Lock Topco Limited

Annual report and financial statements
For the year ended 31 March 2022

Registered number 09175895

Contents

Strategic Report

The directors present their Strategic report for the year ended 31 March 2022.

Principal activity

The Company's principal activity is to act as a Holding Company.

The Group ("MVF") helps people navigate complex buying decisions and aspires to drive more sales globally than anyone else through introducing new customers to our clients.

Our customers are businesses or consumers looking for help with a complex buying decision, such as new software for their business. Our customers trust our proprietary brands to help them navigate these buying choices, through provision of relevant content and information for their buying decision, as well as introducing them to relevant providers of their desired product or service.

Our clients are the providers of these products and services, and we help them achieve their ambitious growth targets by providing them unrivalled volumes of new customers who are prepared and ready to buy.

We reach a huge universe of potential customers through a wide range of digital marketing channels and through MVF's own industry-leading brands. Our Platform generates prospective customers who are actively looking to make purchases in dozens of product and service categories and in over 50 countries.

MVF's focus on developing its proprietary technology and multi-channel marketing expertise allows clients an unparalleled reach into new markets and channels, delivering engaged customers in real-time to fuel sustainable and profitable growth for some of the world's most ambitious businesses.

Business review

MVF achieved strong results in the year to March 2022 despite the continued impact of Covid-19. Total annual revenue increased by 30% year on year with revenue 15% higher than the year to March 2020 (pre-Covid impacts). MVF expects continued growth in the year ending March 2023. The increase in revenues led to an increase in gross profit of 21% year on year.

MVF generated EBITDA of £19.2m*, an increase of 9% year on year including continued investment in our talented workforce as well as opening of our new London office in April 2021. Operating profit for the year more than doubled to £5.9m (2021: £2.9m) and included £10m (2021: £10.5m) of amortisation of strategic investments in website assets alongside goodwill and other intangible assets.

In the prior year, the Group acquired a Dutch Digital Marketing and Publishing company. Their cutting-edge proprietary comparison tools give customers the opportunity to get tailored product recommendations in real time and applies a pay-per-click model to allow clients with online sales processes to leverage MVF's platform, in addition to our traditional pay-per-lead model. This aspect of our business has seen significant growth in the year.

The Group moved into a new office space at Wenlock Works in the heart of London's technology hub in Old Street in April 2021. We have designed and built a nurturing and inspiring environment in this office which enables an effective and collaborative working environment for all our employees, while also maintaining Covid safe systems and processes. The new office opened in April 2021.

Whilst there is global economic uncertainty, MVF expects client demand to remain resilient in the future and for clients to continue to rely on our services in helping them find new customers, with the business continuing to grow in the year to March 2023.

To support this growth, MVF drew down a further £35m of the new bank loan facility which was used to redeem c.£35m of Loan Notes higher up in the group in order to achieve a lower cost of capital and drive improved shareholder value as the group grows.

MVF also continued to incentivise employees to deliver growth and shareholder value by granting further "F Shares" which participate in future returns of capital where the value exceeds a specified "hurdle".

** EBITDA is defined as "Earnings Before Interest, Tax, Depreciation & Amortisation" and is intended to represent the Group's underlying operational performance. To reflect the underlying operating activity, EBITDA also excludes certain non-operational items including costs associated with the Group's capital funding structure alongside gains/losses arising on foreign exchange transactions. EBITDA is calculated as Operating Profit £5.9m (2021: £2.9m), plus foreign currency exchange losses of £0.9m (2021: £1.2m), plus adding back non-operational costs of £1.1m (2021: £2.4m) and depreciation/amortisation of £11.3m (2021: £11.1m).*

Strategic Report (continued)

Technology platform development

MVF's technology platform is a key source of competitive advantage and scalability and is essential for delivering continued profit growth. This technology platform automates and optimises processes related to marketing and the efficient and compliant capture, qualification, and distribution of customer information to clients. It also provides in-house analysts with rich data collected from marketing platforms and customer activity from hundreds of thousands of new customers monthly.

The technology platform is proprietary to MVF and has been designed and developed entirely by MVF's directors and staff, who continue to advance it to meet business opportunities and the changing digital marketing landscape.

People and recruitment

MVF continues to focus on hiring the best talent, providing a world class culture and exceptional learning environment. In 2020, MVF was voted the Sunday Times 'Best Company to Work For' in the UK. MVF also won the top prize for learning and development; an award which recognised MVF's two Institute for Leadership and Management accredited training schemes - the Management Development Academy and the 'Mate to Manager' scheme - both of which train MVFers on how to grow and develop their teams. MVF also hosts an annual 'learning festival' called MVF Fest which sees people from across the business share expertise and pass on lessons to their colleagues.

Diversity and Inclusion:

MVF currently has three networks focused on creating an inclusive and supportive environment within the business - the Women's Network, LEEP (Lived Experiences of Ethnic People) and the LGBTQ+ network. All three groups have ambitious, measurable objectives which will ensure the Group continues to improve in providing an inclusive environment - their aims are wholeheartedly supported by the Board.

We also partner with School21 (a school in Stratford, London, for children from all backgrounds) through our LEEP network to deliver a practical developmental programme for the school. With the support of employee mentors and programme coordinators the students apply their learning throughout the programme by working on a practical project brief.

Social responsibility

MVF has a Corporate Social Responsibility ("CSR") Committee, the objectives of which are to foster the Group's relationship with the local community, to fundraise for external charities, and help to improve the Group internally, for example improving the Group's green policy.

MVF offers every full-time employee two days off each year to work with a registered charity of their choice, in opportunities organised either individually or by the CSR committee.

Through the Charities Aid Foundation, MVFers are able to donate a portion of their salary to the registered charity of their choice. Whatever amount they nominate is then matched by the Group, doubling their donation. MVF also matches employees' personal fundraising efforts towards a registered charity, up to the value of £500 per employee.

MVF has several networks which promote Diversity and Inclusion for all our employees, and each of our networks this year partnered with a Charity that aligns with their values and objectives.

As in previous years, at Christmas, instead of sending our clients gifts/hampers, we chose to make a donation to our partner charities and sent an ecard to all clients so they could see first-hand the valuable work they do and how the donation would be supporting charities over the festive period.

MVF strives to be a responsible business and positively impact the communities we're part of. To do this we've partnered with "Business in the Community", who help businesses to deliver change that is needed for society and the planet – focusing on the United Nations Sustainable Development Global Goals such as diversity & inclusion, sustainability, health & wellbeing and inclusive education

MVF has an Environmental, Social and Governance ('ESG') policy which includes monitoring key performance indicators to provide the directors with greater visibility of relevant ESG matters.

