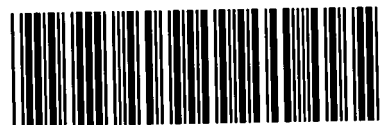


Registered number: 04107459

SKYGUARD LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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SKYGUARD LIMITED

COMPANY INFORMATION

Directors	R A Houghton N Dossa C L Newman J Williams (appointed 23 November 2022)
Registered number	04107459
Registered office	Emerald House East Street Epsom Surrey KT17 1HS
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 2nd Floor, St. John's House Haslett Avenue West Crawley RH10 1HS

SKYGUARD LIMITED

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SKYGUARD LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Overview

The directors present their strategic report on the affairs of Skyguard Limited together with the audited financial statements and independent auditor's report for the year ended 31 March 2023.

Skyguard Limited is within a group of companies who together operate under the 'Peoplesafe' brand.

Peoplesafe operates in the Environmental Health & Safety (EHS) industry, providing employee safety solutions through our cloud-native and highly scalable software platform. Our software platform combines with our proprietary mobile application technology and a wide range of IOT devices to provide a comprehensive end-to-end safety solution to our customers. Our services are typically sold on a multi-year subscription model basis.

Peoplesafe's range of technology enabled solutions allow employers to offer protection to their employees, ranging from specialist solutions for workers in high risk and lone worker roles, through to everyday protection for professional, hybrid and remote workers, fulfilling a key component of employers' EHS requirements, regulatory obligations and customer and employee brand value commitments. Increasingly our solutions also support an effective recruitment and retention strategy for our customers.

Peoplesafe is one of the largest employee safety solution providers globally. When incidents occur, Peoplesafe can help to ensure the quickest response and best outcome through its purpose built software platform, which provides specific location data, personalised user information and individualised alarm escalation plans. Peoplesafe's service is underpinned by our BS EN 50518 accredited Alarm Receiving Centre (ARC), which provides a best-in-class service across the market and supports the fastest response to the incident by emergency services.

Our purpose as a business is to help people when incidents occur, in whatever situation that may be, and then to help our customers follow up and manage such incidents. Our primary focus is to do this through scalable software. In many cases, our business helps to save lives. We take this responsibility very seriously, we are proud of what we do, and we will continue to build additional capability to ensure our users remain safe 24 hours a day, 365 days a year.

Business review and strategy

Group revenue for the year grew by 10% to £19.5 million. The Group operates on a recurring revenue subscription model with over 95% of revenue being generated in this way.

The Group operates across both Private and Public sector customers and has historically focused on growing its position in employee safety solutions for companies and organisations looking to protect their high risk and lone worker roles where the services that Peoplesafe provides are typically considered to be critical to health and safety and non-discretionary in nature.

During FY23 the Group continued to grow in its core markets. Owning and controlling our technology platform allows us to offer a full end-to-end solution to our customers, be flexible to adapt to our customer's needs and to deliver superior financial performance.

Adjusted EBITDA for the year grew by 8% to £11.3 million. During the year the Group has made a significant investment in enhancing its software platform. This investment programme was completed in July 2023 with the release of our Nexus and Lighthouse software systems to our customers and internal teams. We believe these represent best-in-class industry solutions as part of the EHS ecosystem and provide Peoplesafe with a strong and scalable software platform to exploit future growth opportunities.

SKYGUARD LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Future developments

Over the last year we have begun leveraging our technology platform in new areas. We believe these have the potential to significantly expand our addressable market and that we are well positioned to leverage our brand and technology platform to exploit these opportunities.

- New channel partnerships, enabling a wider addressable market for enterprise customers
- The broader "all employee" safety market targeted at professional, hybrid and remote workers where we believe that employee safety and welfare is increasingly important to employers as part of their brand value commitments as well as supporting their legal duty of care to their staff
- Launch of an enhanced emergency mass notification system, providing a traceable critical communication solution for business continuity, a growing EHS requirement for businesses

In addition the Group continues to search for opportunities to acquire similar EHS businesses in the UK and overseas.

