Parent for: 7235153

Registered number: 12017435

ROOSEVELT BIDCO LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2019

COMPANY INFORMATION

Directors	A Marwaha E G Tomczuk
Registered number	12017435
Registered office	20 Fashion Street London United Kingdom E1 6PX
Independent auditors	Ernst & Young LLP Apex Plaza Forbury Road Reading RG1 1YE

CONTENTS

STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019

Introduction

The directors present their Strategic Report for the period ended 31 December 2019.

Business review

The collaboration space continues to evolve rapidly with a growing number of diverse offerings and increasing levels of process efficiency, automation and machine learning.

The Group, offers customers a product set that provides rich collaboration with enterprise level security and administration features which differentiate it from its competitors. The Group has established itself as the market leader in Transaction Management applications for the legal sector with growing adoption rates and strong efficiency gains.

The year 2019 delivered the Group a solid turnover base on which to build, initially through the acquisition of the Workshare Group. The wider Group continues to assess opportunities to deliver new technologies to the market, from both internal development and acquisition. Moving forward the business is well placed to meet the changing needs of it's key customer base.

Financial key performance indicators

The Group considers earnings before interest, taxation, depreciation and amortisation (EBITDA) as a percentage of sales and revenue per employee to be its key performance indicators.

EBITDA as a percentage of revenue	**35%**
Revenue per employee	**£85k**

Principal risks and uncertainties

Risks are formally reviewed by the Board and appropriate processes put in place to monitor and mitigate them. If more than one event occurs, it is possible that the overall effect of such events would have an adverse effect on the Group.

Competition
The Group operates in a highly competitive and evolving market, particularly concerning price and functionality. The market is characterised by a large number of operators that vary considerably in scale, product offering and funding. The Group monitors market developments on an ongoing basis and has a development plan in place to continually update its products in response to customer requirements and market evolution.

Employees
The Group's performance and ongoing development depends largely on its managers and staff. The resignation of key individuals and the inability to recruit people with the right experience and skills could adversely impact the Group's results. This is a particular risk in relation to staff engaged on product development. To mitigate these risks, the Group seeks to provide competitive salaries and benefits together with the incentives based on the results achieved that are designed to retain key individuals.

The Group also reviews succession planning and seeks to avoid over-dependence on individual employees.

Funding
The Group monitors liquidity by means of regular cash forecasts and has ensured sufficient funds are available to cover predicted funding requirements.

DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019

The directors present their report and the financial statements for the period ended 31 December 2019. As permitted by Section 414c (11) of the Companies Act 2006, certain information that is required to be included in the directors' report has been provided in the strategic report, including information in relation to financial risk.

Directors

The directors who served during the period were:

A Marwaha (appointed 10 October 2019)
E G Tomczuk (appointed 10 October 2019)
J V R R Brian (appointed 24 May 2019, resigned 10 October 2019)
B P Meyer (appointed 24 May 2019, resigned 10 October 2019)

The Company was incorporated on 24 May 2019, these financial statements cover the period to 31 December 2019.

Principal activity

The Company's principal activity was that of holding an investment in Workshare Technology Holdings Limited.

The Group's principal activities are the development and sale of enterprise class, cloud-enabled document comparison, file security and transaction management software.

Business review

The year 2019 delivered the Group a solid turnover base on which to build, initially through the acquisition of the Workshare Group.

Results and dividends

The loss for the period, after taxation, amounted to £1,213k.

The directors do not recommend payment of a dividend.

Activities of the Group outside the UK

During the period the Group had offices in the UK, Spain, USA an Australia, selling in other territories through a network of partners. Since November 2019, the Group has stragetically withdrawn its offices from the USA, Australia and Spain.

Future developments

The wider Group continues to assess opportunities to deliver new technologies to the market, from both internal development and acquisition. Moving forward the business is well placed to meet the changing needs of it's key customer base.

DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2019

Going concern

As at the date of this report, the recent COVID-19 pandemic has created a significant amount of uncertainty worldwide. Whilst it is too early to estimate what the full impact from COVID-19 will be on the Company's performance for the foreseeable future, the Directors do not anticipate that COVID-19 will cause significant disruption to the business. There was some impact initially on consumer demand, but we are now seeing our global offices return to normal work practices, with staff now coming into the office as well as working from home.

The Directors have had confirmation of the ongoing financial and practical support from our parent company Legal Holding Company, LLC for a period of 12 months from the approval of the financial statements.