Strategic Report (continued)

Greenhouse Gas ("GHG") emissions

The Group has an Environmental, Social and Governance ('ESG') policy which includes monitoring key performance indicators to provide the directors with greater visibility of relevant ESG matters. The Group wants to deliver shared value for community and environment by doing its part to tackle structural and lasting environmental, social and economic changes responsibly in line with the Sustainable Development Goals (SDG) developed by the United Nations. Being a Responsible Business is the right thing to do; it helps us to manage risk, realise higher value creation and find shared value for communities and our environment using the SDG framework with ESG subsets.

The Group GHG emissions reporting calculation is undertaken in line with our obligations under the Streamlined Energy & Carbon Reporting regulations, March 2019.

The Group's GHG emissions are expected to arise primarily from Utilities and Travel and below we have provided some detail and a rationale as to how we have calculated these figures.

Utilities

As noted in the Strategic Report, we have consolidated our London office portfolio into one new Head Office near Old Street which opened in April 2021. The GHG reporting is for the UK members of the group and therefore covers the London office. We used data provided by our landlord to collate the relevant units.

Travel

In general, employees of the Group travel both nationally and internationally in order to fulfil their roles. However, during the year, as a result of the pandemic, our employees conducted less business travel than usual and have instead utilised online video conferencing facilities. In future years, the Group does expect travel will increase. In the year we collated data for GHG emissions from Travel from invoices and expense claims. In future, we will also be able to utilise information provided from our travel agents.

	Year ended 31 March 2022
Scope 1 emissions - Generated from the gas used in buildings where the Group operates *298,732 kWh multiplied by 0.18387 UK Government Conversion Factor converted to tCO2e*	55 tCO_2e
Scope 2 emissions - Generated from the use of electricity in buildings from which the Group operates *145,795 kWh multiplied by 0.23314 UK Government Conversion Factor converted to tCO_2e*	34 tCO_2e
Scope 3 emissions - Generated from employees of the Group travelling both nationally and internationally in order to fulfil their roles *tCO2e*	14 tCO_2e
Intensity ratio - Emissions per employee	0.20 tCO_2e

Despite energy efficient efforts taken by the Group - the new property is in a Grade A energy efficient office building, has LED lighting and new heating, ventilation and air conditioning (HVAC) systems - we expect these figures to increase in the year to 31 March 2023, as the energy usage in offices was lower than usual as a result of lockdowns and in future there will be more employee travel to consider which was lower than usual in the year.

Principal risks and uncertainties

1. Financial Risks

The Group's activities expose it to certain financial risks including credit risk, liquidity risk, foreign exchange risk, and interest rate risk.

- Credit risk. The Group's credit risk is attributable primarily to its trade receivables, which in the balance sheet are presented net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in recoverability. The Group maintains a credit policy and procedures and has no significant concentration of credit risk, with exposure spread over a large number of clients.
- Liquidity risk. In order to ensure that sufficient funds are available for operations and investment, the Group actively monitors and manages its cash balances. The Group's policy is to pay suppliers in accordance with agreed credit terms. Cash at year end was £23,238,000 (2021: £11,314,000). The Group was not overdrawn at any time during the year. The Group can draw upon a Revolving Credit Facility of £2,000,000, if required.

Strategic Report (continued)

Principal risks and uncertainties (continued)

- Foreign exchange risk. The Group operates internationally and is exposed to foreign exchange risk relating primarily to US dollar and Euro receivables and payables. The Group actively monitors and manages its foreign currency exposures. During the year the Group drew down further agreed bank loans in a combination of Sterling, US dollar and Euro.
- Interest rate risk. Bank loans are SONIA or LIBOR-linked and hence an increase in prevailing interest rates would increase the interest payable under loan facilities. However, the Group has an Interest Rate Cap in place and so significant interest rate increases are therefore unlikely to have a material impact on the Group, and the directors continue to monitor this exposure.

2. Macro-Economic Outlook

The global response to the Covid-19, as well as the war in Ukraine, and the wider economic downturn has had a wide ranging and significant impact on local and global economies, which is unpredictable. MVF expects digital advertising spend to remain resilient in the future and for clients to continue to rely on our services in helping them find new customers. In the short term, there could be further volatility, however, we expect both client and buyer demand to remain robust and MVF has sufficient cash reserves to manage any short-term impacts.

Section 172 statement

The Group is a values-led organisation and we expect everyone in the business, from new starter to board executive, to earn trust, inspire positivity and help others succeed. As such, the directors of the Group have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

Making decisions in the long-term interests of the business while considering the impact on all stakeholders is not simple but the Group endeavours to consider a broad range of views and interests by engaging with representatives from across the business regularly and ensuring there is thorough and regular reporting covering financial and operational performance, non-financial KPIs, risk and ESG matters.

As is usual for a business of this size, authority for day to day running of the company is delegated to managers with regular and transparent reporting provided to the board in the form of papers, presentations and meetings.

The Group has a 'Business Conduct Committee'("BCC") comprising several Executive Board members as well as representatives from relevant departments such as legal and PR, which is responsible for ensuring all of the business's actions are in the best interests of our stakeholders and in accordance with our 7 Business Conduct Principles. Our principles are currently under review to identify if there are opportunities to improve the effectiveness of our business conduct strategy.

These principles are as follows:

1. Promote products and services that bring value to consumers and businesses, and provide our clients with informed and engaged customers
2. Be positive, truthful and fair in all our dealings with our users, clients, and other stakeholders
3. Partner with businesses that share our values and standards, and treat their customers and other stakeholders fairly and with respect
4. Produce content that is decent, honest and transparent, and provide accurate information that will enhance our users' experience
5. Respect and safeguard people's data and privacy
6. Positively foster the reputation of our business, MVFers, clients, customers, suppliers and other stakeholders
7. Prioritise our Business Conduct Principles over short-terms gains, and quickly acknowledge and correct our actions where we have failed to meet our standards

Strategic Report (continued)

Section 172 statement (continued)

Relevant stakeholders are invited to join the committee meetings so that they can advocate for their interests and we are constantly reviewing who is invited to the sessions to ensure we are considering the interests of all relevant groups. For transparency, every decision made within the BCC is conveyed to the wider business in the form of a report published following the session.

By order of the board

Mike Winn

Michael Winn
Director

16 December 2022

1st & 2nd Floors
Wenlock Works
1a Shepherdess Walk
London, England
N1 7QE

Directors' report

The directors present their Directors' report and financial statements for the year ended 31 March 2022.

