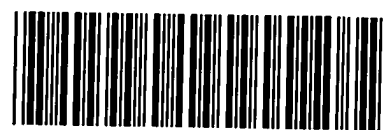


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**CODA GROUP INTERNATIONAL LTD**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**



JNI \*J8KQLL4F\* #6  
20/12/2019  
COMPANIES HOUSE

**CODA GROUP INTERNATIONAL LTD**

**COMPANY INFORMATION**

<b>Directors</b>	Jeroen Bruins Slot Stephen Sieber (Resigned 14th May 2019) Nicky Cox (Appointed 14th March 2019) Derren Nisbet (Resigned 14th March 2019) Gordon McKenzie Stuart (Appointed 17th May 2019)
<b>Registered number</b>	03938996
<b>Registered office</b>	Suite 201 100 Longwater Avenue Green Park Reading, Berkshire RG2 6GP
<b>Independent auditors</b>	Ernst & Young LLP Bedford House 16 Bedford Street Belfast BT2 7DT

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**CODA GROUP INTERNATIONAL LTD**

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**CONTENTS**

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	Page
Strategic Report	1
Directors' Report	2 - 3
Directors' Responsibilities Statement	4
Independent Auditors' Report	5 - 7
Statement of Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11-15

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**Introduction**

The Directors present their strategic report for the year ended 31 December 2018.

**Business review**

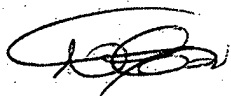
The principal activity of the Company through 2018 was the holding company for the investment in an overseas subsidiary, UNIT4 Asia Pacific Pte Ltd.

On 20<sup>th</sup> December 2018 Coda Group International entered into an agreement to transfer all of the shares of Unit4 Asia Pacific Pte (Unit4 Singapore) to Unit4 Business Software Holding BV (BSH).

**Principal risks and uncertainties**

The Company is a wholly owned subsidiary and part of the Al Avocado/UNIT4 Group. The Directors of the Group manage the operations and review the risks at a Group Level. For this reason, the Company's Directors believe that analysis using key performance indicators and the review of risks for the Company is not necessary or appropriate for an understanding of the development, performance and position of the business of the Company.

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



Nicky Cox  
Director

Date: 19<sup>th</sup> December 2019

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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The directors present their report and the audited financial statements for the year ended 31 December 2018.

**Directors**

The directors who served during the year and up to the date of approval of the financial statements were:

Derren Nisbet (resigned 14<sup>th</sup> March 2019)  
Jeroen Bruins Slot  
Stephen Sieber (resigned 14th May 2019)  
Nicky Cox (appointed 14th March 2019)  
Gordon McKenzie Stuart (appointed 17th May 2019)

**Dividends**

No dividends were proposed during the year (2017: Nil).

**Principal activity**

The principal activity of the Company during the year ended 31 December 2018 was the holding of the investment in Unit4 Asia Pacific Pte Ltd.

**Future developments**

On 20<sup>th</sup> December 2018 Coda Group International entered into an agreement to transfer all of the shares of Unit4 Asia Pacific Pte (Unit4 Singapore) to Unit4 Business Software Holding BV (BSH). It is the directors' intention that the Company remains dormant during 2019, until such time as a further decision is made.

**Qualifying third party indemnity provisions**

The Company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

**Going Concern**

Following the transfer of all of the shares of Unit4 Asia Pacific Pte (Unit4 Singapore) to Unit4 Business Software Holding BV (BSH) the company has ceased all its primary operations. Therefore, these financial statements have been prepared on a break up basis. This doesn't have any impact on the results of the company.

**Auditors**

A resolution to re-appoint Ernst & Young LLP as the Company's auditors will be put to the forthcoming annual general meeting.

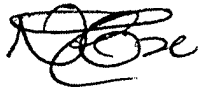
**DIRECTORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**Disclosure of information to auditors**

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 auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This report was approved by the board on and signed on its behalf by:



Nicky Cox  
Director

Date: 19<sup>th</sup> December 2019

**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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The directors are responsible for preparing the Strategic Report, 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 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 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;
- state whether applicable UK Accounting Standards have 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. As noted in note 3 to the financial statements, the accounts have not been prepared on a going concern basis and have instead been prepared on a break up basis.

