquisition	1,813	(7,504)
Amortisation of fair value adjustment	-	(5,522)
Accrued on satisfaction of performance obligation	1,200	-
Released on satisfaction of performance obligation	-	6,363
Billed	(1,536)	(10,509)
Currency adjustment	(3)	(3)
At 31 December 2018	1,476	(17,175)

15. Assets recognised from the costs incurred to obtain a contract

	2018 \$'000
Costs to be recognised within one year	1,465
Costs to be recognised after one year	1,256
Assets recognised from the costs incurred to obtain a contract	2,721

Assets recognised from the costs incurred to obtain a contract relate to the direct bonuses paid to sales employees as a result of winning contracts. These costs are recognised as an asset on the consolidated statement of financial position and are amortised over the average life of a contract.

16. Cash and bank balances

	2018 \$'000
Cash at bank	5,506

The fair value of cash and cash equivalents which corresponds to its carrying value is \$5.5m.

The variation in cash and cash equivalents recorded during the year is reported in the consolidated statement of cash flows.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

17. Trade and other payables

	2018 \$'000
Trade payables	(1,172)
Other payables	(592)
Accruals	(5,276)
	(7,040)
Other taxes and social security costs	(2,915)
	(9,955)

The terms and conditions of the above financial liabilities are as follows:

- Trade payables are non-interest bearing and are normally settled within 30 days.
- Other taxes and social security costs are non-interest bearing and have an average term of 1 month
- Other payables, generally, are non-interest bearing and have an average term of 2 months.

18. Provisions

	Onerous contract ¹ \$'000	Dilapidation ² \$'000	Restructuring ³ \$'000	Deferred consideration ⁴ \$'000	Total \$'000
At 4 June 2018	-	-	-	-	-
Acquisition	(457)	(394)	-	(170)	(1,021)
Additions	(223)	(10)	(9,848)	-	(10,081)
Utilised/paid during the period	37	-	3,624	-	3,661
Currency adjustment	-	-	-	(2)	(2)
At 31 December 2018	(643)	(404)	(6,224)	(172)	(7,443)
Analysed as:					
Current	(576)	-	(6,224)	-	(6,800)
Non-current	(67)	(404)	-	(172)	(643)
At 31 December 2018	(643)	(404)	(6,224)	(172)	(7,443)

Notes

- ¹ Onerous contract provisions relate to various vacant or underutilised properties and a data centre contract. The provision is expected to be utilised over the next 5 years.
- ² Dilapidations provisions relate to potential costs in respect of leasehold premises in the UK, Germany and APAC. The provision is expected to be utilised in the next 5 years.
- ³ As a result of the acquisition, a restructuring programme has commenced. The provision is expected to be utilised over the next 12 months.
- ⁴ Included in the acquired balance sheet was deferred consideration in relation to the purchase of IP from Goodwords GmbH. The purchase price included deferred consideration of \$150k. The provision is expected to be fully utilised in the next three years.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

18. Provisions (continued)

In the French business the Group has obligations to provide a retirement benefit payment on leaving to any employees who retire at age 65 with the company, there is no obligation if the employee leaves before the age of 65. The Group has assessed this obligation and currently no amounts have been provided as it is not considered material, but the potential liability will continue to be monitored.

19. Share capital and share premium

Share capital

	Number	2018 \$'000
Authorised, issued and fully paid		
Ordinary shares of £1 each	15,100	19
Allocated, called up and fully paid		
At 4 June 2018	100	-
Issued on 1 st November 2018	15,000	19
At 31 December 2018	15,100	19

Share premium

	2018 \$'000
At 4 June 2018	-
Premium arising on issue of equity shares	15,681
At 31 December 2018	15,681

20. Commitments and contingencies

The Group has entered into commercial leases on certain properties used as offices, motor vehicles and items of machinery. These non-cancellable leases have remaining terms of between 1 and 60 months. The future minimum rentals payable under non-cancellable operating leases as at 31 December 2018 are as follows

	Land and buildings \$'000	Motor vehicles \$'000	Total \$'000
Within one year	2,715	317	3,052
After one year but not more than five years	3,669	397	4,066
Greater than five years	-	-	-
	6,384	734	7,118

There are no contingent rents payable.