Research and development

The Group's technology platform is a key source of competitive advantage and scalability for the Group and is essential for delivering continued profit growth. This technology platform automates and optimises processes related to marketing and the efficient capture, qualification, and distribution of sales leads to clients. It also provides in-house analysts with rich data collected from marketing platforms and user activity from hundreds of thousands of new sales leads generated monthly.

The technology platform is proprietary to the Group and has been designed and developed entirely by the Group's directors and staff, who continue to advance it to meet business opportunities and the changing digital marketing landscape.

Proposed dividend

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

Employees

MVF are an equal opportunities employer. We ensure that all job adverts and job descriptions contain a Diversity, Equity and Inclusion (DEI) statement encouraging all MVFers to respect, value and celebrate our differences, and commit to actions that ensure that we can be authentic at MVF, without limitations or barriers. We are committed to providing support and/or adjustments to those who may need them during employment. Candidates and employees are actively invited to speak with their Line Manager, Department DEI Ambassador, People Partner or our Health & Well-being Partner to raise any concerns or support requirements. We work closely with several external partners including Access to Work, Occupational Health and Zurich Rehabilitation services, who provide us with advice if reasonable adjustments are required. To date, we have not had any MVFers disclose physical disabilities but have offered significant support for employees who have raised mental health issues.

MVF run regular surveys to encourage feedback from all employees. The last survey held was in May 2022 and prior to that in September 2021. Action planning takes place after each survey to ensure that we demonstrate that we are actively listening to employees.

In addition to the engagement surveys, each department has a Mental Health First Aider and DEI Ambassador. We encourage the formation of employee led networks in order to bring employees with shared interests together to advance diversity, equity and Inclusion at MVF, whether as a member of a diverse community or an ally. MVF have three networks: LEEP (Lived Experience of Ethnic People), LGBTQ+ and Women's Network who engage with employees, solicit feedback and opinions, raise awareness and provide support.

MVF has 6 values which shape how we behave with each other, customers, clients and partners. As well as ensuring that all MVFers are regularly living our values through Manager and peer assessments, we celebrate individuals who are living the values through a monthly Values Award.

Each month, MVF hold a town hall meeting for all employees. A standing agenda item is communicating our Winning Aspiration and Strategic Choices, together with a Trading and Finance Update. Senior leaders share a trading update every other week via company communication channels and our CEO provides a wider video update to all MVFers on alternate weeks.

Our sales and contact centre teams receive commission as part of their role which is customary for similar roles. However, in addition, a number of employees are also incentivised with equity to drive value creation for the business.

Finally, each year, MVF hold a learning festival which supports sharing of progress, innovative ideas, celebration of wins, lessons learned from failures and engaging MVFers through awarding achievements.

Going concern

The Directors have considered the ongoing uncertainty due to the macro-economic outlook since the war in Ukraine as part of the Group's adoption of the going concern basis.

The Group continues to grow and generate strong cash flows and was not at risk of breaching its financial covenants in relation to its secured bank loans.

Directors' Report (continued)

Going concern (continued)

The Board's forecasts, including severe downside scenarios, indicate that the Group will continue to generate cash to meet its financial obligations and there is significant headroom on its financial covenants in relation to its bank loans. Additionally, the maturity date on the Shareholder Loan Notes was extended to 30 June 2024. Therefore, whilst there is wider economic uncertainty, the Directors are confident the Group will sustain profitability and cash flow and so believe it remains appropriate to prepare the financial statements on a going concern basis.

Events after the balance sheet date

On 13 June 2022, the Shareholder board approved a 1 year deferral of the Shareholder Loan Notes, extending the maturity from 16 February 2023 to 16 February 2024. On 16 December 2022, the Shareholder board approved a further deferral to 30 June 2024.

On 3 October 2022, the Company completed the purchase of a UK company called Expert Reviews Holdings Limited for an initial consideration, including professional fees but prior to the finalisation of completion accounts of £11,272,000.

Directors

The directors who held office during the year were as follows:

M Black

T Harris-Speid

J Hopkinson

T Morgan

T Sharpe

M Teixeira

P Rigby

M Winn

Political contributions

The Group made no political donations or incurred any political expenditure during the year (2021:£nil).

Disclosure of information to auditor

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

Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on pages 1 to 5.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

Mike Winn

Michael Winn
Director

1st & 2nd Floors
Wenlock Works
1a Shepherdess Walk
London, England
N1 7QE

16 December 2022

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

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the Group and parent Company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and parent 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 parent 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 parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its 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 to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Lock Topco Limited

Opinion

We have audited the financial statements of Lock Topco Limited ("the Company") for the year ended 31 March 2022 which comprise the Consolidated Profit and Loss Account and Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2022 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue recognition is formulaic and there is limited opportunity to fraudulently recognise revenue.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of some of the Group-wide fraud risk management controls.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual cash postings.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation, and employment legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group's license to operate. We identified the following areas as those most likely to have such an effect: data protection laws, anti-bribery, employment law, and certain aspects of company legislation recognising the nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

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

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 8, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and 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 they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

Independent auditor's report to the members of Lock Topco Limited *(continued)*

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

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

Richard Johnson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

Date: 19 December 2022

Consolidated Profit and Loss Account and Other Comprehensive Income
for the year ended 31 March 2022

	Note	**Year ended 31 March 2022 £000**	Year ended 31 March 2021 £000
Turnover	*2*	128,756	99,178
Cost of sales		(70,196)	(50,581)
Gross profit		58,560	48,597
Administrative expenses		(44,785)	(38,870)
Goodwill amortisation		(7,909)	(7,610)
Other operating income	*3*	-	850
Operating profit	*4*	5,866	2,967
Interest payable and similar charges	*7*	(9,243)	(12,086)
Loss before taxation		(3,377)	(9,119)
Tax on loss	*8*	(1,966)	(1,652)
Loss for the year		(5,343)	(10,771)
Other Comprehensive Income			
Exchange differences on translating foreign operations		30	(74)
Total comprehensive loss for the year		(5,313)	(10,845)

All results derive from continuing operations.

The notes on pages 19 to 39 form part of these financial statements.