The Directors have assessed the financial position of the Company as outlined in the Strategic Report, including its trading forecasts, cash position and funding requirements, and, in consideration of the ongoing financial support from its parent undertaking, Legal Holding Company, LLC, have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. The Company, therefore, continues to adopt the going concern basis of accounting in preparing the financial statements.

Financial instruments

The Group did not enter into any non-basic financial instruments during the year.

Disclosure of information to auditors

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

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

Post year end events

Please refer to note 28.

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

DocuSigned by:
Ed Tomczuk
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E G Tomczuk
Director

Date: 21 December 2020

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2019

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

Company law requires the directors to prepare consolidated financial statements for each financial year. Under that law they have elected to prepare the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Under company law the directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. In preparing the consolidated 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 they have been prepared in accordance with IFRS as adopted by the EU, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and 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 Group or 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 Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and Company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROOSEVELT BIDCO LIMITED

Opinion

We have audited the financial statements of Roosevelt Bidco Limited (the 'parent Company') and its subsidiaries (the 'Group') for the period ended 31 December 2019 which comprise the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows, the Company Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies set out on pages 22 - 31. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and the parent Company's affairs as at 31 December 2019 and of the Group's loss for the period then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements 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 auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Brexit

The UK Government is engaged in continued negotiations with the European Union ("EU") in a transition period until the end of 2020, during which the UK and EU will negotiate the shape of a future trade deal. The UK Government has made it clear that the UK will not be a member of the Customs Union or Single Market and as a result the UK faces the prospect of leaving without a deal. This could result in tariffs and other significant challenges for trade with EU countries. the Group is closely monitoring the developments and is considering its exposure to currency fluctuations and other circumstances which could limit its ability to trade in Europe.

The Group does not expect to be significantly impacted in the short term, as it expects to be able to continue to deliver its services across Europe. The directors have not modified the financial statements in respect of the possible effects of Brexit, as there continues to be too much uncertainty surrounding the possible outcomes.

COVID-19

On 11 March 2020, the World Health Organization ("WHO") classified the novel coronavirus as a global pandemic. We assessed the impact of the COVID-19 pandemic and while the broader implications of COVID-19 on our results of operations and overall financial performance remain uncertain. The Group has performed well during the pandemic, its product offering lends itself to increased digital information requirements from around the world.

The health and wellbeing of the Group's employees continues to be management's primary concern and arrangements have been put in place to ensure that all premises remain a safe environment for staff. Management keeps the situation under daily review and will take all necessary measures to ensure the Company faces minimal disruption during this period.

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

DocuSigned by:

Ed Tomczuk

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E G Tomczuk
Director

Date: 21 December 2020

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report set out on pages 6 to 8, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 period 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent 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.

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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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 on page 7, 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 Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' 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 auditors' 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.

Paul Etherington (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Reading

21 December 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2019

	Note	2019 £000
Revenue	6	9,436
Cost of sales		(388)
Gross profit		9,048
Administrative expenses		(7,112)
Exceptional restructuring costs		(2,331)
Other expenses		(69)
Loss from operations		(464)
Finance expense	9	(860)
Loss before tax		(1,324)
Tax credit	10	111
Loss for the period		(1,213)
Other comprehensive income:		
Exchange gains arising on translation on foreign operations		(8)
Deferred tax movements	10	349
		341
Total comprehensive income		(872)

The notes on pages 20 - 51 form part of these financial statements.

ROOSEVELT BIDCO LIMITED
REGISTERED NUMBER: 12017435

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £000
Assets		
Non-current assets		
Property, plant and equipment	11	1,384
Intangible assets	12	37,782
Goodwill	13	28,475
Trade and other receivables	15	16,247
		83,888
Current assets		
Contract assets		132
Trade and other receivables	15	4,703
Cash and cash equivalents		2,838
		7,673
Total assets		91,561
Liabilities		
Non-current liabilities		
Trade and other liabilities	16	48,053
Lease liabilities	22	938
Provisions	18	102
Deferred tax liability	10	7,156
		56,249
Current liabilities		
Trade and other liabilities	16	1,214
Contract liabilities	17	5,551
Lease liabilities	22	415
		7,180
Total liabilities		63,429
Net assets		28,132

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED) AS AT 31 DECEMBER 2019

	Note	2019 £000
Issued capital and reserves attributable to owners of the parent		
Share capital	19	**295**
Share premium reserve	20	**28,709**
Foreign exchange reserve	20	**341**
Retained earnings	20	**(1,213)**
		28,132
TOTAL EQUITY		**28,132**

The financial statements on pages 3 to 51 were approved and authorised for issue by the board of directors and were signed on its behalf by:

DocuSigned by:
Ed Tomczuk
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E G Tomczuk
Director