Financial key performance indicators

Our Crusoe Group key performance indicators are below:

	12 month Period ended 31 March 2023 £'000	12 month Period ended 31 March 2022 £'000
Turnover	19,517	17,735
Adjusted EBITDA	11,340	10,472

Adjusted EBITDA is calculated as Operating Loss excluding Depreciation, Amortisation, Interest, Tax and any costs not related to the day-to-day running of the business. These costs totalled £ 948,000 in 2023 (2022: £1,184,000).

Employee matters

The number of employees at 31 March 2023 was 121 (31 March 2022: 117). The Group is committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The Group gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. The Group aims to recruit high calibre people to support our customer service ethos. We are committed to investing in the training and development of all employees to improve their knowledge and skills. The Group has an employee engagement programme with the aim of improving the working environment and engaging employees from all parts and levels of the business in developing and promoting our core people values – collaborative, pioneering, responsive, trust and passion.

SKYGUARD LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Principal risks and uncertainties

The directors have identified several operational risks that could have an impact on the business which are as follows:

Loss of major contracts

The risk of losing major contracts is mitigated by having a large number of customers of different sizes and operating in different sectors. The majority of customers are committed to long term contracts of between one and three years.

Service delivery

Any disruption to the delivery of our service poses a risk to the reputation of the Group and potential loss of business. Controls are in place to monitor the performance of the service and a robust disaster recovery and business continuity plan is in place to ensure that the service is resilient.

Currency risk

We are exposed to foreign currency risk on stock purchases which are denominated in US Dollars. The net exposure of each currency is monitored but no active management of this risk is currently undertaken as the level of exposure for the business as a whole is low.

Liquidity risk

As with any business there is a potential cash flow risk. The directors manage this risk through the business model, where customers are invoiced in advance. Furthermore, we complete regular cash flow analysis and forecasting and we monitor a rolling forecast of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs. As part of the Group's banking facilities, the Group has a £2.5 million revolving credit facility which is available to manage short term working capital requirements if needed.

Interest rate risk

Interest rates have risen significantly in the last year and market projections indicate that they may increase further. We have mitigated our exposure to rising interest rates by investing in hedging instruments which act to cap the maximum level of interest rates that the Group will pay on 80% of its bank loans. We monitor interest rates and the impact on interest payments on a regular basis as part of our cash flow analysis and forecasting and we believe that the remaining risk of rising interest rates and higher interest charges is not material to the business as a whole.

Recurrence of Coronavirus (COVID-19)

Management believe that the COVID-19 pandemic did not have a material effect on the Group's profitability and cashflow as a result of the Group's characteristics as having:

- predominantly recurring nature of revenues due to the Group's commercial model;
- perceived non-discretionary nature of the Group's products and services in its core markets; and
- low concentration and sector diversity of the Group's customer base.

Nevertheless management will continue to monitor the risk of recurrence of COVID-19 or similar operational risks and assess the need for mitigating actions if required.

SKYGUARD LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

This report was approved by the board on 5/9/2023 and signed on its behalf.

Naz Dossa

N Dossa
Director

Date: 5 September 2023

SKYGUARD LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report and the financial statements for the year ended 31 March 2023.

Directors' responsibilities statement

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 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 and 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;
- 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 Group 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.

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 and other information included in Directors' Reports may differ from legislation in other jurisdictions.

Other information

Business review and principal risks the business is exposed to have been included in the Strategic Report on pages 1 - 4.

Financial Risk Management

Management have assessed the financial risk within note 16.

SKYGUARD LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Going concern

The directors have assessed the ability of the Company to continue in operational existence for at least 12 months from the date of approval of these financial statements, following management's assessment and mitigation of the business risks associated with the Covid-19 pandemic. The directors do not consider that there to be any material uncertainties which may cast significant doubt about the Company's ability to continue as a going concern.

