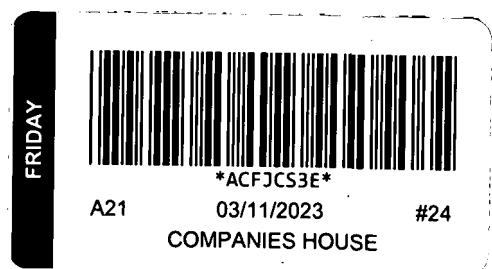

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**



MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

COMPANY INFORMATION

Directors	R Miller S Gulab J Martin S Avery
Company secretary	S Chipperfield
Registered Number	08746973
Registered Office	i2 Mansfield Hamilton Court Oakham Business Park Mansfield United Kingdom NG18 5FB
Independent Auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor No1 Whitehall Riverside Leeds West Yorkshire LS1 4BN

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

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MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

Introduction

The directors of Magentus Software Limited ("the Company") present their strategic report for the year ended 30 June 2023.

Within the UK, the Company is headed by Magentus UK Holdings I Limited ("Magentus I") (together "Magentus" or "the Group"), with the Group being controlled by Pacific Group Topco Pty Ltd ("PGT"), a company incorporated in Australia, on the basis that it holds an indirect controlling interest in the voting rights of the share capital of Magentus I.

Both the Group and PGT share a vision to create healthier societies by delivering better healthcare outcomes through world-class technology. Together, they are committed to working in partnership with their customers to make this a reality.

The Group will continue to expand on and enhance its vision to deliver connected healthcare solutions across UK and Ireland healthcare organisations, whilst also supporting international growth in its core specialty areas of radiology, maternity, electronic patient health records and data management. At the same time, this vision has allowed the Group to successfully widen its existing portfolio into complementary areas, through the addition of market leading pathology and oncology systems from other PGT controlled subsidiaries. Further, this allows the Group to market its core products internationally, opening up new international channels to market.

Over the past 12 months, the Group has further invested in the development of its core software products, whilst also offering customers proven solutions in other critical healthcare disciplines, from a single specialist vendor.

The Group undertook a corporate rebranding during the year, consolidating all of the PGT healthcare technology under a single unified global brand, Magentus. As a result, on 2 May 2023 the Company changed its name from Wellbeing Software Limited to Magentus Software Limited.

The Company is the supplier of Cris®, the most widely deployed radiology information system (RIS) in the UK. The Company is recognised as a market leader in radiology workflow and a specialist in healthcare systems integration. Cris® manages the entire radiology department workflow from referral to treatment including the creation and sharing of Radiologists clinical reports. The ethos of the business is to provide 'connected healthcare' through the use of open digital standards and a great user experience.

The Company is also the supplier of Evolution vLab®, a world-class Laboratory Information Management System (LIMS), and has secured major contract wins in the UK at both regional and national levels.

Business Review

The key performance indicators of the Company are considered by the Directors to be turnover and adjusted EBITDA. The turnover for the year ended 30 June 2023 for the Company is £15.9m (2022: £13.4m). The adjusted EBITDA for the year ended 30 June 2023 for the Company is £6.1m (2022: £5.7m). Adjusted EBITDA is calculated by taking the operating profit, adding back the amortisation, depreciation and exceptional expenses.

The Company has entered into a sales and support agreement with Magentus Pty Ltd, a related Australian company, for the licensing, delivery and support of pathology projects in the UK. The Company has continued to build out its pathology capability over the last 12 months to support a number of concurrent implementation projects. The Company has a number of long term pathology contracts in the UK market, which along with a strong pipeline of opportunities in the core specialty offerings, will put the Company in a good position to continue to grow in the coming financial year.

Talent attraction and retention remain key areas of focus for the Company. The Company has faced employment expense increases due to labour market shortages, wage inflation and building out the pathology delivery capability. The Company has updated its Employee Value Proposition to ensure the Company can continue to attract and retain high quality employees.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023**

Business Review (continued)

The Company enables the delivery of improved patient outcomes by providing healthcare organisations with intuitive, integrated technology to seamlessly access full patient records. Through specialist radiology, pathology and oncology information systems, combined with regional healthcare record management, the Group is an expert in healthcare software connectivity. The widely used software solutions combine all information from across a range of specialties, locations and services to improve workflow for healthcare professionals, enabling them to work more easily and effectively.