Date: 21 December 2020

ROOSEVELT BIDCO LIMITED
REGISTERED NUMBER: 12017435

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £000
Assets		
Non-current assets		
Investments	14	**30,696**
Trade and other receivables	15	**27,991**
		58,687
Total assets		**58,687**
Liabilities		
Non-current liabilities		
Trade and other liabilities	16	**29,725**
		29,725
Total liabilities		**29,725**
Net assets		**28,962**

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED) AS AT 31 DECEMBER 2019

	Note	2019 £000
Issued capital and reserves attributable to owners of the parent		
Share capital	19	**295**
Share premium reserve		**28,709**
Retained earnings	20	**(42)**
TOTAL EQUITY		**28,962**

The Company's loss for the period was £42,000. The directors have taken advantage of the exemption available under Section 408 of the Companies Act 2006 and have omitted the Company's profit and loss account.

The financial statements on pages 3 to 51 were approved and authorised for issue by the board of directors and were signed on its behalf by:

DocuSigned by:
Ed Tomczuk
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E G Tomczuk
Director

Date: 21 December 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2019

	Share capital	Share premium	Foreign exchange reserve	Retained earnings	Total attributable to equity holders of parent	Total equity
	£000	£000	£000	£000	£000	£000
Comprehensive income for the period						
Loss for the period	-	-	-	(1,213)	(1,213)	(1,213)
Other comprehensive income	-	-	341	-	341	341
Total comprehensive income for the period	-	-	341	(1,213)	(872)	(872)
Contributions by owners						
Issue of share capital	295	28,709	-	-	29,004	29,004
Total contributions by owners	295	28,709	-	-	29,004	29,004
At 31 December 2019	**295**	**28,709**	**341**	**(1,213)**	**28,132**	**28,132**

The notes on pages 20 to 31 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2019

	Share capital	Share premium	Retained earnings	Total equity
	£000	£000	£000	£000
Comprehensive income for the period				
Loss for the period	-	-	(42)	(42)
Total comprehensive income for the period	-	-	(42)	(42)
Contributions by owners				
Issue of share capital	295	28,709	-	29,004
Total contributions by owners	295	28,709	-	29,004
At 31 December 2019	**295**	**28,709**	**(42)**	**28,962**

The notes on pages 20 to 31 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2019

	2019 £000
Cash flows from operating activities	
Loss for the period	(1,213)
Adjustments for	
Depreciation of property, plant and equipment	253
Amortisation of intangible fixed assets	1,099
Finance expense	860
Net foreign exchange gain	(2)
Income tax credit	(111)
Movements in working capital:	
Increase in trade and other receivables	(17,052)
Increase in contract assets	(132)
Increase in trade and other payables	45,726
Increase in contract liabilities	497
Increase in lease liability	1,467
Net cash from operating activities	31,392
Cash flows from investing activities	
Acquisition of subsidiary, net of cash acquired	(55,365)
Purchases of property, plant and equipment	(68)
Acquisition of right-of-use asset	(1,461)
Net cash used in investing activities	(56,894)
Cash flows from financing activities	
Issue of ordinary shares	29,004
Interest paid	(76)
Payment of lease liabilities	(588)
Net cash from financing activities	28,340
Net cash increase in cash and cash equivalents	2,838
Cash and cash equivalents at the beginning of period	-
Cash and cash equivalents at the end of the period	2,838

COMPANY STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2019

	2019 £000
Cash flows from operating activities	
Loss for the period	(42)
Adjustments for	
Finance income	(683)
Finance expense	725
Movements in working capital:	
Increase in trade and other receivables	(27,308)
Increase in trade and other payables	29,000
Cash generated from operations	1,692
Net cash from operating activities	1,692
Cash flows from investing activities	
Acquisition of subsidiary, net of cash acquired	(30,696)
Net cash used in investing activities	(30,696)
Cash flows from financing activities	
Issue of ordinary shares	29,004
Net cash from financing activities	29,004
Cash and cash equivalents at the beginning of period	-
Cash and cash equivalents at the end of the period	-

1. Reporting entity

Roosevelt Bidco Limited (the 'Company') is a limited company incorporated in England and Wales. The Company's registered office is at 20 Fashion Street, London, United Kingdom, E1 6PX. These consolidated financial statements comprise the Company and its subsidiaries (collectively the 'Group' and individually 'Group companies'). The Group's principal activities are the development and sale of enterprise class, cloud-enabled document comparison, file security and transaction management software.

The Company was incorporated on 24 May 2019, these financial statements cover the period to 31 December 2019.

