

**PAGERO UK LIMITED
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Pagero UK Limited
Directors' Report and Financial Statements
For The Year Ended 31 December 2022

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**Pagero UK Limited
Company Information
For The Year Ended 31 December 2022**

Directors	Mr Bengt Nilsson Mr Jan-Olof Ohlsson Mr Matthew Hammond
Company Number	09507974
Registered Office	61 Queen Street London EC4R 1AE
Auditors	Gilchrists AB LLP Chartered Certified Accountants Grove House 2 Woodberry Grove London N12 0DR

Pagero UK Limited
Company No. 09507974
Directors' Report For The Year Ended 31 December 2022

The directors present their report and the financial statements for the year ended 31 December 2022 .

Principal Activity

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

Directors

The directors below have held office during the whole of the year from 1 January 2022 to the date of this report:

Mr Bengt Nilsson

Mr Jan-Olof Ohlsson

Mr Matthew Hammond

Statement of Directors' Responsibilities

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.

**Pagero UK Limited
Directors' Report (continued)
For The Year Ended 31 December 2022**

Statement of 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 auditor, Gilchrists AB LLP, is deemed to be reappointed under the Companies Act 2006, s. 487(2).

Small Company Rules

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

On behalf of the board

Mr Matthew Hammond

Director

28/08/2023

Independent Auditor's Report to the Members of Pagero UK Limited

Opinion

We have audited the financial statements of Pagero UK Limited (the 'company') for the year ended 31 December 2022 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and the related 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 FRS 102 (United Kingdom Generally Accepted Accounting Practice), "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit/(loss) for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 12 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

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 12 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 them matter described in the Basis for qualified opinion section, we have determined the matters described below to 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 licences 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 leads 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.

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

Independent Auditor's Report (continued) to the Members of Pagero UK Limited

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 Directors' Report.

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

- adequate accounting records have not been kept, 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 or 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' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2—3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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 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 ISA's (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.

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 a 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 noncompliances with laws and regulations
- 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters

We do not currently see the war in Ukraine will directly impact the company's operations.

**Independent Auditor's Report (continued)
to the Members of
Pagero UK Limited**

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 that we are required to state to them in an 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 Gilchrists AB LLP , Statutory Auditor

28/08/2023

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

Pagero UK Limited
Profit and Loss Account
For The Year Ended 31 December 2022

		2022	2021
	Notes	£	£
TURNOVER		2,607,403	1,888,263
Cost of sales		<u>(18,524)</u>	<u>(63,490)</u>
GROSS PROFIT		2,588,879	1,824,773
Administrative expenses		<u>(2,560,906)</u>	<u>(1,762,054)</u>
OPERATING PROFIT	3	27,973	62,719
Interest payable and similar charges		<u>(2,020)</u>	<u>(204)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>25,953</u></u>	<u><u>62,515</u></u>

The notes on pages 10 to 13 form part of these financial statements.

Pagero UK Limited
Balance Sheet
As At 31 December 2022

		2022	2021
	Notes	£	£
FIXED ASSETS			
Tangible Assets	7	66,496	54,861
		66,496	54,861
CURRENT ASSETS			
Debtors	8	1,291,969	641,570
Cash at bank and in hand		778,957	33,391
		2,070,926	674,961
Creditors: Amounts Falling Due Within One Year	9	(3,054,502)	(1,672,855)
NET CURRENT ASSETS (LIABILITIES)		(983,576)	(997,894)
TOTAL ASSETS LESS CURRENT LIABILITIES		(917,080)	(943,033)
NET LIABILITIES		(917,080)	(943,033)
CAPITAL AND RESERVES			
Called up share capital	10	1	1
Profit and Loss Account		(917,081)	(943,034)
SHAREHOLDERS' FUNDS		(917,080)	(943,033)

These accounts 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 on 28 August 2023 and were signed on its behalf by:

Mr Matthew Hammond
Director

The notes on pages 10 to 13 form part of these financial statements.