There are two key drivers of growth for the Group in the UK which are aligned with two key NHS strategies – digitisation and regionalisation. The NHS is transforming itself to work regionally and provide clinical services digitally on a regional basis. Not only does this provide the opportunity to improve patient care, enable more effective resource utilisation and alignment with the needs of the patients, this also takes into account the critical need for rapid change and digitisation that were exemplified by the Covid-19 pandemic. Further, as part of an international software group, the Group is equipped to grow internationally outside of its existing core markets of the NHS and private healthcare markets in the UK and Ireland.

Principal risks and uncertainties

The main risks arising from the Company's activities are outlined below. The directors review and agree policies for managing each of these risks and are summarised as follows:

Information and Cyber Security risk

Cyber threats are a constant threat to all businesses globally with threats becoming more sophisticated on a regular basis. Breaches of cyber security can have a catastrophic impact to any business. Data protection and information security practices run in parallel to IT cyber security and through ISO27001 and Cyber Essentials, these risks are minimised.

As part of ISO27001, business continuity and disaster recovery solutions are in place, that are reviewed regularly to ensure they meet the recovery objectives for the business, through backups and geographical system redundancy.

From a cyber security perspective, regular penetration tests are performed, and internal vulnerability scans are performed to identify vulnerabilities in the corporate network. These risks are assessed against the common CVSS scoring standard to determine its profile and appropriate resolution or mitigation for example through patching or securing the network.

Cyber awareness training courses are in place for Magentus employees and communications are sent to staff warning of any specific threats of which they should be aware.

Competition risk

The Company manages competitive pressure by continuing to offer a first class service to its customers and also placing high emphasis on continued innovation, research and development. The directors continue to monitor the changing requirements of the healthcare sector within which they operate to ensure that the product range remains up to date.

Credit risk

The Company trades only with recognised, creditworthy customers. All customers who wish to trade on credit are assessed for creditworthiness and are subject to credit verification checks as appropriate. Customer balances are checked regularly to ensure that the risk of exposure to bad debt is minimal.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023**

Principal risks and uncertainties (continued)

Liquidity risk

The Company monitors cash flow as part of its day to day control procedures and the board regularly considers cash flow projections and ensures that proper facilities are available to be drawn on as necessary. Trade debtors are reviewed regularly to ensure that credit terms are being adhered to.

Economic risk

The risk of increased inflation having an adverse impact on the Company is managed through regular pricing reviews, contractual agreements and strict cost controls.

Environmental, social and governance

The Group has policies that raise awareness of modern slavery, ethical trading and human rights. The policy sets out standards concerning safe and fair working conditions for employees, responsible management of social and environmental issues and standards in the international supply chain. The Group continues to work with its supply chain to ensure there is a zero-tolerance policy to slavery.

The Group has policies that promote equality and diversity in the workforce as well as prohibiting discrimination in any form. One of the Group's core values is we care which displays an active commitment to diversity and inclusion across the organisation.

The Group has a number of fundamental principles that it believes are the foundation of sound and fair business practice, one of which is a zero-tolerance position on bribery and corruption. Anti-bribery and corruption training is regularly provided to all employees and the Group operates an independent whistleblower hotline for reporting inappropriate conduct.

The Group has assessed its carbon footprint since 2020, and has been carbon neutral since 2021. It reports its carbon emissions to CDP. The Group intends to establish a 'net zero' plan in financial year 2024.

Statement of directors' duties in accordance with s172 of the Companies Act 2006

The Directors consider that they have acted in good faith in the way that they promote the success of the Group for the benefit of its members, having regard to decisions taken during the year ended 30 June 2023. This strategy is designed to have a long-term beneficial impact on the Group for both its shareholders and employees.

The Company's ultimate parent company is PGT which owns 100% of the Company. To ensure the Board maintain a good understanding of their interests, and keep these shareholders informed regarding the strategy and objectives of the Group, the directors communicate regularly. The Board recognises its responsibility to act fairly between shareholders of the Company and ensures up-to-date information is available.

Employees are fundamental to the delivery of the business plan. The Group regularly provides its people with information on matters of concern to them, consulting them regularly, so that their views can be factored in when making decisions that are likely to affect them. Employee involvement in the Group is encouraged, as achieving a shared awareness of the part that all employees play in the financial and economic factors affecting the Group plays a major role in its performance.