2. Basis of preparation

The Group's consolidated and the Company's individual financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs). They were authorised for issue by the Company's board of directors on 21 December 2020.

Details of the Group's accounting policies, including changes during the period, are included in note 4.

The Company has taken advantage of the exemption available under section 408 of the Companies Act 2006 and elected not to present its own Statement of Comprehensive Income in these financial statements.

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Group accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The areas where judgements and estimates have been made in preparing the consolidated financial statements and their effects are disclosed in note 5.

2.1 Basis of measurement

The financial statements have been prepared on the historical cost basis.

2.2 Changes in accounting policies

i) New standards, interpretations and amendments effective

IFRS 16

The date of initial application of IFRS 16 for the parent company is 24 May 2019, its subsidiaries elected to early adopt IFRS 16 from 1 January 2018 and therefore the material effect on these financial statements *has been to introduce a right-of-us asset and corresponding lease liability in the current year.*

When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing *rate at 24 May 2019. The weighted average rate applied is 8.5%.*

2. Basis of preparation (continued)

2.2 Changes in accounting policies (continued)

i) New standards, interpretations and amendments effective (continued)

Annual improvements to IFRSs

Annual Improvements to IFRSs: 2015–2017 Cycle Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs, effective 1 January 2019. There has been no material effect of applying these improvements.

IFRIC 23

IFRIC 23 Uncertainty of Income Tax Treatments, effective 1 January 2019. There has been no material effect of applying this new standard.

ii) New standards, interpretations and amendments not yet effective

The following standards and interpretations to published standards are not yet effective:

New standard or interpretation	EU Endorsement status	Mandatory effective date (period beginning)
Amendments to IAS 1 and IAS 8 - definition of material	Not yet endorsed	1 January 2020
Amendments to IFRS 3 - definition of a business	Not yet endorsed	1 January 2020
Conceptual Framework - Amendments to References to the Conceptual Framework in IFRS Standards	Not yet endorsed	1 January 2020

As yet, none of these have been endorsed for use in the EU and will not be adopted until such time as endorsement is confirmed. The directors do not expect any material impact as a result of adopting the standards and amendments listed above in the financial year they become effective.

3. Functional and presentation currency

The Company's functional currency is US Dollars. This differs from the presentational currency which is pound sterling. All amounts have been rounded to the nearest thousand, unless otherwise indicated. The reason for the using pound sterling as the presentational currency is to align the primary functional currency of the subsidiaries of the Group.

4. Accounting policies

4.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at this time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

4. Accounting policies (continued)

4.2 Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Group is in a net asset position, £26,976k, this is primarily supported by intangible assets and intercompany loans which the directors expect to be able to call upon should they be required.

The directors have prepared cash flow forecasts for a period of 18 months from the date of approval of these financial statements, including the reasonably possible downside impact of COVID-19, with some clients deferring or reducing spend or requesting deferred payment terms. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The directors have also considered the impact of COVID-19 on the Group and its ability to provide cash through repayment of intercompany loans. Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

4.3 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

4. Accounting policies (continued)

4.4 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see note 4.3) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

4.5 Revenue

Revenue is measured based on the consideration specified in a contract with a customer in the normal course of business, net of discounts, VAT and other sales related taxes. The Group recognises revenue when it transfers control over a product or service to a customer.

The incremental costs of obtaining a contract are expensed when the period of amortisation over which the costs would have been recognised is one year or less. If not, and if material, these costs are capitalised and amortised on a basis consistent with the transfer of goods to the customer to which the asset relates.

For contracts, the transaction price at the date on which the contract was completed has been used and revenue recognised as follows:

- Revenue from term licences is recognised evenly over the licence term.
- Revenue for software maintenance is recognised evenly over the term of the maintenance agreement.
- Revenue from perpetual licenses is recognised in full in the period in which the sale takes place.
- Revenue from professional services is recognised in full in the period in which the service has been delivered.

4.6 Contract assets and liabilities

Contract assets relate to the Group's right to receive consideration under a contract when revenue is recognised in advance of payments by customers.

The amount of revenue for term licenses and software maintenance earned, but that relates to future periods, is calculated and held as a liability on the Statement of Financial Position until such time as the performance obligation has been settled.

4. Accounting policies (continued)

4.7 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of a contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate of 8.5%.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;

The lease liability is included in the 'Lease liabilities' line in the Consolidated Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are included in the 'Property, Plant and Equipment' line in the Consolidated Statement of Financial Position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 4.13.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

4. Accounting policies (continued)

4.8 Foreign currency

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into pounds using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

4.9 Interest payable

Interest payable is recognised in profit or loss in the period in which it is incurred.