Consolidated Balance Sheet
at 31 March 2022

	Note	2022 £000	2022 £000	2021 £000	2021 £000
Fixed assets					
Intangible assets					
Goodwill	9		19,464		27,373
Other intangible assets	9		4,852		4,532
			24,316		31,905
Tangible assets	10		6,988		7,991
			31,304		39,896
Current assets					
Debtors	12	19,909		18,032	
Cash at bank and in hand		23,238		11,314	
		43,147		29,346	
Current liabilities					
Creditors: amounts falling due within one year	14	(63,856)		(20,650)	
Net current assets/(liabilities)			(20,709)		8,696
Total assets less current liabilities			10,595		48,592
Creditors: amounts falling due after more than one year	15		(61,911)		(94,709)
Provisions for liabilities					
Other provisions	16		(978)		(904)
Net liabilities			(52,294)		(47,021)
Capital and reserves					
Called up share capital	17		13		13
Share premium			207		207
Own share reserves	17		34		(6)
Foreign currency translation reserve			(18)		(48)
Profit and loss account			(52,530)		(47,187)
Shareholders' deficit			(52,294)		(47,021)

The notes on pages 19 to 39 form part of these financial statements.

These financial statements were approved by the board of directors on 16 December 2022 and were signed on its behalf by:

Mike Winn

Michael Winn
Director

Company registered number: 09175895

Company Balance Sheet
at 31 March 2022

	Note	**2022 £000**	**2022 £000**	2021 £000	2021 £000
Fixed assets					
Investments	*11*		175		175
Current assets					
Debtors	*12*	539		593	
Current liabilities					
Creditors: amounts falling due within one year	*14*	(424)		(529)	
Net current assets			115		64
Total assets less current liabilities			290		239
Net assets			290		239
Capital and reserves					
Called up share capital	*17*		13		13
Share premium			207		207
Own share reserve	*17*		34		(6)
Profit and loss account			36		25
Shareholders' funds			290		239

The notes on pages 19 to 39 form part of these financial statements.

These financial statements were approved by the board of directors on 16 December 2022 and were signed on its behalf by:

Mike Winn

Michael Winn
Director

Company registered number: 09175895

Consolidated Cash Flow Statement

for year ended 31 March 2022

	Note	2022 £000	2021 £000
Cash flows from operating activities			
Loss for the year		(5,343)	(10,771)
Adjustments for:			
Depreciation and amortisation	9, 10	11,337	11,115
Loss on disposal of fixed assets		17	
Interest payable and similar charges	7	9,243	12,086
Taxation	8	1,966	1,652
Share-based payments		40	-
		17,260	14,082
Increase in trade and other debtors		(2,630)	(955)
Increase in trade and other creditors		4,014	4,672
Cash flow from operating activities		18,644	17,799
Interest paid		(7,536)	(976)
Tax paid		(1,918)	(992)
Net cash from operating activities		9,190	15,831
Cash flows from investing activities			
Acquisition of tangible fixed assets		(258)	(6,289)
Acquisition of subsidiary		-	(1,625)
Acquisition of other intangible assets	9	(2,430)	(1,990)
Net cash used from investing activities		(2,688)	(9,904)
Cash flows from financing activities			
New bank loans	20	36,112	28,400
Bank loan repayment	20	-	(9,060)
Loan fees payment	20	(750)	(2,481)
Shareholder loan repayment	20	(29,940)	(42,091)
Net cash from/(used in) financing activities		5,422	(25,232)
Net increase/(decrease) in cash and cash equivalents		11,924	(19,305)
Cash and cash equivalents at 1 April		11,314	30,619
Cash and cash equivalents at 31 March		23,238	11,314

The notes on pages 19 to 39 form part of these financial statements.

Consolidated Statement of Changes in Equity

	Called up Share Capital £'000	Share Premium Account £'000	Own Share Reserve £'000	Foreign Currency Translation Reserve £'000	Profit & Loss Account £'000	Total Shareholder's Deficit £'000
Balance at 1 April 2020	12	207	(6)	26	(36,416)	(36,177)
Loss for the year	-	-	-	-	(10,771)	(10,771)
Currency translation differences	-	-	-	(74)	-	(74)
Total comprehensive loss for the year	-	-	-	(74)	(10,771)	(10,845)
Issue of new shares	1	-	-	-	-	1
Balance at 31 March 2021	**13**	**207**	**(6)**	**(48)**	**(47,187)**	**(47,021)**

	Called up Share Capital £'000	Share Premium Account £'000	Own Share Reserve £'000	Foreign Currency Translation Reserve £'000	Profit & Loss Account £'000	Total Shareholder's Deficit £'000
Balance at 1 April 2021	13	207	(6)	(48)	(47,187)	(47,021)
Loss for the year	-	-	-	-	(5,343)	(5,343)
Share Based Payment	-	-	40	-	-	40
Currency translation differences	-	-	-	30	-	30
Total comprehensive loss for the year	-	-	**40**	**30**	**(5,343)**	**(5,273)**
Issue of new shares	-	-	-	-	-	-
Balance at 31 March 2022	**13**	**207**	**34**	**(18)**	**(52,530)**	**(52,294)**

The notes on pages 19 to 39 form part of these financial statements.

Company Statement of Changes in Equity

	Called up Share Capital £'000	Share Premium Account £'000	Own Share Reserve £'000	Profit & Loss Account £'000	Total Shareholder's Deficit £'000
Balance at 1 April 2020	12	207	(6)	(45)	168
Profit for the year	-	-	-	70	70
Total comprehensive income for the year	-	-	-	70	70
Issue of new shares	1	-	-	-	1
Balance at 31 March 2021	**13**	**207**	**(6)**	**25**	**239**

	Called up Share Capital £'000	Share Premium Account £'000	Own Share Reserve £'000	Profit & Loss Account £'000	Total Shareholder's Deficit £'000
Balance at 1 April 2021	**13**	**207**	**(6)**	**25**	**239**
Profit for the year	-	-	-	11	11
Share Based Payment	-	-	40	-	40
Total comprehensive income for the year	-	-	40	11	51
Balance at 31 March 2022	**13**	**207**	**34**	**36**	**290**

The notes on pages 19 to 39 form part of these financial statements.

Notes
(forming part of the financial statements)

1 Accounting policies

Lock Topco Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These Group and parent company financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (*"FRS 102"*) as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the Cash Flow Statement and related notes and Key Management Personnel compensation.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Business Review which forms part of the Strategic Report.