The Group is committed to maintaining positive customer relations and has spent considerable time and effort this year and previous years to maintain a high level of customer satisfaction. The Group has developed strong relations with customers through regular operational and executive engagement and the delivery of high quality solutions and services in accordance with industry best practice.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

Financial key performance indicators

The directors monitor the Company's performance using a number of financial and non-financial KPIs. The main financial KPIs are turnover and adjusted earnings before interest, tax, depreciation and amortisation (EBITDA).

The directors' assessment of performance is analysed below:

	Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
Performance of underlying trade		
Turnover	15,945	13,396
Adjusted EBITDA	6,125	5,726

Adjusted EBITDA is calculated by taking the operating profit, adding back the amortisation, depreciation and exceptional expenses.

Other key performance indicators

The main non-financial KPIs the directors monitor relate to the SLAs (Service Level Agreements) in the Group's various support contracts. These are monitored on a monthly basis, and relate to percentage uptime rates. The directors are satisfied that performance against SLA's has been above expectations and minimal service credits (relating to non-achievement of SLA's) have been paid during the year.

This report was approved by the board on 31 October 2023 and signed on its behalf.



S Gulab
Director

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

The directors present their report and the financial statements for the year ended 30 June 2023.

Principal activities of the Company

The principal activity of the Company is that of the provision and maintenance of computer software and systems with a particular regard to healthcare management.

Results and dividends

The profit for the year, after taxation, amounted to £5,214,742 (2022: £11,110,793).

The directors have not proposed a dividend for the year (2022: £nil).

Directors

The directors who served during the year and to the date of this report were:

R Miller
S Gulab
J Martin
S Avery

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 101 'Reduced Disclosure Framework'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023**

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Going concern

The financial statements have been prepared on a going concern basis. The directors have taken note of the guidance issued by the Financial Reporting Council on Going Concern Assessment in determining that this is the appropriate basis of preparation of the financial statements and have considered a number of factors.

The directors have considered the Group's cash position and the Group's net assets position, making appropriate assessments and reviewing forecasts of future trading levels and cash flows covering at least 12 months from the date of approval of these accounts. The Group has also prepared different severe but plausible scenarios from the forecast and none of them breach the model.

Intercompany debt is recoverable on demand and management have confirmed with the corresponding companies that dependant on the Group's cash requirements that these will not be called upon in the 12 months from the date of signing these accounts.

The Group therefore has adequate resources both in terms of the cash reserves and facilities available within Magentus to support the Company over the next 12 months.

Governance of tax matters

All transactions undertaken by the Company have a business purpose and a commercial rationale. The Company does not engage in aggressive tax planning and does not implement structures purely for tax planning purposes. In relation to tax compliance, it is the policy of the Company to comply fully with all of the applicable tax rules, regulations and disclosure requirements in all territories in which it operates; submit all tax returns by their due dates in line with local laws; and pay all applicable taxes as they fall due. The Company uses appropriately qualified and trained employees to look after the Company's tax affairs and uses external advisors as appropriate.

Financial instruments

The Group's operations expose it to a variety of financial risks including the effects of changes in interest rates, foreign currency exchange rates, credit risk and liquidity risk.

The Group's principal financial instruments comprise cash and loans together with trade receivables and trade payables that arise directly from its operations.

Information about the use of financial instruments by the Group is given in note 23 of the consolidated financial statements included within Magentus I.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023**

Research and development

Investment in the development of its product and the protection of the intellectual property of such development work is considered key to the further improvement of the Company's competitive position. The Company has invested significantly in product development £957,582 (2022: £819,603) and will continue to increase these investments to include performance enhancements, bug fixes and integration of new technologies in the marketplace.

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

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

This report was approved by the board on 31 October 2023 and signed on its behalf.

Shreyash Gulab

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S Gulab

Director

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAGENTUS SOFTWARE LIMITED (FORMERLY
WELLBEING SOFTWARE LIMITED)**

Opinion

We have audited the financial statements of Magentus Software Limited (Formerly Wellbeing Software Limited) (the 'Company') for the year ended 30 June 2023, which comprise Statement of Profit and Loss and Other Comprehensive Income, Balance Sheet and Statement of Changes In Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- give a true and fair view of the state of the Company's affairs as at 30 June 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as Ukraine Russia War and inflationary pressures leading to cost of living crisis, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAGENTUS SOFTWARE LIMITED (FORMERLY
WELLBEING SOFTWARE LIMITED) (CONTINUED)**