The Group and its subsidiaries are contingently liable with respect to lawsuits and other matters that arise in the normal course of business. The Group has assessed any potential liability and currently no amounts have been provided, other than as disclosed in note 18, as they are not material, but the potential liability will continue to be monitored.

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

21. Related party disclosures

The key management of the group are considered to be its directors who receive remuneration from the Saba group.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and have not been included in this note.

At 31st December 2018, the Group had amounts outstanding with the Saba group of companies as set out below:

	Owed to \$'000	Owed by \$'000	Total \$'000
Saba Software (UK) Limited	(5,729)	-	(5,729)
Libra Finco L.P.	(127,100)	2,877	(124,223)
Saba Software Inc	-	26,825	26,825
	(132,829)	29,702	(103,127)

Saba Software (UK) Limited, Libra Finco L.P. and Saba Software Inc are subsidiaries of the ultimate parent company, Vector Talent Holdings, L.P.

The amount due to Saba Software (UK) Ltd is unsecured and incurs interest at a rate of EURIBOR + 4.5%. It is a structural loan and will be repaid by 31 October 2019.

The amount due from Saba Software Inc is unsecured, interest free and has no fixed repayment terms.

The amount due from Libra Finco L.P. is unsecured, interest free and has no fixed repayment terms.

The amount due to Libra Finco L.P. is unsecured and has a fixed redemption date of 1 May 2023. Principal amounts are repaid in quarterly instalments of \$317,750 through to the maturity date of 1 May 2023, at which date any remaining principal balance must be repaid. Interest is payable at a fixed interest rate based on the London Inter Bank Offered Rate (LIBOR) plus a margin of 4.5%.

At 31st December 2018, the Company had amounts outstanding with the Saba group of companies as set out below:

	Owed to \$'000	Owed by \$'000	Total \$'000
Libra Finco L.P.	(127,100)	2,877	(124,223)
Saba Software Inc	-	3,285	3,285
	(127,100)	6,162	(120,938)

22. Financial risk management objectives and policies

Fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Capital management: The Group's capital comprises share capital, intercompany debt with the Saba Group, reserves and retained earnings. The Group's objectives when managing capital are to safeguard the Group's ability to continue to operate as a going concern, to maintain optimal capital structure commensurate with risk and return and to reduce the cost of capital.

In common with many other private equity portfolio companies, the Group carries a high level of debt compared to equity

LIBRA ACQUIRECO LIMITED

Notes to the consolidated financial statements for the period ended 31 December 2018

22. Financial risk management objectives and policies (continued)

Liquidity risk: The Group's objective is to optimise the funds currently available to it in order to maintain the lowest operational borrowing profile necessary. At the end of 2018 the Group had \$132.8m of borrowings with its parent group and approximately \$5.5m of cash.

The table below summarises the maturity profile of the \$132.8m borrowings:

	Less than 12 months \$'000	Greater than 12 months \$'000	Total \$'000
Saba Software (UK) Limited	(5,729)	-	(5,729)
Libra Finco L.P.	(1,271)	(125,829)	(127,100)
	(7,000)	(125,829)	(132,829)

Foreign currency risk: A significant amount of business is done with customers various European countries with approximately 60% of total invoicing done in Euro. This Euro based client base gives rise to short-term debtors and cash balances in Euro. Consequently, the movements in the Euro/USD exchange rates affect the Group Statement of Financial Position, as well as the Income Statement. The Group seeks to manage this risk in the first instance by looking to a natural hedge and ensuring where possible currency needs are funded from the settlement of Euro denominated debtors.

In addition, the Group has the following financing and balance sheet exposures:

- (i) The retranslation of the UK, EUR, Nordic, Polish, Swiss and Asian Pacific overseas subsidiaries net assets into USD for consolidation purposes
- (ii) Intercompany loan and trading relationships held in non-functional currency. In the case of the latter, this can have an impact on net profitability where the intercompany relationships are not treated for accounting purposes as equity loans

The Income Statement is also affected by movements in the Euro/USD exchange rates when Euro sales to customers are converted to USD's at the date of the sales transaction, as this will vary from month to month. This is partially offset by the effect of retranslating Eurodenominated costs into USD from month to month.