The Group reported a loss after tax of £5,343,000 (2021: £10,771,000) from continuing operations for the year, while net cash of £9,190,000 (2021: £15,831,000) was generated from operations during the year. Although the Group's balance sheet at 31 March 2022 reports a net liability position of £52,294,000 (2021: £47,021,000) the Directors have concluded after a comprehensive review that no liquidity risk exists as:

1. The Group has cash balances of £23,238,000 (2021: £11,314,000) at the reporting date and although the Group has net current liabilities of £20,709,000 (2021: net current assets of £8,696,000), a deferral of the Shareholder Loan Notes of £39,322,000 was approved after the balance sheet date, extending the maturity from 16 February 2023 to 30 June 2024. In addition, the Group also has access to a Revolving Credit Facility of £2,000,000 (2021: £2,000,000) if required.
2. The net liability position is due to Bank Loans of £62,994,000 (2021: £26,600,000) and shareholder loans (and accrued interest thereon) of £39,322,000 (2021: £68,587,000). The shareholder loans are not repayable until 2024, however in June 2021, the Group drew down £35m of additional bank facility to redeem c.£35m of shareholder loans in order to achieve a lower cost of capital and drive improved shareholder value as the group grows. The bank facility has a maturity date in 2027.
3. The Group has maintained a 12-month rolling forecast and a three-year strategic outlook. It also monitored the covenants in its facilities to manage the risk of potential breach. The Group expects to remain within covenants throughout the forecast period. In reaching this conclusion, the Directors have assessed:
   - the potential cash generation of the Group against a range of illustrative scenarios (including a severe but plausible outcome); and
   - the Directors consider that the Group is well placed to successfully manage the actual and potential risks faced by the organisation including risks related to COVID-19 and the wider macro-economic outlook.

On the basis of their assessment, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these Group consolidated financial statements and consider it appropriate to continue to adopt the going concern basis in preparing the financial statements of the Group.

The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Notes *(continued)*

1 Accounting policies *(continued)*

1.3 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 March 2022. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

In the parent financial statements, investments in its subsidiaries are carried at cost less impairment with changes recognized in other comprehensive income in accordance with FRS 102.17.15E-F.

1.4 Foreign currency

Transactions in foreign currencies are translated to the Group companies' functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account within administrative expenses.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised in other comprehensive income.

1.5 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform, the Group updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

– the change is necessary as a direct consequence of the reform; and

– the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

Notes *(continued)*

1 Accounting policies *(continued)*

1.5 Basic financial instruments (continued)

Interest rate benchmark reform (continued)

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applied the policies on accounting for modifications to the additional changes.

Investments in subsidiaries

These are separate financial statements of the company. Investments in subsidiaries are carried at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- Leasehold improvements 3 years or lease term
- Computer equipment 3 years
- Office equipment 3 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

1.7 Business combinations

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the company. The Group recognises goodwill at the acquisition date as: the fair value of the consideration (excluding contingent consideration) transferred; plus, an estimated amount of contingent consideration; plus directly attributable transaction costs; less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities and contingent liabilities assumed.

1.8 Intangible assets, goodwill and negative goodwill

Goodwill

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash-generating units or group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose.

Research and development

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

Notes *(continued)*

1 Accounting policies *(continued)*

1.8 Intangible assets, goodwill and negative goodwill (continued)

Research and development (continued)

Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Group can measure reliably the expenditure attributable to the intangible asset during its development. Other development expenditure is recognised in the profit and loss account as an expense as incurred.

Other intangible assets

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and less accumulated impairment losses.

The cost of intangible asset acquired in a business combination are capitalised separately from goodwill if the fair value can be measured reliably at the acquisition date.

Amortisation

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Domain names and websites 3 years
- Software 3 years

Goodwill is amortised on a straight-line basis over its useful life. Goodwill has no residual value. The finite useful life of goodwill is estimated to be either 3 years or 10 years depending on the acquisition.

The company reviews the amortisation period and method when events and circumstances indicate that the useful life has changed.

Goodwill and other intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that goodwill or an intangible asset may be impaired.

1.9 Employee benefits

Defined contribution plans and other long term employee benefits

The Group operates a Personal Pension scheme which is a contract-based defined contribution scheme arranged by the Group and made up of a group of individual contracts between the employees and the pension provider. The assets of the scheme are therefore held separately from those of the Group in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Share-based payments

The Group operates a share-based compensation plan, under which the Group receives services from employees as consideration for equity instruments of the Company. The grant date fair value of share-based payments awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which employees become unconditionally entitled to the awards. The fair value of the awards granted is measured using an option valuation model, taking into account the terms and conditions upon which the awards were granted. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date for fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Notes *(continued)*

1 Accounting policies *(continued)*

1.10 Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Group enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

1.11 Turnover

Turnover comprises revenue recognised by the Group in respect of services supplied during the year, exclusive of Value Added Tax and trade discounts. Turnover is recognised at the point when qualified sales prospects are delivered to clients and, as required in certain contracts, when those prospects complete a purchase from the client.

1.12 Government grants

Government grants are credited to the profit and loss account in periods in which the related costs are incurred. Amounts recognised in the profit and loss are presented under the heading "Other operating income".

1.13 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Interest receivable and Interest payable

Interest payable and similar charges include interest payable.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established.

1.14 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Notes *(continued)*

1 Accounting policies *(continued)*

1.14 Taxation (continued)

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.15 Employee Benefit Trust

The Group has an Employee Benefit Trust which holds issued but unallocated shares for future allocation. The Trust is consolidated into the Lock Topco Limited Group.

Notes *(continued)*

2 Turnover

Analysis of turnover for the year:

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
By geographical market		
Asia Pacific	**6,785**	5,916
Europe	**43,366**	30,273
Latin America	**805**	1,143
Middle East Africa	**2,826**	3,304
North America	**42,300**	34,732
United Kingdom	**32,674**	23,810
	128,756	99,178

All of the Group's turnover was derived from the principal activity of customer generation.

3 Other operating income

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
Government grants	**-**	850
	-	850

The grants received in the prior year relate to the Government's Job Retention Scheme.

4 Expenses and auditor's remuneration

Included in the loss are the following:

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
Depreciation of tangible fixed assets	**1,318**	634
Amortisation of intangible fixed assets including goodwill	**10,019**	10,481
Loss on disposal of fixed asset	**17**	-
Hire of other assets - operating leases	**2,745**	1,237
Foreign currency losses	**886**	1,156

Auditor's remuneration:

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
Audit of these financial statements	**7**	7
Amounts receivable by the company's auditor and its associates in respect of:		
Audit of financial statements of subsidiaries of the company	**70**	63
	77	70

Notes *(continued)*

5 Remuneration of directors

Group	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
Directors' remuneration	**593**	499
Social security costs	**67**	61
Company contributions to defined contribution pension schemes	**16**	13
	676	573

The remuneration of the highest paid director of the Group was £182,000 (2021: £165,000), and company pension contributions of £5,000 (2021: £5,000) were made to a defined contribution scheme. No directors (2021: Two) received further shares during the year.

