

**Knowledge Support Systems
Licensing Limited**

Annual report and financial
statements for the 18-month period
ended 27 December 2020

Registered number 04006757



Directors' report

The Directors present their report and audited financial statements for the 18-month period ending 27 December 2020.

Principal activities and going concern

The Company was dormant until 30 April 2020, at which point it became an intermediate holding company for investments of the wider group of which the Company is a member. Other than changes in certain investments in subsidiary undertakings and intercompany balances in the period, the Company has not traded, nor has it had any items of income or expenditure.

Subsequent to the balance sheet date and as at the date of this report, the Directors consider that the Company is likely to dispose of its investments in subsidiary undertakings, after which it is expected that the Company will then enter a solvent members' voluntary liquidation process. Accordingly, as explained further in Note 1 to the accounts, these financial statements have been prepared on a basis other than going concern basis of accounting.

Change in accounting reference date

The Company changed its accounting reference date from 27 June to 27 December. Accordingly, these financial statements cover the 18-month accounting period to 27 December 2020 and the prior period was the year ended 27 June 2019.

Proposed dividend

The directors do not recommend the payment of a dividend.

Directors

The directors who held office during the period and up to the date of this report were as follows:

| | |
|-----------|--|
| O D Shaw | (appointed 22 March 2021) |
| R S Laker | (appointed 23 July 2021) |
| J Maslen | (appointed 24 July 2020, resigned 22 March 2021) |
| S Bacon | (resigned 24 July 2020) |

Political contributions

The Company made no political donations or incurred any political expenditure during the period.

Strategic report

The company has met the requirements in the Companies Act 2006 to obtain the exemption provided, based on its size, from the presentation of a strategic report.

Disclosure of information to auditor

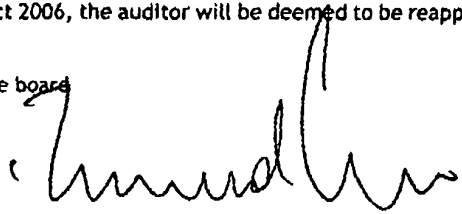
The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

On 29 March 2022, KPMG LLP were appointed as auditors of the Company. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

R S Laker
Director
11 April 2022



Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KNOWLEDGE SUPPORT SYSTEMS LICENSING LIMITED

Opinion

We have audited the financial statements of Knowledge Support Systems Licensing Limited ("the company") for the period ended 27 December 2020 which comprise the Profit and Loss Account, Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 27 December 2020;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter - non-going concern basis of preparation

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Nicola Davies (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Birmingham
B4 6GH
11 April 2022

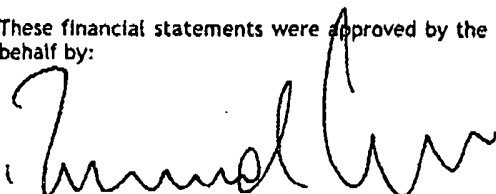
Profit and loss account
for 18-month period ended 27 December 2020

There were no items of income or expenditure in either the 18-month period ended 27 December 2020 or the year ended 27 June 2019.

Balance sheet
at 27 December 2020

| | <i>Note</i> | 27 December 2020 | 27 June 2019 |
|---|-------------|-----------------------------|-------------------------|
| | | £ | £ |
| Fixed assets | | | |
| Investments in subsidiary undertakings | 3 | 7,603,503 | - |
| Current assets | | | |
| Called up share capital not paid | | - | 2 |
| Creditors: amounts falling due within one year | 4 | (7,603,501) | - |
| Amounts due to immediate parent company | | | |
| Net assets | | <u>2</u> | <u>2</u> |
| Capital and reserves | | | |
| Called up share capital | 5 | <u>2</u> | <u>2</u> |
| Shareholders' funds | | <u>2</u> | <u>2</u> |

These financial statements were approved by the Board of Directors on 11 April 2022 and were signed on its behalf by:



R S Laker
Director

Notes to the accounts

1 Accounting policies

Basis of preparation

Knowledge Support Systems Licensing Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 04006757 and the registered address is 196 Deansgate, Manchester, M3 3WF.

