

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
PAGERO UK LIMITED**

Gilchris AB LLP
Chartered Certified Accountants
Grove House
2 Woodberry Grove
London
N12 0DR

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FOR THE YEAR ENDED 31 DECEMBER 2021

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PAGERO UK LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021**

DIRECTORS:	B L Nilsson J Ohlsson M Hammond
REGISTERED OFFICE:	61 Queen Street London EC4R 1AE
REGISTERED NUMBER:	09507974 (England and Wales)
SENIOR STATUTORY AUDITOR:	George Andrew Christodoulou FCCA
AUDITORS:	Gilchris AB LLP Chartered Certified Accountants Grove House 2 Woodberry Grove London N12 0DR

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of Other information technology service activities.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

B L Nilsson
J Ohlsson
M Hammond

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Report of the Directors 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). 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Gilchris AB LLP, will remain in office.

PAGERO UK LIMITED (REGISTERED NUMBER: 09507974)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

M Hammond - Director

6 December 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PAGERO UK LIMITED

Qualified Opinion

We have audited the financial statements of Pagero UK Limited (the 'company') for the year ended 31 December 2021 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the basis for qualified opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 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 Qualified opinion

Our extrapolated test results on trade debtor recoverability reveal that they were overstated by approximately £97,000. We were also unable to verify accruals of approximately £98,000.

In addition, the company's accounts for the year ended 31st December 2020 were not subject to an audit, therefore, we have not been able to verify the opening balances. The comparative figures for the period under audit are also unaudited.

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 qualified opinion.

Conclusions relating to going concern

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.

Key audit matters

In addition to the matter described in the Basis for qualified opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

" Revenue Recognition

The amount of revenue and profit recognized in the year on the sale of various licenses and services is based on a service contract for core services and certain optional services. These licenses and transaction bundles are fixed and invoiced annually in advance. The calculation of the deferred income on these contracts is significant and, in our view, this would usually lead to revenue being recognized in the wrong accounting periods.

" Going Concern Assessment

The company relies on the continued financial support of the parent company which is a key determinant of the company's ability to continue as a going concern. We identified that the most significant assumption in assessing the Company's ability to continue as a going concern was the expected future profitability of the parent company and its continued support, as the key determinant of the forecasted cashflow position. We have therefore spent significant audit effort in assessing the appropriateness of this assumption.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PAGERO UK LIMITED

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to 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.

The corresponding figures are unaudited as in the directors opinion, the company was exempt from audit.

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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page two, 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 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PAGERO UK LIMITED

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We considered the nature of the Company's industry and its control environment and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We are enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the Company operates in and identified the key laws and regulations that:

- " had a direct effect on the determination of the material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislations, tax legislations, financial conduct authority regulations; and

- " do not have a direct effect on the financial statements, but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud, and how and where fraud might occur in the financial statements.

In common with all audits under the ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- " reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having direct effect on the financial statements;

- " Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

- " Enquiring of management, concerning actual and potential litigation and claims, and instances of non-compliances with laws and regulations; and

- " Reading minutes of meetings of those charged with governance.

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 Report of the Auditors.

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 a Report of the Auditors 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.

George Andrew Christodoulou FCCA (Senior Statutory Auditor)

for and on behalf of Gilchris AB LLP

Chartered Certified Accountants

Grove House

2 Woodberry Grove

London

N12 0DR

6 December 2022

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
TURNOVER		1,888,263	1,548,278
Cost of sales		<u>63,490</u>	<u>304,105</u>
GROSS PROFIT		1,824,773	1,244,173
Administrative expenses		<u>1,762,258</u>	<u>1,249,965</u>
		62,515	(5,792)
Other operating income		<u>-</u>	<u>38,465</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION		62,515	32,673
Tax on profit		<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u>62,515</u>	<u>32,673</u>

The notes form part of these financial statements

BALANCE SHEET
31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Tangible assets	7		54,861		56,493
CURRENT ASSETS					
Debtors	8	641,570		614,913	
Cash at bank		<u>33,391</u>		<u>68,798</u>	
		674,961		683,711	
CREDITORS					
Amounts falling due within one year	9	<u>1,672,855</u>		<u>1,745,752</u>	
NET CURRENT LIABILITIES			<u>(997,894)</u>		<u>(1,062,041)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(943,033)</u>		<u>(1,005,548)</u>
CAPITAL AND RESERVES					
Called up share capital		1		1	
Retained earnings		<u>(943,034)</u>		<u>(1,005,549)</u>	
SHAREHOLDERS' FUNDS			<u>(943,033)</u>		<u>(1,005,548)</u>
			<u>(943,033)</u>		<u>(1,005,548)</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 6 December 2022 and were signed on its behalf by:

M Hammond - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2020	1	(1,038,222)	(1,038,221)
Changes in equity			
Total comprehensive income	-	32,673	32,673
Balance at 31 December 2020	<u>1</u>	<u>(1,005,549)</u>	<u>(1,005,548)</u>
Changes in equity			
Total comprehensive income	-	62,515	62,515
Balance at 31 December 2021	<u>1</u>	<u>(943,034)</u>	<u>(943,033)</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. PRESENTATION CURRENCY

The presentation currency of this set of accounts is Pounds Sterling (£)

2. STATUTORY INFORMATION

Pagero UK Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

At the balance sheet date, the company's liabilities exceeded its assets by £943,033. Included within creditors is an amount of £955,348 owed to this company's parent company, Pagero AB, a Swedish company. The directors of Pagero AB have indicated that it is the company's intention to make funds available to this company such that it can meet its liabilities as they fall due. These accounts are therefore prepared under a going concern basis.

Turnover

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added tax. Turnover includes revenue earned from the rendering of services. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The state of completion of the contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Improvements to Property - over 5 years

Fixtures and Fittings - over 5 years

Computer Equipment - over 5 years

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

3. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

The employer contributions to the scheme, in the year to 31 December 2021 (including the director's contributions below) totalled £35,281.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to or from related parties and investments in non-puttable ordinary shares. During the year an interest free loan was advanced by a director-shareholder.

The accounting for this financing transaction is given in note 3.

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

For financial assets measured at amortized 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 the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date. Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like goodwill and plant, property and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

Inventories are also assessed for impairment at each reporting date. The carrying amount of each item of inventory, or group of similar items, is compared with its selling price less costs to complete and sell. If an item of inventory or group of similar items is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

4. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Wages and salaries	1,077,633	830,430
Social security costs	132,883	95,163
Other pension costs	34,139	17,812
	<u>1,244,655</u>	<u>943,405</u>

The average number of employees during the year was as follows:

	2021	2020
Pre-sales	1	1
Marketing	3	2
Project Management	1	4
Sales	8	-
	<u>13</u>	<u>7</u>

5. DIRECTORS' EMOLUMENTS

	2021	2020
	£	£
Directors' remuneration	125,653	228,834
Directors' pension contributions to money purchase schemes	<u>4,967</u>	<u>5,484</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>2</u>
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6. OPERATING PROFIT

The operating profit is stated after charging:

	2021	2020
	£	£
Depreciation - owned assets	<u>13,195</u>	<u>2,547</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

7. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2021	35,870	12,105	20,840	68,815
Additions	-	-	11,563	11,563
At 31 December 2021	<u>35,870</u>	<u>12,105</u>	<u>32,403</u>	<u>80,378</u>
DEPRECIATION				
At 1 January 2021	2,988	1,970	7,364	12,322
Charge for year	4,783	2,014	6,398	13,195
At 31 December 2021	<u>7,771</u>	<u>3,984</u>	<u>13,762</u>	<u>25,517</u>
NET BOOK VALUE				
At 31 December 2021	<u>28,099</u>	<u>8,121</u>	<u>18,641</u>	<u>54,861</u>
At 31 December 2020	<u>32,882</u>	<u>10,135</u>	<u>13,476</u>	<u>56,493</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	593,645	460,349
Bad debt provision	542	102,287
Pagero Sverige AB	-	7,235
Rental Deposit	10,188	10,188
Prepayments and accrued income	<u>37,195</u>	<u>34,854</u>
	<u>641,570</u>	<u>614,913</u>

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 amortized cost using the effective interest method, less any impairment

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	25,340	16,134
Social security and other taxes	50,855	32,875
VAT	5,365	24,288
Salaries and wages	31,212	34,291
Expenses control account	2,168	3,648
Pagero AB	955,348	1,211,828
Pensions	4,614	4,709
Deferred Income	432,925	361,835
Accrued expenses	<u>165,028</u>	<u>56,144</u>
	<u>1,672,855</u>	<u>1,745,752</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Short term trade 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

10. ULTIMATE CONTROLLING PARTY

The controlling party is Suma Equity AB.

The ultimate controlling party is Suma Equity AB.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.