The following table demonstrates the sensitivity to a 5 cent change in the Euro/USD exchange rate.

<i>Profit before tax gain/ (loss)</i>	2018 \$'000
+ 5 cent	584
- 5 cent	(584)
<i>Statement of Financial Position* increase/ (decrease) in net assets</i>	2018 \$'000
+ 5 cent	29,821
- 5 cent	(29,821)

* Based on the Statement of Financial Position at 31 December 2018

Economic Conditions – Credit Control Risk

The Group benefits from a diverse list of major clients, with the largest customer contributing only 2.8% of sales. The Group is however placing emphasis on sound application of credit control processes given the recent deterioration in macro-economic conditions. The Group has made provision against trade receivables to reflect specific collection risks identified.

Fair values of financial assets and liabilities

The carrying value of financial assets and liabilities approximate their fair value. Fair values of assets and liabilities are based on their carrying values.

23. Post balance sheet events

There are no post balance sheet events.

LIBRA ACQUIRECO LIMITED

Company Statement of Financial Position As at 31 December 2018

	Notes	2018 \$'000
Assets		
<i>Non-current assets</i>		
Investment in subsidiaries	2	131,422
Total non-current assets		131,422
<i>Current assets</i>		
Trade and other receivables	3	595
Intercompany with parent group	4	6,162
Total current assets		6,757
Total assets		138,179
<i>Current liabilities</i>		
Trade and other payables	5	(784)
Amounts owed to parent company	4	(1,271)
Total current liabilities		(2,055)
<i>Non-current liabilities</i>		
Amounts owed to parent company	4	(125,829)
Total liabilities		(127,884)
Net liabilities		10,295
<i>Equity</i>		
Share capital	6	19
Share premium	6	15,681
Retained loss		(5,405)
Total equity		10,295

As permitted by section 408 of the Companies Act 2006, the Income statement of the company has not been presented in the financial statements. The loss for the financial period was \$5.4m.

The financial statements of Libra AcquireCo Limited (company registration number 11394532) were approved and authorised for issue by the Board of Directors and were signed on its behalf by:



Eric Graham
Director
28 June 2019

LIBRA ACQUIRECO LIMITED

Company Statement of changes in equity As at 31 December 2018

	Share capital (Note 6) \$'000	Cumulative share premium (Note 6) \$'000	Retained loss \$'000	Total \$'000
At 4 th June 2018	-	-	-	-
Loss for the year	-	-	(5,405)	(5,405)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	(5,405)	(5,405)
Share capital issued	19	15,681	-	15,700
At 31 December 2018	19	15,681	(5,405)	10,295

LIBRA ACQUIRECO LIMITED

Notes to the company financial statements For the period ended 31st December 2018

1. Basis of preparation

Libra AcquireCo Limited ("the Company") is a private company limited by shares (company no. 11394532) incorporated and domiciled in the United Kingdom under the Companies Act and is registered in England and Wales. It was incorporated on 4th June 2018 and therefore this represents its first financial statements. The address of the Company's registered office is Paul Hastings (Europe) LLP, 10 Bishops Square, London, United Kingdom, E1 6EG. The ultimate parent company is Vector Talent Holdings, L.P.

The nature of Libra AcquireCo Limited's operations and its principal activities are set out in the strategic report on page 1.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, the company financial statements have been prepared in accordance with Financial Reporting Standard 101 ("FRS 101") 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

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

In accordance with Section 408 of the Companies Act 2006, the company is exempt from the requirement to present its own profit and loss account and cash flow statement.

In these financial statement, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Business Combinations;
- Financial instruments;
- Disclosures in respect of transactions with wholly owned subsidiaries,
- Disclosures in respect of capital management
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

The accounting policies are consistent with those given in note 2 of the consolidated financial statements.