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED) (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- The Company is subject to various laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur; Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice) and the Companies Act 2006 and relevant UK tax legislation. In addition, other laws and regulations mainly related to health and safety, employee matters and data protection laws which may have an influence on the determination of amounts and disclosures in the financial statements.
- We obtained an understanding of the legal and regulatory frameworks applicable to the Company and the industry in which it operates through our general and commercial and sector experience, discussions with management and inspection of legal correspondence. We obtained an understanding of how the Company is complying with those legal and regulatory frameworks by making inquiries of management and of those responsible for legal and compliance procedures. We corroborated our inquiries through our review of board minutes.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by discussions with management to understand where management considered there is a susceptibility to fraud.
- Audit procedures performed by the engagement team included:
 - o Identifying and assessing the design and implementation of controls management has in place to prevent and detect fraud;
 - o Identifying and testing journal entries, in particular journal postings that had material effect to the financial statements that were considered unusual account combinations and those determined to be large impacting revenue or relating to unusual transactions based on our understanding of the business;
 - o Challenging judgement and assumptions made by the management in its significant accounting estimates; and
 - o Identifying and testing related party transactions.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAGENTUS SOFTWARE LIMITED (FORMERLY
WELLBEING SOFTWARE LIMITED) (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements (continued)

- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - o Understanding of, and practical experience with, audit engagements of a similar nature and complexity, through appropriate training and participation; and
 - o Knowledge of the industry in which the Company operates.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Use of our report

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



Andrew Wood BA ACA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds
31 October 2023

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	Year ended 30 June 2023 £	Year ended 30 June 2022 £
Turnover	4	15,945,132	13,395,562
Cost of sales		<u>(3,421,872)</u>	<u>(1,588,283)</u>
Gross Profit		12,523,260	11,807,279
Other operating income	5	389,487	328,338
Administrative expenses		<u>(7,069,414)</u>	<u>(6,668,629)</u>
Underlying operating profit	6	5,843,333	5,466,988
Exceptional administrative (expenses)/ income	6	(218,031)	6,212,675
Amortisation of intangible assets	13	(434,849)	(288,055)
Total administrative expenses		<u>(7,722,294)</u>	<u>(744,009)</u>
Operating profit	6	5,190,453	11,391,608
Interest receivable and similar income	10	877,747	401,220
Interest payable and similar expenses	11	<u>(176,152)</u>	<u>(98,470)</u>
Profit before tax		5,892,048	11,694,358
Tax on profit	12	<u>(677,306)</u>	<u>(583,565)</u>
Profit after tax		<u>5,214,742</u>	<u>11,110,793</u>
Other comprehensive income:			
Total comprehensive income for the year		<u>5,214,742</u>	<u>11,110,793</u>

The notes on pages 15 to 33 form part of these financial statements.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

BALANCE SHEET
AS AT 30 JUNE 2023

	Note	30 June 2023 £	30 June 2022 £
Fixed assets			
Intangible assets	13	3,462,552	2,939,819
Tangible assets	14	281,920	248,186
Right of use assets	15	90,229	188,662
		<u>3,834,701</u>	<u>3,376,667</u>
Non current assets			
Debtors: amounts falling due after more than one year	18	<u>11,034,071</u>	<u>579,724</u>
Current assets			
Stocks	16	974	1,918
Debtors: amounts falling due within one year	17	21,687,074	19,705,087
Cash and cash equivalents	19	1,113,578	9,363,913
		<u>22,801,626</u>	<u>29,070,918</u>
Creditors: amounts falling due within one year	20	<u>(9,148,194)</u>	<u>(7,050,815)</u>
Net current assets		<u>13,653,432</u>	<u>22,020,103</u>
Creditors: amounts falling due after more than one year	21	(8,755,156)	(11,433,978)
Provisions for liabilities			
Deferred tax	22	(96,760)	(86,970)
		<u>(8,851,916)</u>	<u>(11,520,948)</u>
Net assets		<u>19,670,288</u>	<u>14,455,546</u>
Capital and Reserves			
Called up share capital	23	1	1
Retained earnings	24	<u>19,670,287</u>	<u>14,455,545</u>
		<u>19,670,288</u>	<u>14,455,546</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 October 2023.