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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CODA GROUP INTERNATIONAL LIMITED

### Opinion

We have audited the financial statements of CODA Group International Limited for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the related notes 1 to 11, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter- Financial Statements prepared on a basis other than going concern

We draw attention to Note 3.1 to the financial statements which explains that it is the directors' intention that the company remains dormant during 2019 and until such a time that a decision is taken and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a break up basis, as described in Note 3.1.

Our opinion is not modified in respect of this matter.

### Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **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 Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

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

*Ernst & Young LLP*

Neil Warnock (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Belfast  
*19th December 2019*

**CODA GROUP INTERNATIONAL LTD**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2018**

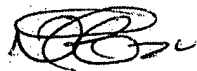
		<b>2018</b>	<b>2017</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
Share of gain on subsidiaries	7	1,362,407	1,486,322
Profit on disposal of investment	7	13,608,379	-
Audit expenses	5	-	(6,759)
<b>Profit before tax</b>		<b>14,970,786</b>	<b>1,479,563</b>
<b>Profit for the year</b>		<b>14,970,786</b>	<b>1,479,563</b>

**CODA GROUP INTERNATIONAL LTD**

**BALANCE SHEET  
AS AT 31 DECEMBER 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Investments	7	-	14,840,383
<b>Current Assets</b>			
Debtors: Amounts falling due within one year	8	30,618,012	285,411
<b>Net Current Assets</b>		<u>30,618,012</u>	<u>285,411</u>
<b>Total Assets Less Current Liabilities</b>		<u>30,618,012</u>	<u>15,125,794</u>
<b>Net assets</b>		<u>30,618,012</u>	<u>15,125,794</u>
<b>Capital and reserves</b>			
Called up Share Capital	9	1	1
Currency Translation Reserve		-	(2,071,560)
Other Reserves		-	16,911,943
Profit and Loss Account		<u>30,618,011</u>	<u>285,410</u>
<b>Shareholder's funds</b>		<u>30,618,012</u>	<u>15,125,794</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**Nicky Cox**  
Director

Date: *19<sup>th</sup> December 2019*

The notes on pages 11 to 15 form part of these financial statements.

**CODA GROUP INTERNATIONAL LTD**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up Share Capital	Currency Translation Reserve	Other Reserves	Profit and Loss Account	Total Equity
	£	£	£	£	£
At 1 January 2018	1	(2,071,560)	16,911,943	285,410	15,125,794
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	14,970,786	14,970,786
Foreign Currency Translation Differences	-	521,432	-	-	521,432
Transfer on disposal of subsidiary	-	1,550,128	(16,911,943)	15,361,815	-
<b>At 31 December 2018</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>30,618,011</b>	<b>30,618,012</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up Share Capital	Currency Translation Reserve	Other Reserves	Profit and Loss Account	Total Equity
	£	£	£	£	£
At 1 January 2017	1	(1,805,484)	15,425,621	292,169	13,912,307
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	1,479,563	1,479,563
Foreign Currency Translation Differences	-	(266,076)	-	-	(266,076)
Allocation of result from subsidiaries to other reserve	-	-	1,486,322	(1,486,322)	-
<b>At 31 December 2017</b>	<b>1</b>	<b>(2,071,560)</b>	<b>16,911,943</b>	<b>285,410</b>	<b>15,125,794</b>

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## **CODA GROUP INTERNATIONAL LTD**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

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#### **1. General Information**

The financial statements of CODA Group International Limited (the "Company") for the year ended 31 December 2018 were authorised for issue by the board of directors on 19<sup>th</sup> December 2019 and the balance sheet was signed on the Board's behalf by Nicky Cox. The Company is a private company limited by share capital incorporated in England and Wales and domiciled in the United Kingdom.

The address of the registered office is given on the Company information page. The nature of the Company's operations and its principal activities are set out in the Strategic report and Directors' report.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

#### **2. New standards, amendments and IFRIC interpretations**

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2018, have had a material impact on the Company.