Fees payable to the group's auditor and their associates for non-audit services to the company are not required to be disclosed because the consolidated financial statements are required to disclose such fees on a consolidated basis.

The Company has no employees

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment.

Critical accounting judgements and key sources of estimation uncertainty

There are no key assumptions made by the management concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

LIBRA ACQUIRECO LIMITED

Notes to the company financial statements For the period ended 31st December 2018

2. Investments in subsidiaries

	Subsidiary undertakings \$'000
Cost:	
At 4 th June 2018	-
Acquired through business combinations	131,422
At 31 st December 2018	131,422
Impairment:	
At 4 th June 2018	-
Charge for the period	-
At 31 st December 2018	-
Net book value	
At 31 st December 2018	131,422

Libra Acquireco Limited is the holding company of the Group. Details of the investments (all of which are held from 1st November 2018) in which the Group or Company holds more than 20% of the nominal value of ordinary share capital at 31st December 2018 are as follows.

Name of company	Country of incorporation	Registered office	Proportion of voting rights & ownership	Nature of business
Held directly:				
Lumesse Holdings B.V.	Netherlands	Prins Bernhardplein 200, 1097 JB Amsterdam	100%	Holding
Held indirectly:				
Lumesse Holdings AG	Switzerland	c/o BDO AG Biberistraasse 16 4501 Solothurn	100%	Holding
Lumesse Rights AG	Switzerland	c/o BDO AG Biberistraasse 16 4501 Solothurn	100%	Trading/ETWeb*
Lumesse Singapore Pte Ltd	Singapore	c/o Luther Corporate Services Pte Ltd, 4 Battery Road, #25-01, Bank of China Building, Singapore 049908	100%	Trading
Lumesse Talent Management Malaysia Sdn Bhd	Malaysia	c/o Luther Corporate Services Sdn Bhd, Unit 17-2, Level 17, Wisma UOA II, No. 21, Jalan Pinang, 50450 Kuala Lumpur	100%	Trading
Lumesse Austria GmbH	Austria	c/o Lehner & Partner, Himmelfortgasse 20/2, 1010 Wien	100%	Trading
Lumesse BVBA	Belgium	4 rue de la Presse 1000 BRUSSELS	99.9%	Trading
Lumesse B.V.	Netherlands	Bargelaan 200, 2333 CW LEIDEN	100%	Trading
Lumesse A/S	Denmark	c/o Lundgrens Law Firm P/S, Tuborg Boulevard 12, 2900 Hellerup	100%	Trading
Lumesse Hong Kong Ltd	Hong Kong	Suite 705, 7 th Floor, 625 King's Road, North Point, Hong Kong	100%	Trading
Lumesse Holdings AB	Sweden	c/o Advokatfirman Törngren Magnell KB, Västra Trädgårdsgatan 8, 111 53 Stockholm	100%	Trading
Lumesse Holdings SAS	France	14 rue Cambacères – 75008 PARIS	100%	Holding
Lumesse Italy S.r.l.	Italy	c/o Studio Misani Viale, Sondrio 2, 20124 Milano	100%	Trading
Lumesse Holdings Ltd	UK	475 The Boulevard, Capability Green, Luton, LU1 3LU	100%	Holding

LIBRA ACQUIRECO LIMITED

Notes to the company financial statements For the period ended 31st December 2018