4.10 Interest income

Interest income is recognised in profit or loss in the period in which is it earned.

4.11 Employee benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

4.12 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Total Comprehensive Income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4. Accounting policies (continued)

4.12 Taxation (continued)

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

4. Accounting policies (continued)

4.13 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following range:

Leasehold improvements	Over the remaining lease period
Fixtures and fittings	4 years
Computer equipment	2 - 3 years
Right-of-use assets	Over the remaining lease period

4.14 Intangible assets

(i) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Developed technology	-	8	years
Brands and titles	-	3	years
Customer relationships	-	22	years
Computer software	-	8	years

(ii) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, over their estimated useful lives.

4. Accounting policies (continued)

4.15 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease (see note 4.13).

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase (see note 4.13).

A financial asset is derecognised when (i) the rights to receive cash flows from the asset have expired or (ii) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

4.16 Investment in subsidiaries

The parent company measures investments in subsidiaries at cost less impairment.

4.17 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

4.18 Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instruments.

4. Accounting policies (continued)

4.18 Financial instruments (continued)

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4.19 Financial assets

Trade receivables, which principally represent amounts due from licenses, are carried at original invoice value less an estimate made for bad and doubtful debts based on a review of all outstanding amounts at the year-end. An estimate for doubtful debts is made when there is objective evidence that the Group will not be able to collect amounts due according to the original terms of receivables. Bad debts are written off when identified.

All other recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

4.20 Financial liabilities and equity instruments

(i) Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

4. Accounting policies (continued)

4.20 Financial liabilities and equity instruments (continued)

(iii) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss (FVTPL).

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

5. Accounting estimates and judgements

5.1 Judgement and estimates

Goodwill impairment

Determining whether goodwill is impaired requires an estimation of the value in use of cash generating units for which goodwill has been identified. In arriving at the value in use of an estimation of future cash flows has to be made, judgement and appropriate discount rates selected. This process involves both management judgement and estimation.

Going concern assumption

The directors have prepared these financial statements on the going concern basis, based on the evidence of sufficient liquidity, support and financial headroom available to the Group. The substance of this evidence is explained in note 4.2 to these financial statements. This process involves management's judgement and estimation in relation to the forecasts for the Group.

5.2 Estimates and assumptions

Useful economic life of tangible and intangible assets

Management have considered the useful life of tangible and intangible assets and the economic benefits likely to be generated from the ownership of these assets. This estimation is based on historic experience and other industry information. This estimation could have a material effect on the carrying values of these assets.

Incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific adjustments (such as the subsidiary's stand-alone credit rating, or to reflect the terms and conditions of the lease).

6. Revenue

The following is an analysis of the Group's revenue for the period from continuing operations:

	2019 £000
Subscription license	7,052
Maintenance revenue	2,295
Perpetual license	75
Professional services	14
	9,436

Analysis of revenue by country of destination:

	2019 £000
United Kingdom	1,670
Rest of Europe	953
North, Central and South America	6,217
Rest of the world	596
	9,436

Timing of revenue recognition:

	2019 £000
Goods and services transferred at a point in time	5,943
Goods and services transferred over time	3,493
	9,436

7. Expenses by nature

The operating loss is stated after charging:

	2019 £000
Depreciation of tangible fixed assets	253
Amortisation - intangible fixed assets	1,166
Restructuring costs - exceptional	2,331
Difference on foreign exchange	34
Auditors remuneration for the statutory audit of the Company and its subsidiaries	85
Fees payable to the Group's auditor for non-audit services	43

Exceptional costs of restructuring are not included within staff costs due to their size and non-recurring nature. These costs have been incurred as a result of the acquisition of the Workshare Group by Roosevelt Bidco Limited.

8. Employee benefit expenses

Group

	2019 £000
Employee benefit expenses comprise:	
Wages and salaries	3,320
National insurance	403
Commissions payable	227
Defined contribution pension cost	98
	4,048

Key management personnel compensation

All directors' remuneration has been borne by other companies in the Litera Group as the directors are also directors of those group companies. The directors' services to the Company do not occupy a significant amount of their time and as such they do not consider that they have received any remuneration for their incidental services to the company for the period ended 31 December 2019.

