

Palladium UK Limited

Directors' Report and Financial Statements

Year Ended

30 June 2021

Company Number 03923388

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Palladium UK Limited

Company Information

Directors	G R Morris S M Magill
Company secretary	E M Stockley
Registered number	03923388
Registered office	Turnberry House 2nd Floor 100 Bunhill Row London EC1Y 8ND
Independent auditor	BDO LLP 16 The Havens, Ransomes Industrial Estate Ipswich IP3 9SJ

Palladium UK Limited

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Palladium UK Limited

Directors' Report For the Year Ended 30 June 2021

The Directors present their report together with the audited financial statements for the year ended 30 June 2021.

Principal activity

The principal activity of the Company is that of management consultancy.

Directors

The Directors who served during the year were:

G R Morris
S M Magill (appointed 2 July 2020)
P S Silva (resigned 2 July 2020)

Future developments

The Board has considered recent global events and do not believe that these will have any impact on the ability of the Company to provide training and consultancy services.

Disclosure of information to auditor

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

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

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 26 October 2022 and signed on its behalf.



G R Morris
Director

Palladium UK Limited

Directors' Responsibilities Statement For the Year Ended 30 June 2021

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 to 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.

Palladium UK Limited

Independent Auditor's report to the members of Palladium UK Limited

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Palladium UK Limited ("the Company") for the year ended 30 June 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

Palladium UK Limited

Independent Auditor's report to the members of Palladium UK Limited (continued)

Other information

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

We have nothing to report in this regard

Other Companies Act 2006 reporting

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Directors

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

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Palladium UK Limited

Independent Auditor's report to the members of Palladium UK Limited (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives is 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our tests included, but were not limited to:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework, the Companies Act 2006 and relevant tax compliance regulations. We made enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and papers provided to the board of directors.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where they considered there was a susceptibility to fraud.
- Our audit planning identified fraud risks in relation to management override of controls and inappropriate or incorrect recognition of revenue. We obtained an understanding of the processes and controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how management monitors those processes and controls; and
- With regards to the fraud risk in management override of controls, our procedures included journal transaction testing, with a focus on large or unusual transactions based on our knowledge of the business. We also performed an assessment on the appropriateness of key judgements and estimates, for example going concern, which are subject to managements' judgement and estimation, and could be subject to potential bias.

We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, who were all deemed to have appropriate competence and capabilities, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

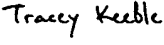
A further description of our responsibilities is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Palladium UK Limited

Independent Auditor's report to the members of Palladium UK Limited (continued)

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.

DocuSigned by:

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Tracey Keeble (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Ipswich
United Kingdom

30 October 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Palladium UK Limited

Statement of Comprehensive Income For the Year Ended 30 June 2021

	2021 £	2020 £
Turnover	32,564	538,962
Cost of sales	(20,103)	(102,861)
Gross profit	12,461	436,101
Administrative expenses	(108,031)	(156,523)
Operating (loss)/profit	(95,570)	279,578
Interest receivable and similar income	-	5,481
Interest payable and similar expenses	(122)	(54,242)
(Loss)/profit before tax	(95,692)	230,817
Tax on (loss)/profit	8,140	-
(Loss)/profit for the financial year	<u>(87,552)</u>	<u>230,817</u>

There was no other comprehensive income for 2021 (2020 - \$Nil).
The notes on pages 10 to 15 form part of these financial statements.

Palladium UK Limited
Registered number: 03923388

Balance Sheet
As at 30 June 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Investments	5		952,091		-
Current assets					
Debtors: amounts falling due within one year	6	377,334		447,550	
Cash at bank and in hand		9,067		2,174	
		<u>386,401</u>		<u>449,724</u>	
Creditors: amounts falling due within one year	7	(1,399,946)		(423,626)	
Net current (liabilities)/assets			<u>(1,013,545)</u>		<u>26,098</u>
Total assets less current liabilities			<u>(61,454)</u>		<u>26,098</u>
Net (liabilities)/assets					
			<u><u>(61,454)</u></u>		<u><u>26,098</u></u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account	10		(61,456)		26,096
			<u><u>(61,454)</u></u>		<u><u>26,098</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 October 2022.



G R Morris
Director

The notes on pages 10 to 15 form part of these financial statements.