Shreyashi Gulab

S Gulab
Director

The notes on pages 15 to 33 form part of these financial statements.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	Called up share capital	Retained earnings	Total Equity
	£	£	£
As at 1 July 2022	1	14,455,545	14,455,546
Total comprehensive income for the year	-	5,214,742	5,214,742
As at 30 June 2023	1	19,670,287	19,670,288

	Called up share capital	Retained earnings	Total Equity
	£	£	£
As at 1 July 2021	1	3,344,752	3,344,753
Total comprehensive income for the year	-	11,110,793	11,110,793
As at 30 June 2022	1	14,455,545	14,455,546

The notes on pages 15 to 33 form part of these financial statements.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. General Information

The Company is a private company limited by shares and incorporated in England and Wales. The principal activity of the Company is that of the provision and maintenance of computer software and systems with a particular regard to healthcare management.

The registered office of the Company during the financial year was i2 Mansfield Hamilton Court, Oakham Business Park, Mansfield, United Kingdom, NG18 5FB.

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

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company's functional and presentational currency is GBP.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 101 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

This information is included in the consolidated financial statements of Magentus UK Holdings I Limited as at 30 June 2023 and these financial statements may be obtained from i2 Mansfield Hamilton Court, Oakham Business Park, Mansfield, United Kingdom, NG18 5FB.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on a going concern basis. The directors have taken note of the guidance issued by the Financial Reporting Council on Going Concern Assessment in determining that this is the appropriate basis of preparation of the financial statements and have considered a number of factors.

The directors have considered the Group's cash position and the Group's net assets position, making appropriate assessments and reviewing forecasts of future trading levels and cash flows covering at least 12 months from the date of approval of these accounts. The Group has also prepared different severe but plausible scenarios from the forecast and none of them breach the model.

Intercompany debt is recoverable on demand and management have confirmed with the corresponding companies that dependant on the Group's cash requirements that these will not be called upon in the 12 months from the date of signing these accounts.

The Group therefore has adequate resources both in terms of the cash reserves and facilities available within Magentus to support the Company over the next 12 months.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)**2.4 Revenue**

Revenue is recognised under IFRS 15. This standard is based on a single model that distinguishes between promises to a customer that is satisfied at a point in time and those that are satisfied over time. Revenue is recognised when control of a good or service transfers to a customer.

To determine whether to recognise revenue, the Company follows a 5-step process:

- 1 Identifying the contract with a customer
- 2 Identifying the performance obligations
- 3 Determining the transaction price
- 4 Allocating the transaction price to the performance obligations
- 5 Recognising revenue when/as performance obligation(s) are satisfied.

The Company has the following revenue streams:

Installation/Professional Services

Professional services revenue is recognised based on the stage of completion (which is determined by using the input method of accounting) of the contractual commitment based on the steps outlined above.

Maintenance and Managed Services

Revenue in relation to maintenance of the software solutions and managed services is recognised on a straight line basis from the point at which the software goes live in the client environment.

Software Licenses

Revenue in relation to software licenses is recognised in line with the substance of the contractual obligation. If the license is not of a recurring nature, it will be recognised in line with the contractual milestones or at the point when the software is installed on the client site, whichever is sooner. If the licence relates to software provided by a third party the costs and revenue are recognised at the point when the software is installed on the client site.

Hardware

The revenue attributable to hardware is recognised at the point of receipt of the hardware to the Company as this is when the obligation is fulfilled or an agreed milestone if that better reflects the substance of the transaction.

2.5 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)
2.6 Intangible assets
Goodwill

Goodwill is not amortised but tested for impairment annually (as at 30 June) and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of the cash generating unit to which the goodwill relates. When the recoverable amount of the cash generating unit is less than its carrying amount an impairment loss is recognised.

Research and development

In the research phase of an internal software development project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research is recognised as an expense when it is incurred. The directors consider it appropriate that software development costs are capitalised and amortised over their useful economic life rather than being expensed. Software development intangible assets are recognised from the development phase of a project in accordance with FRS 101.

An intangible asset arising from development (or from the development phase of an internal project) shall be recognised if, and only if, an entity can demonstrate all of the following:

- a) the technical feasibility of completing the intangible asset so that it will be available for use or sale.
- b) its intention to complete the intangible asset and use or sell it.
- c) its ability to use or sell the intangible asset.
- d) how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
- e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

The capitalised software development costs are subsequently amortised on a straight line basis over their useful economic life.

If it is not possible to distinguish between the research phase and the development phase of an internal software development project, the expenditure is treated as if it were all incurred in the research phase only.