	Number of directors	
	Year ended 31 March 2022	Year ended 31 March 2021
Retirement benefits are accruing to the following number of directors under:		
Defined contribution schemes	**5**	5

6 Staff numbers and costs

The average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	Group Year ended 31 March 2022	Group Year ended 31 March 2021
Administration	**58**	60
Operations	**453**	435
	511	495

The aggregate payroll costs of these persons charged to the profit and loss were as follows:

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
Wages and salaries	**25,284**	23,874
Social security costs	**3,016**	2,722
Other pension costs	**646**	594
Share-based payment (refer to note 19)	**40**	-
	28,986	27,190

Notes *(continued)*

7 Interest payable and similar charges

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
On secured bank loans	4,226	1,446
On shareholder loans	5,017	10,640
	9,243	12,086

8 Taxation

Analysis of charge in year	**Year ended 31 March 2022 £000**	Year ended 31 March 2021 £000
Current tax:		
UK corporation tax on income for the year	1,152	1,938
Tax on income of foreign subsidiaries for the year	61	80
Total current tax	1,213	2,018
Deferred tax		
Origination/reversal of timing differences	753	(366)
Total deferred tax	753	(366)
Tax on loss	1,966	1,652

Notes *(continued)*

8 Taxation *(continued)*

Factors affecting the tax charge for the current year

The current tax charge for the year is higher (2021: higher) than the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below.

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
Current tax reconciliation		
Loss before tax	**(3,377)**	**(9,119)**
Current tax at 19% *(2021: 19%)*	**(642)**	**(1,733)**
Effects of:		
Expenses not deductible for tax purposes	**2,704**	**3,282**
Fixed asset differences	**225**	**(88)**
Research & Development relief	**(65)**	**(57)**
Higher/(lower) taxes on overseas earnings	**(207)**	**4**
Adjustment to tax charge in respect of prior periods	**(247)**	**243**
Other short term timing differences	**198**	**1**
Total tax charge (see above)	**1,966**	**1,652**

Factors that may affect future current and total tax charges

The deferred tax asset at 31 March 2022 has been calculated at a rate of 19% (2021: 19%). In the 3 March 2021 Budget, it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have a consequential effect on the group's future tax charge.

Notes *(continued)*

9 Intangible fixed assets

Group	Goodwill	Software	Domain names & websites	Brand	Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Cost					
At start of year	68,682	7,686	15,608	157	92,133
Additions	-	2,430	-	-	2,430
At end of year	**68,682**	**10,116**	**15,608**	**157**	**94,563**
Amortisation					
At start of year	41,309	3,340	15,481	98	60,228
Charged in year	7,909	1,931	126	53	10,019
At end of year	**49,218**	**5,271**	**15,607**	**151**	**70,247**
Net book value					
At 31 March 2022	**19,464**	**4,845**	**1**	**6**	**24,316**
At 31 March 2021	27,373	4,346	127	59	31,905

On 16th February 2015, the Company acquired all of the ordinary shares of Marketing VF Limited. The acquisition created goodwill of £64,223,000 which is being amortised over 10 years.

On 13th May 2019, the Group acquired the trade and assets of Inspire Digital Limited. The acquisition created goodwill of £2,808,000 which is being amortised over 3 years.

On 14th October 2020, the Group acquired all of the ordinary shares of a Dutch Digital Marketing and Publishing company for £1,945,235. The acquisition created goodwill of £1,651,000 which is being amortised over 3 years.

Amortisation and impairment charge

The amortisation charge is recognised within Administrative expenses in the profit and loss account.

Notes *(continued)*

10 Tangible fixed assets

	Leasehold improvements £000	Computer equipment £000	Office equipment £000	Total £000
Group				
Cost				
At start of year	8,308	914	542	**9,764**
Reclassification	(441)	197	244	-
Additions	106	164	62	332
Disposals	(482)	(1)	(232)	(715)
At end of year	**7,491**	**1,274**	**616**	**9,381**
Depreciation				
At start of year	**420**	**839**	**514**	**1,773**
Charged in year	1,045	152	121	1,318
Disposals	(465)	(1)	(232)	(698)
At end of year	**1,000**	**990**	**403**	**2,393**
Net book value				
At 31 March 2022	**6,491**	**284**	**213**	**6,988**
At 31 March 2021	7,447	272	272	7,991

Leasehold improvements include £978,000 (2021: £904,000) capitalised future reinstatement costs for the Group's leased premises.

On 14 May 2020, the group commenced a lease for office space in London (UK). The building was ready for its intended use on 13 April 2021 and the corresponding assets have been depreciated from this date.

Notes *(continued)*

11 Fixed asset investments

Company	**Shares in group undertakings £000**
Cost	
At start of year and end of year	175
Net book value	
At 31 March 2022 and 31 March 2021	**175**

The principal subsidiaries of the Company at the year-end are as follows:

Subsidiary undertaking	**Principal activity**	**Country of incorporation**
Lock Midco 1 Limited	Holding company	United Kingdom
Lock Midco 2 Limited*	Holding company	United Kingdom
Lock Bidco Limited*	Holding company	United Kingdom
Marketing VF Limited*	Digital marketing and publishing	United Kingdom
MVF US LLC*	Sales services	USA
Software Vergeljiken B.V *	Digital marketing and publishing	Netherlands

*These investments are held indirectly via shareholding in Lock Midco 1 Limited

The Group owns 100% of the issued ordinary share capital of each of the above subsidiaries. All of the subsidiaries listed above are consolidated within the Group's financial statements.

The registered office for MVF US LLC is 220 South Congress Avenue, Suite 010 Austin Texas 78704, United States. The registered office for Software Vergeljiken B.V is Heresingel 4b, 9711 ES Groningen, Netherlands. The registered office for all other investments is 1st & 2nd Floors, Wenlock Works, 1a Shepherdess Walk, London, England, N1 7QE.

Notes *(continued)*

12 Debtors

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Trade debtors	14,119	11,697	-	-
Deferred tax asset *(refer note 13)*	1,289	2,042	-	-
Amounts owed by group undertakings	-	-	127	215
Other debtors	1,007	554	7	1
Prepayments and accrued income	3,494	3,417	65	43
Taxation and social security receivable	-	322	340	334
	19,909	18,032	539	593

Amounts owed to group companies are repayable on demand and no interest is charged on these amounts.