The directors have received written confirmation from the Company's parent company, Crusoe Topco Limited, confirming that they will provide financial support to the Company to enable it to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. On this basis, the directors have concluded that it is appropriate to adopt the going concern basis in preparing these financial statements.

Principal activity

The principal activity of the company is providing employee safety solutions. The business operates across UK and Ireland.

Results and dividends

The profit for the year, after taxation, amounted to £3,753,323 (2022 - £3,595,201).

The directors do not recommend the payment of a dividend (2021: £Nil).

Directors

The directors who served during the year were:

R A Houghton
N Dossa
C L Newman
J Williams (appointed 23 November 2022)

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 each director is aware, there is no relevant audit information of which the Company auditor is unaware, and
- each director has taken all the steps that ought to have been taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company auditor is aware of that information.

Auditor

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

This report was approved by the board on 5 September 2023 and signed on its behalf.

Naz Dossa

N Dossa
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKYGUARD LIMITED

Opinion

We have audited the financial statements of Skyguard Limited (the 'Company') for the 31 March 2023, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 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.

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

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as inflation and rise in interest rates, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKYGUARD LIMITED

relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of 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 the Directors' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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 the Directors' Report.

Matters on which we are required to report by exception

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, 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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKYGUARD LIMITED

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company and industry in which it operates through our general commercial and sector experience, discussions with management, and inspection of legal correspondence. We determined that the following laws and regulations were most significant: FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', Companies Act 2006, relevant UK taxation laws.
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the revaluation of the risk of management override of controls. We determined that the principal risks were in relation to journal entries that increased revenue. Our audit procedures involve:
 - Evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
 - Journal entry testing, with a focus on material journals; and
 - Specific analytical testing over revenue journals.
- In addition, we completed audit procedures to conclude on the compliance of disclosures in the financial statements with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - Knowledge of the industry in which the client operates; and



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKYGUARD LIMITED

- Understanding of the legal and regulatory requirements specific to the entity.
- The team communications in respect of potential non-compliance with laws and regulations and fraud included the potential fraud in revenue recognition through the inflation of revenue.
- In assessing the potential risk of material misstatement, we obtained an understanding of:
 - The Company's operations, including the nature of its revenue sources, products and services to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risk of material misstatement; and
 - The Company's control environment, including:
 - o Management's knowledge of relevant laws and regulations and how the Company is complying with those laws and regulations;
 - o The adequacy of procedures for authorisation of transactions; and
 - o Procedures to ensure that possible breaches of law and regulations are appropriately resolved.

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

GRANT THORNTON UK LLP

Jonathan Oakey FCA (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Crawley
5 September 2023

SKYGUARD LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Turnover	4	13,928,312	12,491,481
Cost of sales		(1,410,800)	(1,503,041)
Gross profit		12,517,512	10,988,440
Administrative expenses		(7,878,707)	(7,238,441)
Operating profit	5	4,638,805	3,749,999
Tax on profit	9	(885,482)	(154,798)
Profit for the financial year		3,753,323	3,595,201
Other comprehensive income		-	-
Total comprehensive income for the year		3,753,323	3,595,201

The notes on pages 15 to 30 form part of these financial statements.

SKYGUARD LIMITED
REGISTERED NUMBER:04107459

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	10	5,817,910	3,742,811
Tangible assets	11	3,969,116	3,232,927
		<u>9,787,026</u>	<u>6,975,738</u>
Current assets			
Debtors	12	20,597,034	18,519,757
Cash at bank and in hand	13	259,204	210,659
		<u>20,856,238</u>	<u>18,730,416</u>
Creditors: amounts falling due within one year	14	(7,893,091)	(6,911,304)
Net current assets		<u>12,963,147</u>	<u>11,819,112</u>
Total assets less current liabilities		<u>22,750,173</u>	<u>18,794,850</u>
Provisions for liabilities			
Deferred tax	16	(492,192)	(290,192)
		<u>(492,192)</u>	<u>(290,192)</u>
Net assets		<u><u>22,257,981</u></u>	<u><u>18,504,658</u></u>
Capital and reserves			
Called up share capital	17	3,937,480	3,937,480
Share premium account	18	4,025,360	4,025,360
Other reserves	18	1,023,164	1,023,164
Profit and loss account	18	13,271,977	9,518,654
		<u>22,257,981</u>	<u>18,504,658</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 September 2023.


