

Registered number: 04376098

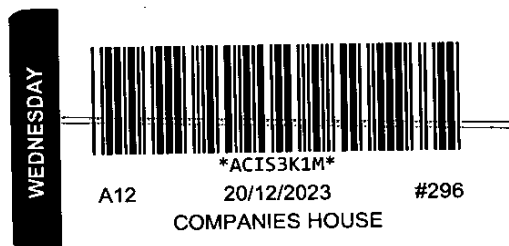
RAINKINE THOMPSON LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2022



RAINKINE THOMPSON LIMITED
REGISTERED NUMBER: 04376098

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Fixed assets			
Tangible assets	5	-	1
Current assets			
Stocks	7	51	296
Debtors: amounts falling due within one year	8	213	554
Cash at bank and in hand	9	61	80
		<u>325</u>	<u>930</u>
Creditors: amounts falling due within one year	10	(2,246)	(2,599)
Net current liabilities		<u>(1,921)</u>	<u>(1,669)</u>
Total assets less current liabilities		<u>(1,921)</u>	<u>(1,668)</u>
Net liabilities		<u>(1,921)</u>	<u>(1,668)</u>
Capital and reserves			
Profit and loss account		(1,921)	(1,668)
		<u>(1,921)</u>	<u>(1,668)</u>

RAINKINE THOMPSON LIMITED
REGISTERED NUMBER: 04376098

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

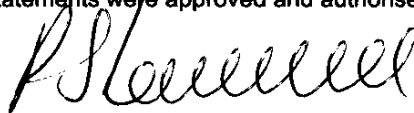
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

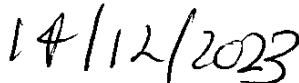
The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

P S Lawrence
Director



Date:



The notes on pages 3 to 11 form part of these financial statements.

RAINKINE THOMPSON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. General information

Rainkine Thompson Limited is a private company, limited by shares, incorporated in England and Wales. The Company's registered number is 04376098 and its registered office address is 36 Queensbridge, Northampton, NN4 7BF.

2. Accounting policies**2.1 Basis of preparation of financial statements**

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

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company and Group will continue for the foreseeable future.

The directors have prepared detailed budgets and cash flow forecasts for the going concern assessment period of 12 months from approval of the financial statements which provide comfort that the Group has sufficient working capital to meet requirements for at least 12 months from the date of signing the financial statements. Various downside scenarios have also been performed as part of this work to ascertain any future funding requirements in this period.

The wider AddSecure group also continues to support the business where required. AddSecure group have provided the directors with a letter confirming that they will provide financial and other support as necessary to enable the Company and the Group to meet its liabilities as they fall due for a period of at least 12 months from the date of signing of these financial statements.

Based on the approved forecasts, including downside scenarios, and taking into account the letter of group support noted above, the directors consider that the Group and Company has sufficient funding to support the Group's and Company's continued investment in market leading software development and to meet its liabilities as they fall due for the going concern assessment period.

On this basis, and the Group's and Company's ability to manage its discretionary costs should it be required to, the directors consider it appropriate to prepare the financial statements on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

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

2.4 Revenue

Turnover represents amounts receivable for software and hardware sales and development provided prior to the balance sheet date, net of VAT and trade discounts.

2.5 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.

2.6 Research and development

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

2.7 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

RAINKINE THOMPSON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.8 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 Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Taxation

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 balance sheet 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 Balance Sheet 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 balance sheet date.

2.10 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.

The estimated useful lives range as follows:

Development expenditure	-	10	years
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.11 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Long-term leasehold property	-	25% per annum reducing balance basis
Fixtures, fittings and equipment	-	25% per annum reducing balance basis

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.

2.12 Stocks

Stock relates to telematics hardware and is stated at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Cost includes all costs incurred in bringing each product to its present condition and location. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

2.13 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.

2.14 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.

2.15 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.16 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Employees

The average monthly number of employees, including directors, during the year was 15 (2021 - 15).

RAINKINE THOMPSON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. Intangible assets

	Development expenditure £000
Cost	
At 1 January 2022	585
At 31 December 2022	585
Amortisation	
At 1 January 2022	585
At 31 December 2022	585
Net book value	
At 31 December 2022	-
At 31 December 2021	-

RAINKINE THOMPSON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. Tangible fixed assets

	Long-term leasehold property £000	Fixtures and fittings £000	Total £000
Cost or valuation			
At 1 January 2022	11	83	94
At 31 December 2022	11	83	94
Depreciation			
At 1 January 2022	11	83	94
At 31 December 2022	11	83	94
Net book value			
At 31 December 2022	-	-	-
At 31 December 2021	-	1	1

6. Fixed asset investments

Shares in group undertakings and participating interests are held, totalling £24 (2021 - £24).

7. Stocks

	2022 £000	2021 £000
Raw materials and consumables	51	296

RAINKINE THOMPSON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

8. Debtors

	2022	2021
	£000	£000
Trade debtors	117	289
Prepayments and accrued income	96	265
	213	554

9. Cash and cash equivalents

	2022	2021
	£000	£000
Cash at bank and in hand	61	80

10. Creditors: Amounts falling due within one year

	2022	2021
	£000	£000
Bank loans	35	44
Trade creditors	166	135
Amounts owed to group undertakings	1,936	2,146
Corporation tax	-	11
Other taxation and social security	23	20
Other creditors	-	52
Accruals and deferred income	86	191
	2,246	2,599

Bank loans are secured by fixed and floating charges over the assets of the Company.

11. Related party transactions

The Company has taken advantage of exemptions, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

RAINKINE THOMPSON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. Controlling party

The parent entity of the smallest group producing publicly available financial statements which include the results of the Company is AddSecure Holdco Limited.

The Directors of Addsecure Holdco Limited unanimously consented to Rainkine Thompson Limited being exempt from their obligation to have an Audit in accordance with section 479C of the Companies Act 2006.

The Directors confirm that the accounts of Rainkine Thompson Limited are included in the consolidated accounts of Addsecure Holdco Limited and that the notes to the consolidated accounts disclose that Rainkine Thompson Limited is exempt from the requirements of the Act relating to the audit of individual accounts.

The directors consider the ultimate controlling party is AddSecure Topco AB.