Software development intangible assets are initially recognised at cost, only core software development is capitalised and not the ongoing maintenance cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any impairment losses.

Amortisation is provided on the following bases:

Software development - 14.3 % straight line per annum

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)**2.7 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, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	33.3% straight line per annum
Office equipment	-	33.3% straight line per annum

2.8 Leases

IFRS 16 Leases which replaced IAS 17 Leases and related interpretations was adopted starting 1 January 2019. The new standard no longer requires a distinction between finance and operating leases for lessees but requires lessees to recognise a lease liability for future lease payments and a corresponding right of use asset. In the income statement, the expenses comprise a depreciation charge reflecting the consumption of economic benefits and an interest expense reflecting the unwinding of the lease liability which is accounted for as a finance cost.

The lease liability is measured at commencement date at the present value of the future lease payments, discounted with the interest rate implicit in the lease or, if not readily determinable, with the lessee's respective incremental borrowing rate.

The right for use asset is recognised at commencement date at cost, which includes the amount of the lease liability recognised. The right of use assets are depreciated on a straight line basis over the shorter of its estimated useful life and lease term.

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of no 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.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)**2.11 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.

Under IFRS 9 the expected credit loss model applies to debtors. The chosen method of recognising the expected credit loss across the Company is the simplified approach allowing a provision matrix to be used, which is based on the expected life of debtors and historic default rates.

The carrying amount of the debtor is reduced through use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectable.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable 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 financed at a rate of interest that is not market rate, or in case of a 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.

Investments in non-convertible preference shares and in non-puttable ordinary shares are measured:

- at fair value with changes recognised in the Statement of Profit and Loss and Other Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)**2.12 Financial instruments (continued)**

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.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Foreign currency translation**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 year 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 that relate to borrowings and cash and cash equivalents are presented in the Statement of Profit and Loss and Other Comprehensive Income within 'finance income and costs'. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss and Other Comprehensive Income within 'administrative expenses'.

2.15 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 the Statement of Profit and Loss and Other Comprehensive Income 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.

2.16 Borrowing costs

All borrowing costs are recognised in the Statement of Profit and Loss and Other Comprehensive Income in the year in which they are incurred.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)**2.17 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Profit and Loss and Other Comprehensive Income, 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.

2.18 Exceptional Items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.19 Contract Assets

Contract assets are costs incurred on the continued build out of the Company's pathology capability to support a number of implementation projects running concurrently. Once each project obtains a confirmed status of "go-live" which will require customer sign off then these costs will be released evenly over the term of the contract.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Intangibles

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non controlling interests over the identifiable assets acquired and liabilities assumed. If the consideration transferred is less than the fair value of the net assets acquired, the gain is recognised directly in the income statement.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Exceptional items

The Company discloses exceptional items being those material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the year, so as to facilitate comparison with years and to better assess trends in financial performance.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

4. Turnover

The whole of the turnover is attributable to the provision and maintenance of computer software and systems with particular regard to healthcare management.

	Year ended 30 June 2023 £	Year ended 30 June 2022 £
United Kingdom	15,666,653	13,395,562
Europe	278,479	-
	<u>15,945,132</u>	<u>13,395,562</u>

5. Other operating income

	Year ended 30 June 2023 £	Year ended 30 June 2022 £
Other operating income	<u>389,487</u>	<u>328,338</u>

Other operating income in the current and prior year comprises of tax credits under the R&D expenditure credit (RDEC) scheme.

6. Operating profit

The operating profit is stated after charging:

	Year ended 30 June 2023 £	Year ended 30 June 2022 £
Depreciation of tangible fixed assets	183,696	160,704
Depreciation of right for use assets	98,433	98,433
Amortisation of intangible assets	434,849	288,055
Exceptional item - Redundancy and restructuring	218,031	-
Exceptional item - Integration costs	-	171,810
Exceptional item - Release of outstanding intercompany balances	<u>-</u>	<u>(6,384,485)</u>

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023**7. Auditor's remuneration**

	Year ended 30 June 2023 £	Year ended 30 June 2022 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>27,000</u>	<u>14,000</u>

8. Employees

Staff costs were as follows:

	Year ended 30 June 2023 £	Year ended 30 June 2022 £
Wages and salaries	7,623,751	5,244,627
Social security costs	830,795	570,217
Cost of defined contribution scheme	<u>181,790</u>	<u>131,374</u>
	<u>8,636,336</u>	<u>5,946,218</u>