J Williams
 Director

The notes on pages 15 to 30 form part of these financial statements.

SKYGUARD LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2022	3,937,480	4,025,360	1,023,164	9,518,654	18,504,658
Comprehensive income for the year					
Profit for the year	-	-	-	3,753,323	3,753,323
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	3,753,323	3,753,323
Total transactions with owners	-	-	-	-	-
At 31 March 2023	3,937,480	4,025,360	1,023,164	13,271,977	22,257,981

SKYGUARD LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2021	3,937,480	4,025,360	1,023,164	5,923,453	14,909,457
Comprehensive income for the year					
Profit for the year	-	-	-	3,595,201	3,595,201
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	3,595,201	3,595,201
Total transactions with owners	-	-	-	-	-
At 31 March 2022	3,937,480	4,025,360	1,023,164	9,518,654	18,504,658

The notes on pages 15 to 30 form part of these financial statements.

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. General information

Skyguard Limited ('the company') is engaged in the sale and development of lone worker protection and response services. The company is a private limited company and is incorporated in England. The company's address of registered office which is also its principal place of business is Emerald House, East Street, Epsom, Surrey, KT17 1HS.

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 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 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 following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Crusoe Topco Limited as at 31 March 2023 and these financial statements may be obtained from Emerald House, East Street, Epsom, Surrey, KT17 1HS.

2.3 Going concern

The directors have assessed the ability of the Company to continue in operational existence for at least 12 months from the date of approval of these financial statements, following management's assessment and mitigation of the business risks associated with the Covid-19 pandemic. The directors do not consider that there to be any material uncertainties which may cast significant doubt about the Company's ability to continue as a going concern.

The directors have received written confirmation from the Company's parent company, Crusoe Topco Limited, confirming that they will provide financial support to the Company to enable it to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. On this basis, the directors have concluded that it is appropriate to adopt the going concern basis in preparing these financial statements.

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)**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.

Revenue from provision of lone worker response protection services is recognised by reference to the stage of completion.

Stage of completion is measured by reference to the performance of the group over the period of the contract, which is generally on a straight line basis over the duration of the contract.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so that it will be available for use or sale.
- The intention to complete the software and use or sell it.
- The ability to use the software or sell it.
- How the software will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the software.
- The ability to measure reliably the expenditure attributable to the software during its development.

Development costs not meeting these criteria for capitalisation are expensed as incurred.

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Computer software - 4 years
Development costs - 3 years

If there is an indication that there has been a significant change in amortisation rate or residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectations.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Repairs and maintenance are charged to profit and loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- 4 years
Fixtures and fittings	- 4 years
Office equipment	- 4 years
Computer equipment	- 4 years
Personal safety devices	- 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Impairment of assets

At each reporting date, fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carry amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit and loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit and loss.

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.8 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

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.

2.13 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Sterling (£).

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.

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.14 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgement

The following are significant management judgements in applying the accounting policies of the company that have the most significant effect on the financial statements.

Capitalisation of internally developed software

Distinguishing the research and development phases of a new customised software project and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Bad debt provision

Management's estimate of the amount of debt which may not be recoverable. Management reviews its trade debtors position at the end of each financial year and assesses the probability of recoverability based on historic recovery rates. Such assessment involves a significant degree of management judgement.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

Useful lives of Intangible assets

Valuation of intangible assets acquired in business combinations. These assets are amortised over their useful lives and there is estimation relating to the remaining useful life. Management assesses the actual lives annually and is dependent on several factors. In reassessing asset lives, factors such as technological innovation and life cycles are considered.