8. Employee benefit expenses (continued)

The monthly average number of persons, including the directors, employed by the Group during the period was as follows:

	2019 No.
Sales and marketing	35
Development	35
Customer support	24
Administration	17
	111

9. Finance expense

Recognised in profit or loss

	2019 £000
Finance expense	
Bank interest payable	76
Interest on lease liabilities	59
Loans from group undertakings	725
Total finance expense	860
Net finance expense recognised in profit or loss	(860)

10. Tax expense

10.1 Income tax recognised in profit or loss

	2019 £000
Current tax	
Deferred tax expense	
Origination and reversal of timing differences	(111)
Total deferred tax	(111)
Total tax expense	
Tax expense	(111)
	(111)

The reasons for the difference between the actual tax charge for the period and the standard rate of corporation tax in the United Kingdom applied to losses for the period are as follows:

	2019 £000
Loss for the period	(1,213)
Income tax credit	(111)
Loss before income taxes	(1,324)
Tax using the Company's domestic tax rate of 19% (2019:19%)	(252)
Expenses not deductible for tax purposes	180
Impact of overseas tax rates	(100)
Changes in tax rates	(32)
Adjustment for research and development leading to an increase/(decrease) in the tax charge	27
Deferred tax not recognised	55
Group relief	11
Total tax expense	(111)

Changes in tax rates and factors affecting the future tax charges

On 17 March 2020, it was substantively enacted that the main rate of corporation tax would remain at 19% for the tax years starting 1 April 2020 and 2021. The deferred tax at 31 December 2019 was calculated on the basis that the tax rates would be 17% according to previous legislation.

10. Tax expense (continued)

10.2 Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated statement of financial position:

	2019 £000
Deferred tax liabilities	**(7,156)**
	(7,156)

2019 **Deferred tax liabilities/(assets) in relation to:**	Recognised in profit or loss £000	Recognised in other comprehensive income £000	Acquisitions/ disposals £000	Closing balance £000
Property, plant and equipment	(11)	-	(84)	(95)
Intangible assets	(472)	(349)	9,237	8,416
Tax losses carried forward	376	-	(1,541)	(1,165)
	(107)	(349)	7,612	7,156

10.3 Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences	**56**
	56

11. Property, plant and equipment

Group

	Leasehold improvements £000	Fixtures and fittings £000	Office equipment £000	Computer equipment £000	Right-of-use assets £000	Total £000
Cost or valuation						
Additions	12	32	64	68	1,461	1,637
At 31 December 2019	**12**	**32**	**64**	**68**	**1,461**	**1,637**

	Leasehold improvements £000	Fixtures and fittings £000	Office equipment £000	Computer equipment £000	Right-of-use assets £000	Total £000
Accumulated depreciation and impairment						
Charge for the period	2	5	36	1	209	253
At 31 December 2019	**2**	**5**	**36**	**1**	**209**	**253**
Net book value						
At 31 December 2019	10	27	28	67	1,252	1,384

Right-of-use assets is an office space held under an operating lease and capitalised in accordance with IFRS 16.

Depreciation is charged to administrative expenditure.

12. Intangible assets

Group

	Development expenditure £000	Trademarks £000	Customer relationships £000	Computer software £000	Total £000
Cost					
Additions	4,400	480	34,000	1	38,881
At 31 December 2019	**4,400**	**480**	**34,000**	**1**	**38,881**

	Development expenditure £000	Trademarks £000	Customer relationships £000	Computer software £000	Total £000
Accumulated amortisation and impairment					
Charge for the period	275	80	744	-	1,099
At 31 December 2019	**275**	**80**	**744**	**-**	**1,099**
Net book value					
At 31 December 2019	4,125	400	33,256	1	37,782

13. Goodwill

Group

	2019 £000
Cost	**28,475**
	28,475

	2019 £000
Cost	
Additions	**28,475**
At 31 December	**28,475**

13.1 Allocation of goodwill to cash generating units

Goodwill is allocated to the Group's cash generating unit as follows:

	2019 £000
Workshare Group	**28,475**
	28,475

Workshare Group

On 9th July 2019, Roosevelt Bidco Limited completed it's purchase of the Workshare Group. As part of the due-diligence that was conducted during the acquisition process, long term forecasts of the Group were prepared and reviewed by valuation specialists. These forecasts were incorporated into a fair value business combination model when deriving a value of the acquired Goodwill of the Group. The Workshare Group continues to perform in line with these forecasts. In addition the impact of COVID and Brexit have been assessed in relation to the long term forecasts of the Group, with no material impact expected. Management has concluded that there is no impairment to Goodwill.