13 Deferred tax

Group	**2022 £000**	2021 £000
Asset at start of year	2,042	1,676
Deferred tax charge in the profit and loss account for the year	(753)	366
Asset at end of year	1,289	2,042

The elements of deferred taxation asset are as follows:

Group	**2022 £000**	2021 £000
Accelerated capital allowances	(145)	(40)
Timing differences related to unpaid interest	1,423	2,045
Other short term timing differences	11	37
	1,289	2,042

Notes *(continued)*

14 Creditors: amounts falling due within one year

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Amounts owed to Group Companies	-	-	408	100
Shareholder loans	39,322	-	-	-
Accrued bank loan interest	1,083	478	-	-
Trade creditors	6,373	9,105	-	-
Taxation and social security	1,427	1,447	16	2
Pension liability (refer to note 19)	153	199	-	-
Corporation tax payable	469	1,174	-	-
Other creditors	197	209	-	-
Deferred consideration	340	341	-	-
Accruals and deferred income	14,492	7,697	-	427
	63,856	20,650	424	529

Amounts owed to group companies are repayable on demand and no interest is charged on these amounts.

15 Creditors: amounts falling due after more than one year

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Secured bank loans	61,911	26,122	-	-
Shareholder loans	-	68,587	-	-
	61,911	94,709	-	-

See note 20 for detailed terms associated with the Group's borrowings.

16 Other provisions

Group	**Premises reinstatement £000**	**Total £000**
Balance at 1 April 2021	904	904
Provisions made during the year	74	74
Balance at 31 March 2022	**978**	**978**

There were no provisions in the Company.

Notes *(continued)*

17 Called up share capital and other reserves

	2022	2021
	£000	£000
Allotted, called up and fully paid		
395,432 A Ordinary Shares of £0.01 each	4	4
463,295 B Ordinary Shares of £0.01 each	5	5
5,000 C Ordinary Shares of £0.01 each	-	-
124,629 E Ordinary Shares of £0.005 each	1	1
272,903 F Ordinary Shares of £0.005 each	1	1
205,820 Deferred Shares of £0.01 each	2	2
	13	13

The above classes of shares constitute separate classes of shares and rank *pari passu* except for voting, dividend and return of capital rights. Dividends shall be distributed amongst the holders of the A, B, C, E and F Ordinary Shares according to the number of such shares held by the relevant shareholder with the E Ordinary Shares participating up to a maximum return and the F Ordinary Shares participating above this maximum return. Deferred Shares shall not be entitled to any dividends. A, B, and E Ordinary Shares carry one vote per share, F Ordinary Shares and Deferred Shares do not carry any voting rights. Return of capital shall be distributed amongst the holders of the A, B, C, E and F Ordinary Shares according to the number of such shares held by the relevant shareholder. E Ordinary Shares participate in all equity returns up to £120 per share and F Ordinary Shares participate in all equity returns above £120 per share.

Own share reserve

The Company sponsors an Employee Benefit Trust in which it holds shares for future allocation. The Trust held 9,894 (2021: 9,827) unallocated E Ordinary Shares and 12,471 (2021: 29,830) unallocated F Ordinary Shares at 31 March 2021 at a cost per share of £0.20 including share premium. During the year, 221 (2021: 3,059) E Ordinary shares and 2,687 (2021: 14,624) F Ordinary Shares were bought back from employees who left the Company and the Trust allocated a further 20,046 (2021: 127,526) F Ordinary shares to employees at nominal value.

Notes *(continued)*

18 Operating Leases

Commitments under non-cancellable operating leases are as follows:

Group	**2022 Land and buildings £000**	2021 Land and buildings £000
Operating leases which expire:		
Within one year	**2,717**	292
Between one and five years	**10,325**	10,461
More than five years	**8,066**	10,648
	21,108	21,401

During the year £2,745,000 was recognised as an expense in the profit and loss account in respect of operating leases (2021: £1,237,000).

On 16 January 2020, Marketing VF Limited entered into an agreement for a lease for office space in London (UK). The lease began on 14 May 2020 and has a term of 15 years with a 10 year break clause.

On 28 October 2020, MVF US LLC entered into an agreement for a lease for office space in Austin, Texas (USA). The lease began on 1 December 2020 and has a term of 25 months.

19 Employee benefits

Defined contribution pension scheme

The Group operates a Personal Pension scheme which is a contract-based defined contribution scheme arranged by the Group and made up of a group of individual contracts between the employees and the pension provider.

The Group pension cost charge for the year represents contributions payable by the Group to the scheme and amounted to £646,000 (2021: £594,000).

At 31 March 2022 contributions amounting to £153,000 (2021: £199,000) were payable to the scheme in respect of the current reporting year and are included in creditors.

Share-based payments

On 17th February 2022, Lock Topco Limited, the ultimate parent, issued equity settled F ("Growth") Shares to management and key employees. F shares entitle the holder to participate equally with other share classes in the excess value realised in the event of a sale or liquidity event of Lock Topco Limited above a hurdle linked to the value of Lock Topco Limited. To be able to participate in the equity of the company employees are required to be employed by the Group at the time of the liquidity event. There are no market-based conditions attached to the ownership of the shares. The shares were valued using a Black Scholes Merton simulation with the following inputs:

	F ("Growth") Shares
Key Valuation Model Inputs	
Subscription price £	£0.005
Expected volatility %	46.12%
Risk-free interest rate %	0.85%
Valuation model Output	
Fair value per F share £	£1.56

Notes *(continued)*

19 Employee benefits *(continued)*

***Share-based payments** (continued)*

At each balance sheet date, the Group revises its estimate of the number of shares expected to vest upon the satisfied completion of the specific vesting conditions and the vesting period. A reconciliation of equity instrument movements over the year is shown below. The weighted average subscription price in both the current and prior year was £0.005.

The number of share awards are as follows:

	2022 Number of shares	**2021 Number of shares**
Outstanding at the beginning of the year	112,902	-
Granted during the year	20,046	127,526
Expired during the year	(2,687)	(14,624)
Outstanding at the end of the year	**130,261**	**112,902**

The Company's shares are not publicly traded and consequently the expected volatility has been estimated using the historic volatility of a basket of comparable listed companies.

The total expenses recognised by the Group for the year was £40,000 (2021: £107).

The Company is a member of a group share-based payment plan, and it recognises and measures its share-based payment expense on the basis of a reasonable allocation of the expense recognised for the group. The basis for reasonable allocation is the number of relevant employees and their holding of F Shares in each group company.

20 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's and parent Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Creditors falling due more than one year				
Secured bank loans	**61,911**	**26,122**	-	-
Shareholder loans	-	**68,587**	-	-
	61,911	**94,709**	-	-
Creditors falling due within less than one year				
Accrued interest on secured bank loans	**1,083**	478	-	-
Shareholder loans	**39,322**	-	-	-
	40,405	478	-	-

During the prior year the Group agreed a new bank loan facility of £28.4m and redeemed the existing bank loan. The new facility also included a Revolving Credit Facility of £2m and up to £50m in further facilities. The new facility has a maturity date in 2027 and accrued interest at GBP LIBOR plus a margin of between 5.25% and 5.75%, depending on leverage, and interest is payable six monthly in arrears. The Group arranged an interest rate cap to cap the LIBOR at 0.75%.