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## CODA GROUP INTERNATIONAL LTD

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### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

#### 3. Accounting policies

##### 3.1 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 Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

As described in the Directors' Report, following the transfer of all of the shares of Unit4 Asia Pacific Pte (Unit4 Singapore) to Unit4 Business Software Holding BV (BSH) the company has ceased its primary operation and it is the directors' intention that the entity remains dormant until a further decision is made. Therefore, these financial statements have not been prepared on a going concern basis and have instead been prepared on a break up basis. This has resulted in all assets and liabilities being classified as current as the intention is to settle all balances within 12 months after the reporting date. There is no material impact on the measurement or recognition of balances arising from the preparation of the financial statements on a basis other than going concern.

##### 3.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IAS 7 Statement of Cash Flows
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

##### 3.3 Valuation of investments

Investments in subsidiaries are measured under the equity method.

##### 3.4 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.

##### 3.5 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.

##### 3.6 Taxation

The charge or credit for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

#### 4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2017 - £NIL).

# CODA GROUP INTERNATIONAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

### 5. Administrative Expenses

	2018	2017
	£	£
Audit of financial statements (borne by fellow group companies in 2018, a nil balance in this company)	-	6,759
	<u>-</u>	<u>6,759</u>

### 6. Taxation

	2018	2017
	£	£
Current tax charge on results for the year	-	-

### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017: lower than) the standard rate of corporation tax in the UK of 19% (2017: 19.25%). The differences are explained below

	2018	2017
	£	£
Profit on ordinary activities before tax	14,970,786	1,479,563
<b>Profit on ordinary multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)</b>	<b>2,844,449</b>	<b>284,816</b>
Effects of:		
Expenses not deductible	-	-
Income not taxable	<b>2,844,449</b>	<b>(284,816)</b>
<b>Tax charge in the income statement</b>	<b>-</b>	<b>-</b>



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**CODA GROUP INTERNATIONAL LTD**

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**Taxation (Continued)**

During the financial year 2012 the company transferred intellectual property rights to a fellow group company as part of a group wide strategy to align economic ownership with legal ownership of the intellectual property. HMRC have challenged the tax treatment of this transaction under their interpretation of UK tax law and as at the present time, discussions with HMRC are still in progress. The parent company will continue to provide financial support to the company as required to meet its obligations.

The company has consistently maintained its position that the transfer was made for justifiable, economic reasons and are of the opinion that once the HMRC enquiries are concluded they will accept this position.

**7. Investments**

	2018	2017
	£	£
Balance at 1 January	14,840,383	13,620,137
Result from Group Companies	1,362,407	1,486,322
Foreign Currency Translation Differences	521,431	(266,076)
Disposal of Investments	(16,724,221)	-
	<u>-</u>	<u>14,840,383</u>

On the 20 December 2018, the company sold its investment in UNIT4 Asia Pacific Pte Ltd to UNIT4 Business Software Holding BV for a consideration of £30,332,600, thus generating a gain on sale of £13,608,379.

# CODA GROUP INTERNATIONAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

### 8. Debtors

	2018	2017
	£	£
Amounts owed by group undertakings	30,618,012	285,411
	<u>30,618,012</u>	<u>285,411</u>

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

### 9. Authorised, issued and called up share capital

	2018	2017
	£	£
<b>Authorised</b>		
5,000,000 Ordinary Shares of £1 each	<u>5,000,000</u>	<u>5,000,000</u>
<b>Allotted, called up and fully paid</b>		
1 Ordinary Share of £1 each	<u>1</u>	<u>1</u>

The Currency Translation Reserve represents the changes in valuation of the investments held in foreign currencies related to the movements in the underlying currency rates for the period.  
The Other Reserves represent the valuation of the investments, excluding the currency translation reserve.

### 10. Commitments under operating leases

The Company had no commitments under the non-cancellable operating leases as at the balance sheet date (2017: Nil).

### 11. Controlling party

As at 31 December 2018 the Company's immediate parent undertaking is UNIT4 Business Software Limited and its ultimate parent Company and controlling party is Advent International Corporation, a US based private equity Company in Boston.

The smallest and largest Company undertaking to consolidate these financial statements is Al Avocado Holding B.V., a Company established and domiciled in the Netherlands. Copies of the consolidated financial statements can be obtained from the Company Secretary at Stationspark 200, 3364 Slidrecht, The Netherlands.