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

	Year ended 30 June 2023 No.	Year ended 30 June 2022 No.
Operations	51	57
Development	17	21
Sales	9	9
Product	5	5
HR & Finance	10	10
Marketing	1	-
Pathology	39	9
Management	<u>2</u>	<u>-</u>
	<u>134</u>	<u>111</u>

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

9. Directors' remuneration

	Year ended 30 June 2023 £	Year ended 30 June 2022 £
Directors' emoluments	452,695	243,709
Company contribution to defined contribution pension schemes	11,775	7,208
	<u>464,470</u>	<u>250,917</u>

During the year retirement benefits were accruing to 3 directors (2022: 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £192,671 (2022: £123,520).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £5,063 (2022: £4,432).

10. Interest receivable and similar expenses

	Year ended 30 June 2023 £	Year ended 30 June 2022 £
Interest receivable from group companies	871,730	397,038
Other interest receivable	6,017	4,182
	<u>877,747</u>	<u>401,220</u>

11. Interest payable and similar expenses

	Year ended 30 June 2023 £	Year ended 30 June 2022 £
Other interest payable	6	61
Interest payable to group companies	172,234	91,750
Lease interest	3,912	6,659
	<u>176,152</u>	<u>98,470</u>

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

12. Taxation

	Year ended 30 June 2023 £	Year ended 30 June 2022 £
Corporation tax		
Current tax on profits for the year	591,139	527,754
Adjustments in respect of prior years	76,377	20,771
Total current tax	667,516	548,525
Deferred tax (note 22)		
Origination and reversal of timing differences	9,790	8,157
Adjustments in respect of prior years	-	26,883
Total deferred tax	9,790	35,040
Taxation on profit on ordinary activities	677,306	583,565

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022 - lower than) the standard rate of corporation tax in the UK of 25% (effective April 2023) & 19% (to March 2023) (2022 - 19%). The differences are explained below:

	Year ended 30 June 2023 £	Year ended 30 June 2022 £
Profit on ordinary activities before tax	<u>5,892,048</u>	<u>11,694,358</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (effective April 2023) & 19% (to March 2023) (2022 - 19%)	1,207,870	2,221,928
Effects of:		
Expenses not deductible for tax purposes	93,373	54,202
Release of outstanding intercompany balances	-	(1,213,052)
Deductions for capitalised development cost	(196,304)	(155,725)
Group relief not paid for	(504,010)	(392,315)
Rate difference	-	20,873
Prior year adjustments to current tax	76,377	20,771
Prior year adjustments to deferred tax	-	26,883
Total tax charge for the year	<u>677,306</u>	<u>583,565</u>

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

13. Intangible assets

	Software Development £	Goodwill £	Total £
Cost			
At 1 July 2022	3,756,847	129,841	3,886,688
Additions	957,582	-	957,582
At 30 June 2023	<u>4,714,429</u>	<u>129,841</u>	<u>4,844,270</u>
Amortisation			
At 1 July 2022	946,869	-	946,869
Charge for the year	434,849	-	434,849
At 30 June 2023	<u>1,381,718</u>	<u>-</u>	<u>1,381,718</u>
Net book value			
At 30 June 2023	<u>3,332,711</u>	<u>129,841</u>	<u>3,462,552</u>
At 30 June 2022	<u>2,809,978</u>	<u>129,841</u>	<u>2,939,819</u>

The Company has taken advantage of the exemption not to disclose the remaining amortisation period for intangible fixed assets as these are disclosed in the Group accounts of the parent company.

14. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At 1 July 2022	93,665	628,779	722,444
Additions	-	217,430	217,430
At 30 June 2023	<u>93,665</u>	<u>846,209</u>	<u>939,874</u>
Depreciation			
At 1 July 2022	83,502	390,756	474,258
Charge for the year	10,163	173,533	183,696
At 30 June 2023	<u>93,665</u>	<u>564,289</u>	<u>657,954</u>
Net book value			
At 30 June 2023	<u>-</u>	<u>281,920</u>	<u>281,920</u>
At 30 June 2022	<u>10,163</u>	<u>238,023</u>	<u>248,186</u>

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

15. Right of use assets

The Company assesses at inception of a contract whether it contains a lease under IFRS16 and accordingly recognises a right of use asset and a lease liability if it meets the definition of a lease, with the exception of short-term leases and leases of low value assets. The average lease period is 10 years and the IBR rate is 3%.