14. Subsidiaries

Details of the Group's material subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group (%) 2019
1) Workshare Technology Holdings Limited	Holding company	England and Wales	100
2) Workshare Limited (Indirect)	Software development and sales	England and Wales	100
3) Idea Plane Limited (Indirect)	Software development services	England and Wales	100
4) Workshare Technology, S.L.U (Indirect)	Dormant	Spain	100
5) Workshare Technology Inc. (Indirect)	Software Sales	USA	100

Workshare Limited, Idea Plane Limited, Workshare Technology, S.L.U and Workshare Technology Inc, are indirect subsidiaries of the Company, with Workshare Technology Holdings Limited retaining a 100% holding in each of them.

In accordance with Section 479A of the Companies Act 2006, the following subsidiaries, Workshare Technology Holdings Limited (07178295), Workshare Limited (03559880) and Idea Plane Limited (07235153) were entitled to exemption from an audit of their individual financial statements. This guarantee is made by Roosevelt Bidco Limited at the date of the approval of these financial statements in relation to the year ended 31 December 2019.

Company

	2019 £000
Investments in subsidiary companies	**30,696**
	30,696

15. Trade and other receivables

Group

	2019 £000
Trade receivables	3,937
Receivables from related parties	81
Loans to related parties	16,247
Prepayments and accrued income	374
Other receivables	311
Total trade and other receivables	**20,950**
Less: current portion - trade receivables	(3,937)
Less: current portion - prepayments and accrued income	(374)
Less: current portion - other receivables	(311)
Less: current portion - receivables from related parties	(81)
Total current portion	**(4,703)**
Total non-current portion	**16,247**

The Group assesses the quality of material new customers by reference to credit agency reports. Renewing customers are also assessed on the basis of past payment history. Due to the nature of the Group's customers, their credit quality is generally good. The Company provides for debts over 6 months on this basis. Impairment provisions are charged to administrative expenditure.

The Group's long term receivables are recognised at their fair value on the date of transaction and then subsequently at amortised cost using the effective interest method. Interest is charged at 5% on the cost of obtaining third party debt in the United States, where the wider Group's third party lending is provided, there is no set repayment date.

	2019 £000
Over 6 months	170
	170

15. Trade and other receivables (continued)

Company

	2019 £000
Loans to related parties	**27,991**

The Company's long term receivables are recognised at their fair value on the date of transaction and then subsequently at amortised cost using the effective interest method. Interest is charged at 5% on the cost of obtaining third party debt in the United States, where the wider Group's third party lending is provided, there is no set repayment date.

16. Trade and other payables

Group

	2019 £000
Trade payables	**345**
Payables to related parties	**48,053**
Other payables	**30**
Accruals	**716**
Tax and social security payable	**122**
Total trade and other payables	**49,266**
Less: current portion - trade payables	**(345)**
Less: current portion - other payables	**(152)**
Less: current portion - accruals	**(716)**
Total current portion	**(1,213)**
Total non-current position	**48,053**

Trade and other payables are non interest bearing and are normally settled on 30 day terms or such other terms as may be agreed with the supplier.

Amounts payable to related parties are non-current debts, where interest is charged at 5% based on the cost of obtaining third party debt in the United States, where the wider Group's third party lending is provided, there is no set repayment date.

16. Trade and other payables (continued)

Company

	2019 £000
Payables to related parties	**29,725**
Total non-current position	**29,725**

Amounts payable to related parties are non-current debts, where interest is charged at 5% based on the cost of obtaining third party debt in the United States, where the wider Group's third party lending is provided, there is no set repayment date.

17. Contract liabilities

Group

	2019 £000
Balance at 24 May	**-**
Increases due to cash received, excluding amounts recognised as revenue during the period	**497**
Changes due to business combinations	**5,054**
Balance at 31 December	**5,551**

The Group's typical performance obligations are settled within 12 months of the contract being entered into.

18. Provisions

Group

	Provision for dilapidations £000
On business combinations	102
At 31 December 2019	**102**
Due after more than one year	102
	102

The Group has a dilapidation provision in respect of its leased premises, this was previously held by the Workshare Group and was acquired by Roosevelt Bidco Limited on 9 July 2019

19. Share capital

Authorised

	2019 Number	2019 £000
Shares treated as equity		
Ordinary shares of $0.01 each	36,828,501	295
	36,828,501	295

Issued and fully paid

	2019 Number	2019 £000
Ordinary shares shares of $0.01 each		
At 24 May	1	-
Shares issued	36,828,500	295
At 31 December	36,828,501	295

20. Reserves

Share premium

Share premium represents the excess paid for ordinary shares over the par value.

Foreign exchange reserve

Foreign exchange reserve represents unrealised gains and losses arising on translation of monetary and non-monetary items in foreign operations.

Retained earnings

Retained earnings represents accumulated profits or losses.