Name of company	Country of incorporation	Registered office	Proportion of voting rights & ownership	Nature of business
TalentObjects Holdings Limited	UK	475 The Boulevard, Capability Green, Luton, LU1 3LU	100%	Inactive
Lumesse Solutions (Shanghai) Ltd	China	Room 1005b Finance Square, No 333 Jiujiang Road, Huangpu District, Shanghai 200001	100%	Trading
Lumesse AB	Sweden	c/o Advokatfirman Törngren Magnell KB, Västra Trädgårdsgatan 8, 111 53 Stockholm	100%	Trading
Lumesse SARL	France	14 rue Cambacérès 75008 PARIS	100%	Trading
Lumesse Holdings GmbH	Germany	GmbH Flughafenstr 103, 40474 Düsseldorf	100%	Holding
Lumesse, Inc	US	Registered Agent Solutions Inc., 155 Office Plaza Drive, Suite A, Tallahassee FL 32301	100%	Trading
Lumesse Holdings AS	Norway	c/o Advokatfirmaet Schjødt AS, Ruselekkveien 14, 0251 Oslo	100%	Holding
Lumesse Holdings UK Ltd	UK	475 The Boulevard, Capability Green, Luton, LU1 3LU	100%	Holding
Lumesse Corporate Ltd	UK	475 The Boulevard, Capability Green, Luton, LU1 3LU	100%	Management Services
Lumesse (UK) Ltd	UK	475 The Boulevard, Capability Green, Luton, LU1 3LU	100%	Holding
Lumesse GmbH	Germany	GmbH Flughafenstr 103, 40474 Düsseldorf	100%	Trading
Lumesse Ltd	UK	475 The Boulevard, Capability Green, Luton, LU1 3LU	100%	Trading/TalentLink/Grasp*
Lumesse Sp. z o.o.	Poland	Lubicz 23A, 31-503, Krakow	100%	Trading
Lumesse AS	Norway	c/o Advokatfirmaet Schjødt AS, Ruselekkveien 14, 0251 Oslo	100%	Trading
Lumesse Switzerland AG	Switzerland	c/o BDO AG Biberstrasse 16 4501 Solothurn	100%	Trading
TalentObjects Limited	UK	475 The Boulevard, Capability Green, Luton, LU1 3LU	100%	Inactive
TalentObjects Inc.	US	The Corporation Trust Company 9000010, Corporation Trust Center, 1209 Orange Street, Wilmington DE 19801	100%	Inactive

*Brand owner

All entities are controlled either directly or indirectly by Libra Acquireco Limited and are fully consolidated.

The Directors have considered the value in use of the investments using a revenue valuation method and have concluded that an impairment in investment value is not applicable

LIBRA ACQUIRECO LIMITED

Notes to the company financial statements For the period ended 31st December 2018

2. Investments in subsidiaries (continued)

Subsidiaries with audit exemptions

The following subsidiaries are exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts, as the parent undertaking, Libra AcquireCo Limited, has provided a guarantee concerning the debts of Lumesse Holdings UK Limited, Lumesse Limited, Lumesse (UK) Limited, Lumesse Corporate Limited, Talent Objects Limited and Talent Objects Holdings Limited in the form described by Section 479A of that Act

Name of company	Registered number
Lumesse Holdings UK Limited	05494417
Lumesse Limited	03879877
Lumesse (UK) Limited	03903495
Lumesse Corporate Limited	04296658
Talent Objects Limited	09248171
Talent Objects Holdings Limited	09247136

3. Trade and other receivables

	2018 \$'000
Prepayments	595
Trade and other receivables	595

4. Intercompany with parent group

The details of intercompany balances with the parent group are disclosed within note 21 of the consolidated financial statements and should be regarded as an integral part of the financial statements.

5. Trade and other payables

	2018 \$'000
Accruals	(784)
Trade and other payables	(784)

6. Share capital and share premium

	Number	2018 \$'000
Share capital		
Authorised, issued and fully paid		
Ordinary shares of £1 each	15,100	19
Allotted, called up and fully paid		
At 4 June 2018	100	-
Issued on 1 st November 2018	15,000	19
At 31 December 2018	15,100	19
Share premium		
At 4 June 2018		-
Premium arising on issue of equity shares		15,681
At 31 December 2018		15,681

LIBRA ACQUIRECO LIMITED

Notes to the company financial statements For the period ended 31st December 2018

7. Ultimate controlling party

Libra Acquireco Limited is the parent company of the consolidated group. It is domiciled in the United Kingdom.

The Company's immediate and ultimate parent undertaking is Vector Talent Holdings, L.P a Company registered in the Cayman Islands. This is the smallest and largest undertakings for which the company is a member and for which group financial statements are prepared is Libra Acquireco Limited and Vector Talent Holdings, L.P.