On 18 June 2021 the Group drew down the equivalent of £35m of the additional facility in a combination of Sterling, US dollar and Euro. The facility has a maturity date in 2027.

Notes *(continued)*

20 Interest-bearing loans and borrowings *(continued)*

The UK FCA announced the cessation of LIBOR with the impact that GBP based loans which use LIBOR needed to transition to a new Risk-Free Rates (RFR) basis by 31st December 2021. A new rate, SONIA, was agreed as the established new RFR for GBP based loans. As SONIA and LIBOR reflect different risks a credit adjustment spread ("CAS") is considered appropriate to minimise any economic value transfer. The CAS recommended by the Industry RFR Working Group is a historical five-year median spread. These rates have been published by Bloomberg and for a 6-month interest term is 0.2766%. In December 2021, MVF and the Debt facility was switched from LIBOR to a basis of a Compounded RFR rate (SONIA) plus the applicable CAS of 0.2766%. The original interest rate cap contract was also amended to reflects a cap rate of 0.75% with reference to the 6-month spread rate of 0.2766%. The calculated SONIA including spread interest rate covering the period to 31st March 2022 is 0.6235% and so the value of the cap at 31 March 2022 is nil.

The loans at 31 March 2022 are net of arrangement fees of £2,601,000 (2021: £2,278,000) which are being amortised over the life of the loans on the effective yield basis. The loans are secured by a fixed and floating charge over the assets of the Group.

Shareholder loans consist of 12% unsecured redeemable A, B and C loan notes with a value including accrued interest of £39,322,000 (2021: £68,587,000). The loan notes are listed on the Channel Islands Stock Exchange and are repayable at maturity with interest accrued annually and, if unpaid, rolled up. After the balance sheet date, the Shareholder board approved a deferral of the Loan Notes, extending the maturity from 16 February 2023 to 30 June 2024. During the year, principal of £12,511,000 (2021: £42,091,000) and interest of £21,772,000 (2021: £322,000) was repaid to loan note holders.

Terms and debt repayment schedule

Group

	Currency	Nominal interest rate	Year of maturity	Repayment schedule	**2022**	2021
					£000	£000
Secured bank loans Facility B	GBP	SONIA plus CAS of 0.2766%	2027	At maturity	**26,938**	26,600
Secured bank loans Facility C	GBP USD EUR	GBP at SONIA plus CAS of 0.2766% USD at 5.9% Margin over LIBOR EUR at 5.75%	2027	At maturity	**36,056**	-
Shareholder loans	GBP	12%	2024	At maturity	**39,322**	68,587
					102,316	95,187

21 Carrying amount of financial instruments

	2022	2021
	£000	£000
Assets measured at cost less impairment	**37,357**	**23,011**
Liabilities at amortised cost	**(109,182)**	**(104,832)**

Terms and conditions of borrowings are included in note 20.

22 Analysis of changes in net debt

	At 1 April 2021	**Cash flows**	**Non-cash changes**	**At 31 March 2022**
Cash and cash equivalents	**11,314**	11,924	-	**23,238**
Borrowings				
Debt due within one year	(478)	3,194	(43,121)	(40,405)
Debt due after one year	(94,709)	(1,079)	33,877	(61,911)
Total	**(83,873)**	**14,309**	**(9,244)**	**(79,078)**

Notes *(continued)*

23 Business Combinations

On 14 October 2020, the Group acquired all of the ordinary shares of a Dutch Digital Marketing and Publishing company called Software Vergeljiken B.V. for a consideration, including deferred consideration and professional fees, of £1,945,000. The Group acquired assets and liabilities as follows:

	£000
Intangible Fixed Assets	**331**
Debtors	**129**
Cash	**161**
Creditors	**(326)**

The acquisition created goodwill of £1,651,000 which is being amortised over 3 years. Software Vergeljiken B.V. contributed £3,910,000 and £1,163,000 (2021: £1,115,000 and £259,000) revenue and net profit respectively to the Group for the year ended 31 March 2022.

24 Related party disclosures

Group

Transactions with key management personnel

All directors have authority and responsibility for planning, directing and controlling the activities of the Group and are considered to be related parties of the company.

Total compensation paid to key management personnel (being the directors) in the year amounted to £676,000 (2021: £573,000).

During the year the Employee Benefit Trust issued nil (2021: 27,613) F Ordinary Shares to key management personnel.

In addition, key management personnel hold loan notes in the Group. The total value of loan notes including cumulative interest outstanding at 31 March 2022 is £39,322,000 (2021: £68,587,000), of which the amounts owing to key management personnel are principal of £177,000 (2021: £9,478,000) and accrued interest of £20,659,000 (2021: £21,408,000). During the year, loan note principal of £9,302,000 and interest of £3,311,000 was repaid to key management personnel.

Transactions with minority shareholder

Entities advised by Bridgepoint Advisers II Limited which hold a minority shareholding in the Company also hold loan notes in the Group with a principal value of £7,384,000 (2021: £23,741,000) and accrued interest of £nil at 31 March 2022 (2021: £nil). During the year the Group repaid loan note principal of £17,609,000 and satisfied its obligation in respect of accrued interest on the loan notes due to entities advised by Bridgepoint Advisers II Limited of £1,251,000 (2021: £4,365,000) by issuing PIK notes of £1,251,000 (2021: £4,365,000) to these entities.

During the year monitoring fees of £100,000 (2021: £50,000) were included within Administrative expenses in respect of Bridgepoint Advisers II Limited. At the year-end accrued fees were £nil (2021: £nil).

Company

The Company has taken advantage of the exemption and has therefore not disclosed transactions or balances with entities which form part of the same Group.

Notes *(continued)*

25 Controlling parties

The Company is ultimately owned by directors and management (60%) and limited partnerships advised by Bridgepoint Advisers II Limited (and which comprise the BDC II fund) (40%)

26 Events after the reporting period

On 13 June 2022, the Shareholder board approved a 1-year deferral of the Shareholder Loan Notes, extending the maturity from 16 February 2023 to 16 February 2024. On 16 December 2022, the Shareholder board approved a further deferral to 30 June 2024.

On 3 October 2022, the Company completed the purchase of a UK company called Expert Reviews Holdings Limited for an initial consideration, including professional fees but prior to the finalisation of completion accounts of £11,272,000. Due to the proximity of the acquisition date to the date of approval of the financial statements, management have not yet assigned fair values to the assets and liabilities acquired.