4. Turnover

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Recurring subscriptions	13,356,224	11,883,516
Non-recurring charges	572,089	607,965
	<u> </u>	<u> </u>

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. Operating profit

The operating profit is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets	677,914	876,925
Amortisation of intangible assets	745,982	604,260
Exchange differences	3,911	(38,240)
Operating lease rentals	43,719	70,386
	<u>677,914</u>	<u>876,925</u>

6. Auditor's remuneration

Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements £23,636 (2022: £18,000)

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2023 £	2022 £
Wages and salaries	3,990,400	4,067,638
Social security costs	467,723	433,385
Cost of defined contribution scheme	160,932	74,888
	<u>4,619,055</u>	<u>4,575,911</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2023 No.	2022 No.
Directors	3	2
Sales and technical	95	94
Finance and administrative	23	21
	<u>121</u>	<u>117</u>

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	568,685	493,656
Company contributions to defined contribution pension schemes	24,381	2,752
	<u>593,066</u>	<u>496,408</u>

During the year retirement benefits were accruing to 3 directors (2022 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £231,885 (2022 - £229,756).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £881 (2022 - £1,321).

During the year, compensation for loss of office was paid to a former director totalling nil (2022: £74,275).

9. Taxation

	2023 £	2022 £
Corporation tax		
Current tax (UK corporation tax at 19% (2022: 19%))	683,482	403,547
Adjustments in respect of previous periods	-	(367,170)
Total current tax	<u>683,482</u>	<u>36,377</u>
Deferred tax		
Origination and reversal of timing differences	79,679	66,710
Adjustments in respect of prior periods	122,321	(1,924)
Effect on tax rate change on opening balance	-	53,635
Total deferred tax	<u>202,000</u>	<u>118,421</u>
Taxation on profit on ordinary activities	<u>885,482</u>	<u>154,798</u>

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - *lower than*) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	<u>4,638,805</u>	<u>3,749,999</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022: 19%)	881,373	712,500
Effects of:		
Fixed asset differences	695	1,386
Expenses not deductible for tax purposes	743	9,498
Adjustments to tax charge in respect of prior periods	(5,374)	(438,622)
Adjustments to tax charge in respect of previous periods - deferred tax	122,321	(1,924)
Group relief	(133,399)	(197,686)
Remeasurement of deferred tax for changes in tax rates	19,123	69,646
Total tax charge for the year	<u><u>885,482</u></u>	<u><u>154,798</u></u>

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Intangible assets

	Computer Software £	Development Costs £	Total £
Cost			
At 1 April 2022	397,527	5,940,323	6,337,850
Additions	-	2,821,081	2,821,081
At 31 March 2023	<u>397,527</u>	<u>8,761,404</u>	<u>9,158,931</u>
Amortisation			
At 1 April 2022	310,885	2,284,154	2,595,039
Charge for the year on owned assets	25,737	720,245	745,982
At 31 March 2023	<u>336,622</u>	<u>3,004,399</u>	<u>3,341,021</u>
Net book value			
At 31 March 2023	<u>60,905</u>	<u>5,757,005</u>	<u>5,817,910</u>
At 31 March 2022	<u>86,642</u>	<u>3,656,169</u>	<u>3,742,811</u>

Amortisation on intangible assets is charged to administration expenses.

Development costs relates to capitalised expenditure on internal research and development, refer to note 3 for details.

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Computer equipment £	Personal safety devices £	Total £
Cost						
At 1 April 2022	1,352,445	46,946	74,762	891,801	6,644,189	9,010,143
Additions	-	-	-	66,110	1,347,994	1,414,104
At 31 March 2023	<u>1,352,445</u>	<u>46,946</u>	<u>74,762</u>	<u>957,911</u>	<u>7,992,183</u>	<u>10,424,247</u>
Depreciation						
At 1 April 2022	301,413	41,217	58,294	677,370	4,698,923	5,777,217
Charge for the year on owned assets	135,245	2,062	4,705	118,156	417,746	677,914
At 31 March 2023	<u>436,658</u>	<u>43,279</u>	<u>62,999</u>	<u>795,526</u>	<u>5,116,669</u>	<u>6,455,131</u>
Net book value						
At 31 March 2023	<u>915,787</u>	<u>3,667</u>	<u>11,763</u>	<u>162,385</u>	<u>2,875,514</u>	<u>3,969,116</u>
At 31 March 2022	<u>1,051,033</u>	<u>5,729</u>	<u>16,468</u>	<u>214,431</u>	<u>1,945,266</u>	<u>3,232,927</u>