21. Analysis of amounts recognised in other comprehensive income

	Foreign exchange reserve £000
Period to 31 December 2019	
Exchange differences arising on translation of foreign operations	(8)
Deferred tax movement	349
	341

22. Leases

Group

(i) Leases as a lessee

The Group leases its office spaces and recognises leases with a term of more than 12 months as right-of-use assets in accordance with IFRS 16. The lease expires in 2022.

Lease liabilities are due as follows:

	2019 £000
Contractual undiscounted cash flows due	
Not later than one year	529,740
Between one year and five years	1,059,480
	1,589,220
Lease liabilities included in the Consolidated Statement of Financial Position at 31 December	1,353
Non-current	938
Current	415

The following amounts in respect of leases have been recognised in profit or loss:

	2019 £000
Interest on lease liabilities (IFRS 16)	59
Depreciation of right-of-use asset	209

23. Financial instruments - fair values and risk management

23.1 Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount	
31 December 2019	**Note**	**Amortised cost**	**Total**
		£000	**£000**
Financial assets not measured at fair value			
Trade and other receivables	15	37,197	37,197
Cash and cash equivalents		2,838	2,838
		40,035	40,035
Financial liabilities not measured at fair value			
Contract liabilities		(5,551)	(5,551)
Lease liabilities		(1,353)	(1,353)
Trade and other payables	16	(49,246)	(49,246)
		(56,150)	(56,150)

24. Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Receivables from and payables to other related parties are identified in notes 15 and 16. These are initially recorded at fair value and subsequently measured at amortised cost using an appropriate rate of interest as described in the notes.

25. Business combinations during the period

25.1 Subsidiaries acquired

Name	Principal activity	Date of acquisition	Proportion of voting equity interests acquired %	Consideration transferred £000
Workshare Technology Holdings Limited	Holding an investment in the Workshare group, including four subsidiaries.	09/07/20	100	56,831
				56,831

25.2 Consideration transferred

	Workshare Technology Holdings Limited £000
Cash	30,692
Repayment of debt	25,635
Sellers expenses	504
	56,831

25. Business combinations during the period (continued)

25.3 Assets acquired and liabilities recognised at the date of acquisition

The fair value of assets and liabilities of Workshare Technology Holdings Limited and its subsidiaries as at the date of acquisition were:

	Workshare Technology Holdings Limited £000	Total £000
Non-current assets		
Property, plant and equipment	111	111
Intangible assets	38,880	38,880
Current assets		
Cash and cash equivalents	1,666	1,666
Trade and other receivables	3,697	3,697
Non-current liabilities		
Deferred tax liabilities	(7,612)	(7,612)
Current liabilities		
Trade and other liabilities	(8,386)	(8,386)
	28,356	28,356

25.4 Goodwill arising on acquisition

	Workshare Technology Holdings Limited £000	Total £000
Consideration transferred	56,831	56,831
Fair value of identifiable net assets acquired	(28,356)	(28,356)
Goodwill arising on acquisition	28,475	28,475

25. Business combinations during the period (continued)

25.5 Net cash outflow on acquisition

	2019 £000
Consideration paid in cash	30,692
Less: cash and cash equivalent balances acquired	(1,666)
	29,026

25.6 Impact of acquisition on the results of the Group

This is the first year of operations for the Group. The Workshare Group, which was acquired, has however performed as expected, please refer the Strategic Report for details.

26. Assets pledged as security

At the end of the reporting period, the parent company and its subsidiaries, each had charges registered in favour of Owl Rock Capital Corporation. These were fixed and floating charges over the assets of the Group, securing the debts of other companies within the wider group.

27. Ultimate parent and controlling party

Legal Holding Company, LLC, a company incorporated in Delaware, USA, owns 100% of the share capital of Roosevelt Bidco Limited. The ultimate parent is Litera Holdco LP.

28. Events after the reporting date

On 11 March 2020, the World Health Organization ("WHO") classified the novel coronavirus as a global pandemic. We assessed the impact of the COVID-19 pandemic and while the broader implications of COVID-19 on our results of operations and overall financial performance remain uncertain. The Group has performed well during the pandemic, its product offering lends itself to increased digital information requirements from around the world.

The health and wellbeing of the Group's employees continues to be management's primary concern and arrangements have been put in place to ensure that all premises remain a safe environment for staff. Management keeps the situation under daily review and will take all necessary measures to ensure the Company faces minimal disruption during this period. This is a non-adjusting event.

There were no adjusting or other non-adjusting events, for the Group, occurring between the end of the reporting period and the date these financial statements were approved.