Palladium UK Limited

Statement of Changes in Equity For the Year Ended 30 June 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2020	2	26,096	26,098
Comprehensive loss for the year			
Loss for the year	-	(87,552)	(87,552)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(87,552)	(87,552)
At 30 June 2021	2	(61,456)	(61,454)

Statement of Changes in Equity For the Year Ended 30 June 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2019 (as restated)	2	(204,721)	(204,719)
Comprehensive income for the year			
Profit for the year	-	230,817	230,817
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	230,817	230,817
At 30 June 2020	2	26,096	26,098

The notes on pages 10 to 15 form part of these financial statements.

Palladium UK Limited

Notes to the Financial Statements For the Year Ended 30 June 2021

1. General information

Palladium UK Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page and the nature of the Company's operations and its principal activity are set out in the Directors' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Going concern

The accounts have been prepared on the going concern basis. The validity of which is dependant upon the continued support from Palladium Group Holdings Pty Ltd. The Directors have obtained written confirmation from Palladium Group Holdings Pty Ltd that financial support will be made available to ensure that the Company will meet its committed and contracted liabilities as they fall due.

After making enquiries and including an assessment of the impact of the COVID-19 virus, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. On the basis of their assessment of the Company's financial forecast and of the confirmation received from the Directors of Palladium Group Holdings Pty Ltd, the Company's Directors continue to adopt the going concern basis of accounting in preparing the Company's financial statements.

Palladium UK Limited

Notes to the Financial Statements For the Year Ended 30 June 2021

2. Accounting policies (continued)

2.3 Foreign currency translation

Transactions and balances

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

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

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

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

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

2.6 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Palladium UK Limited

Notes to the Financial Statements For the Year Ended 30 June 2021

2.7 Taxation

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

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

2.8 Valuation of investments

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

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

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Palladium UK Limited

Notes to the Financial Statements For the Year Ended 30 June 2021

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Accounting policies which have a significant bearing on the reported financial condition and results of the company may require subjective or complex judgements. There are not considered to be any significant areas of judgement or sources of estimation uncertainty for the reporting period.

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

Critical accounts estimates and assumptions:

(i) Impairment of investments:

The Directors and management assess the carrying value of the Company's investment every year. When assessing the investments for impairment, the Directors consider a variety of factors, such as the financial performance of the invested entity, previous dividends paid to the Company, and from its discussions with local management.

4. Employees

The average monthly number of employees, excluding the Directors, during the year was 0 (2020 - 0).

5. Fixed asset investments

	Unlisted investments £
At 30 June 2020	-
Additions	952,091
At 30 June 2021	<u>952,091</u>

Palladium UK Limited

Notes to the Financial Statements For the Year Ended 30 June 2021

6. Debtors: amounts falling due within one year

	2021 £	2020 £
Trade debtors	-	193,461
Amounts owed by group undertakings	356,287	142,897
Other debtors	12,907	111,192
Deferred tax	8,140	-
	<u>377,334</u>	<u>447,550</u>

Amounts owed by group undertakings are interest free and repayable on demand

7. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	17,060
Amounts owed to group undertakings	1,397,096	390,974
Corporation tax	-	3,810
Accruals and deferred income	2,850	11,782
	<u>1,399,946</u>	<u>423,626</u>

8. Deferred taxation

	2021 £
At the beginning of year	-
Credit for the year	8,140
At end of year	<u>8,140</u>

9. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
2 (2020 - 2) Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

Palladium UK Limited

Notes to the Financial Statements For the Year Ended 30 June 2021

10. Reserves

The company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

11. Related party transactions

The Company has taken advantage of the exemption in FRS 102 from disclosing related party transactions with entities that are part of the Palladium Group Holdings Pty Ltd group. Copies of the Financial Statements of Palladium Group Holdings Pty Ltd can be obtained by writing to Palladium International Pty Ltd, Level 7, 307 Queen Street, Brisbane, Queensland 4000, Australia.

12 Controlling party

The Company is a wholly owned subsidiary of Palladium International Limited, a company incorporated in the United Kingdom. The ultimate controlling entity is Palladium Group Holdings Pty Ltd, a company incorporated in Australia.

Effective 31st May 2022 the ultimate controlling party is Global Infrastructure Solutions Inc., a company incorporated in the United States of America. The registered address of Global Infrastructure Solution Inc is c/o Capitol services Inc, 1675 South State St., Ste B Dover, Delaware 19901, USA, Global Infrastructure Solutions Inc. is not under the control of one individual.