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	2,005,210	2,784,658
Amounts owed by group undertakings	16,832,174	14,197,988
Other debtors	300,950	-
Corporation tax repayable	-	452,437
Prepayments and accrued income	1,458,700	1,084,674
	<u>20,597,034</u>	<u>18,519,757</u>

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

Trade debtors have been stated after a provision for bad debts of £322,722 (2022: £364,670).

13. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	<u>259,204</u>	<u>210,659</u>

14. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	682,775	220,481
Amounts owed to group undertakings	1,620,493	200,818
Corporation tax	312,272	36,377
Other taxation and social security	475,964	153,500
Other creditors	30,597	391,473
Accruals and deferred income	4,770,990	5,908,655
	<u>7,893,091</u>	<u>6,911,304</u>

Amounts owed to group and parent undertakings are unsecured, interest-free and repayable on demand.

Other loans of £60.3m (2022: £55.8m) and loan notes of £9.2m (2022: £8.3m) issued by other group companies are secured by a fixed and floating charges over the assets of the group. Cross guarantees have been provided by the company for bank loans, other loans and loan notes of £69.0m (2022: £65.0m) that were issued to group companies.

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Financial Risk Management

The company has exposures to three main areas of risk-foreign exchange currency exposure, liquidity risk and customer credit exposure. To a lesser extent the company is exposed to interest rate risk.

Foreign exchange transactional currency exposure

The company is exposed to currency exchange rate risk due to a significant proportion of its payables being denominated in non-Sterling currencies.

Liquidity risk

The objectivity of the company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The company expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations, cash could be advanced from the parent and the ultimate parent company.

Customer credit exposure

The company may offer credit terms to its customers which allow payment of the debt after delivery of the goods or services. The company is at risk to the extent that a customer may be unable to pay the debt on the specified due date. The risk is mitigated by the strong on-going customer relationships and by credit checks and limits.

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16. Deferred taxation

	2023 £	2022 £
At beginning of year	(290,192)	(171,771)
Deferred tax charged in the Statement of comprehensive Income for the period	(202,000)	(118,421)
At end of year	(492,192)	(290,192)

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Accelerated capital allowances	(498,301)	(294,330)
Short term timing differences	6,109	4,138
	(492,192)	(290,192)

17. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
39,374,800 (2022 - 39,374,800) ordinary shares of £0.10 each	3,937,480	3,937,480

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

18. Reserves

Share premium account

Shares premium account includes premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Other reserves

Other reserves includes amounts credited to equity in respect of share based payments charges recognised in relation to share options granted to employees of the company.

Profit and loss account

Profit and loss account includes all current and prior year period retained profits and losses.

SKYGUARD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £217,167 (2022: £79,884). Contributions totalling £24,345 (2022: £16,550) were payable to the fund at the reporting date and are included in creditors.

20. Commitments under operating leases

The Company had no commitments under non-cancellable operating leases at the reporting date.

21. Related party transactions

The company has taken advantage of the exemptions provided by FRS 102 (Section 33) from disclosing transactions with the other group companies as it is a 100% owned subsidiary of Crusoe Topco Limited. The financial statements of Crusoe Topco Limited are available from Companies House.

22. Controlling party

100% of the share capital of the company is owned by Send for Help Limited. Send for Help Limited is controlled by ECI 11 LP, a limited partnership established in England and Wales.

The smallest and largest group to consolidate these financial statements is Crusoe Topco Limited. Crusoe Topco Limited is incorporated in England and Wales.

The ultimate controlling party is ECI 11 LP.