Right of use assets	Land and buildings £
Cost	
At 1 July 2022	533,177
At 30 June 2023	<u>533,177</u>
Depreciation	
At 1 July 2022	344,515
Charge for the year	98,433
At 30 June 2023	<u>442,948</u>
Net book value	
At 30 June 2023	<u>90,229</u>
At 30 June 2022	<u>188,662</u>
Lease liabilities	Land and buildings £
At 1 July 2022	229,404
Interest expense	3,912
Lease payments (principal and interest)	(97,000)
At 30 June 2023	<u>136,316</u>

16. Stocks	30 June 2023 £	30 June 2022 £
Finished goods and goods for resale	<u>974</u>	<u>1,918</u>

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023**17. Debtors: amounts falling due within one year**

	30 June 2023 £	30 June 2022 £
Trade debtors	3,296,822	9,432,515
Amounts owed by group undertakings	16,721,379	7,655,906
Other debtors	-	349,642
Prepayments and accrued income	1,668,873	2,267,024
	<u>21,687,074</u>	<u>19,705,087</u>

Amounts owed by group undertakings are unsecured, accrue interest at a rate of 5.5% (2022: 5.5%) and are repayable on demand.

Note 2.11 includes disclosures relating to the credit risk exposures and analysis relating to the allowance for expected credit losses. The analysis led to the conclusion that no general provision needed to be made.

Trade debtors are stated after provisions for impairment of £nil (2022: £nil).

18. Debtors: amounts falling due after more than one year

	30 June 2023 £	30 June 2022 £
Contract assets	<u>11,034,071</u>	<u>579,724</u>

Contract assets relate to the costs incurred on the continued build out of the Company's pathology capability to support a number of implementation projects running concurrently.

19. Cash and cash equivalents

	30 June 2023 £	30 June 2022 £
Cash at bank and in hand	<u>1,113,578</u>	<u>9,363,913</u>

20. Creditors: Amounts falling due within one year

	30 June 2023 £	30 June 2022 £
Trade Creditors	650,119	126,469
Amounts owed to group undertakings	3,303,769	1,759,923
Other taxation and social security	301,961	575,141
Other creditors	71,194	22,514
Lease liabilities	136,316	93,088
Accruals and deferred income	4,684,835	4,473,680
	<u>9,148,194</u>	<u>7,050,815</u>

Amounts owed to group undertakings are unsecured, accrue interest at a rate of 5.5% (2022: 5.5%) and are repayable on demand.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023**21. Creditors: Amounts falling due after more than one year**

	30 June 2023	30 June 2022
	£	£
Lease liabilities	-	136,316
Accruals and deferred income	8,755,156	11,297,662
	<u>8,755,156</u>	<u>11,433,978</u>

22. Deferred taxation

	30 June 2023	30 June 2022
	£	£
At beginning of year	86,970	51,930
Origination and reversal of timing differences	9,790	35,040
At end of year	<u>96,760</u>	<u>86,970</u>

The provision for deferred taxation is made up as follows:

	30 June 2023	30 June 2022
	£	£
Short term timing differences	-	-
Accelerated capital allowances	96,760	86,970
	<u>96,760</u>	<u>86,970</u>

23. Share capital

	30 June 2023	30 June 2022
	£	£
Shares classified as equity		
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

24. Reserves**Retained earnings**

This includes all current and prior year retained profits and losses.

MAGENTUS SOFTWARE LIMITED (FORMERLY WELLBEING SOFTWARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

25. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are administered by trustees in a fund independent from those of the Company.

The pension cost for the year was £181,790 (2022: £131,374).

26. Related party transactions

The Company has taken advantage of the exemption available whereby it has not disclosed transactions with any company within the Group.

27. Controlling party

The Group is controlled by Pacific Group Topco Pty Ltd on the basis that it indirectly held a controlling interest in the voting rights of the share capital of Magentus UK Holdings I Limited.

The immediate parent company is Magentus UK Holdings III Limited, a company incorporated in England and Wales, by virtue of its 100% ownership of the Company's ordinary share capital. The ultimate parent undertaking is Pacific Group Topco Pty Ltd, a company incorporated in Australia. The financial statements of Pacific Group Topco Pty Ltd include Magentus UK Holdings I Limited, and copies of these financial statements can be obtained from Level 31, 126-130 Phillip Street, Sydney NSW 2000, Australia.