The Company's ultimate parent undertaking, Kalibrate Acquisition Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Kalibrate Acquisition Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from 25 Savile Row, London, United Kingdom, W1S 2ER.

Measurement convention

The financial statements are prepared on the historical cost basis.

Investments in subsidiary undertakings

Investments in subsidiary undertakings are carried at historic cost less any provision for impairment. As noted in Note 3, in the opinion of the Directors, the investments in subsidiary undertakings are worth at least the amounts at which they are stated in the balance sheet.

Non-going concern basis of accounting

The Company is part of the larger Kalibrate group and, as noted above, has an ultimate parent company, Kalibrate Acquisition Limited.

The Company was dormant until 30 April 2020, at which point it became an intermediate holding company for investments of the wider group of which the Company is a member. Other than changes in certain investments in subsidiary undertakings and intercompany balances in the period, the Company has not traded, nor has it had any items of income or expenditure.

Accounting standards require that an entity shall prepare financial statements on a going concern basis, unless management either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so.

Subsequent to the balance sheet date and as at the date of approval of these financial statements, the Directors consider that the Company is likely to dispose of its investments in subsidiary undertakings, after which it is expected that the Company will then enter a solvent members' voluntary liquidation process.

As such, the Directors no longer consider it appropriate to prepare the financial statements on a going concern basis of accounting and, therefore, these financial statements have been prepared on a basis other than going concern.

It is considered that the values stated in the balance sheet as at 27 December 2020 are carried at their fair value less costs to sell and, therefore, that no adjustments are necessary to the amounts included in the financial statements as a result of preparing them on a non-going concern basis.

2 Directors and employees

The Company has no employees in either the current period or prior year.

Directors' emoluments are paid for by ultimate parent company Kalibrate Acquisition Limited and the Company incurs no costs for their qualifying services as directors of this company. Accordingly, directors' remuneration in the Company is £nil (2019: £nil).

Notes to the accounts (continued)

3 Investments

| | Subsidiary undertakings |
|---------------------------------|-------------------------|
| | £ |
| Cost | |
| Balance at 27 June 2019 | - |
| Additions in the period | 7,603,503 |
| Balance at 27 December 2020 | <u>7,603,503</u> |
| Provision for impairment | |
| Balance at 27 December 2020 | - |
| Net book value | |
| At 28 June 2019 | - |
| At 27 December 2020 | <u>7,603,503</u> |

During the period, the Company invested £7,603,503 into the subsidiary undertaking below:

| Country | Company | Registered office address |
|---------------|-------------------------------|---|
| United States | Knowledge Support Systems Inc | 640 George Washington Highway Building A, Suite 100, Lincoln, RI 02865 |

In the opinion of the Directors, the investments in subsidiary undertakings are worth at least the amounts at which they are stated in the balance sheet.

4 Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|--|------------------|-----------|
| Amounts owed to immediate parent undertaking | <u>7,603,501</u> | - |

Amounts owed to immediate parent undertaking are interest free and repayable on demand.

5 Share capital

| | No of shares | Value £ |
|--|--------------|------------|
| In issue at 28 June 2019 and 27 December 2020 | | |
| Ordinary shares, each of nominal value £1 | <u>2</u> | <u>2</u> |

6 Ultimate parent company and parent company of larger group

The immediate parent undertaking of the Company is Kalibrate Technologies Limited and the ultimate parent is Kalibrate Acquisition Limited, both of which are incorporated in the United Kingdom.

Kalibrate Acquisition Limited is a subsidiary undertaking of Hanover Active Equity Fund LP, which is incorporated in the Cayman Islands, and is controlled by its parent and its connected parties. The largest group in which the results of the Company are consolidated is that headed by Kalibrate Acquisition Limited. The consolidated financial statements of Kalibrate Acquisition Limited are available to the public and may be obtained from 25 Savile Row, London, United Kingdom, W1S 2ER.

The audit fees for the Company are borne by the immediate parent company.