Pagero UK Limited
Statement of Changes in Equity
For The Year Ended 31 December 2022

	Share Capital	Profit and Loss Account	Total
	£	£	£
As at 1 January 2021	1	(1,005,549)	(1,005,548)
Profit for the year and total comprehensive income	-	62,515	62,515
As at 31 December 2021 and 1 January 2022	1	(943,034)	(943,033)
Profit for the year and total comprehensive income	-	25,953	25,953
As at 31 December 2022	1	(917,081)	(917,080)

Pagero UK Limited
Notes to the Financial Statements
For The Year Ended 31 December 2022

1. General Information

Pagero UK Limited is a private company, limited by shares, incorporated in England & Wales, registered number 09507974. The registered office is 61 Queen Street, London, EC4R 1AE.

2. Accounting Policies

2.1. Basis of Preparation of 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 IA "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 £917,080. Included within creditors is an amount of £1,585,635 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 on a going concern basis.

Presentation Currency

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

2.2. 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.

2.3. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Improvements to Property	Straight line over 5 years
Fixtures & Fittings	Straight line over 5 years
Computer Equipment	Straight line over 5 years

2.4. Foreign Currencies

Monetary 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 ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2.5. 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 as the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.6. Pensions

The company operates a defined pension contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

The employer contributions to the scheme, in the year to 31 December 2022 (including the director's contributions below) totalled £53,081.

Pagero UK Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

2.7. Provisions

Provisions (i.e., 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.

2.8. 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.

2.9. Financial Instruments

The company only enters into basic financial instruments transactions that results 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.

3. Operating Profit

The operating profit is stated after charging:

	2022	2021
	£	£
Bad debts	127,846	131,484
Depreciation of tangible fixed assets	5,649	13,195
	<u>133,495</u>	<u>144,679</u>

4. Staff Costs

Staff costs, including directors' remuneration, were as follows:

	2022	2021
	£	£
Wages and salaries	1,597,369	1,077,633
Social security costs	209,000	132,883
Other pension costs	53,081	34,139
	<u>1,859,450</u>	<u>1,244,655</u>

Pagero UK Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

5. Average Number of Employees

Average number of employees, including directors, during the year was as follows:

Pre-sales = 2 (2021 = 1)
 Sales = 10 (2021 = 8)
 Project Management = 1 (2021 = 1)
 Marketing = 3 (2021 = 3)

16 (2021: 13)

6. Directors' remuneration

	2022	2021
	£	£
Emoluments	119,393	125,653
Company contributions to money purchase pension schemes	3,313	4,967
	<u>122,706</u>	<u>130,620</u>

7. Tangible Assets

	Land & Property Improvements to Property	Fixtures & Fittings	Computer Equipment	Total
	£	£	£	£
Cost				
As at 1 January 2022	35,870	12,105	32,403	80,378
Additions	-	-	17,284	17,284
As at 31 December 2022	<u>35,870</u>	<u>12,105</u>	<u>49,687</u>	<u>97,662</u>
Depreciation				
As at 1 January 2022	7,771	3,984	13,762	25,517
Provided during the period	-	-	5,649	5,649
As at 31 December 2022	<u>7,771</u>	<u>3,984</u>	<u>19,411</u>	<u>31,166</u>
Net Book Value				
As at 31 December 2022	<u>28,099</u>	<u>8,121</u>	<u>30,276</u>	<u>66,496</u>
As at 1 January 2022	<u>28,099</u>	<u>8,121</u>	<u>18,641</u>	<u>54,861</u>

8. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	1,240,943	594,187
Prepayments and accrued income	40,838	37,195
Rental Deposit	10,188	10,188
	<u>1,291,969</u>	<u>641,570</u>

Short term debtors are measured at transaction price, less any impairment.

Pagero UK Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

9. Creditors: Amounts Falling Due Within One Year

	2022	2021
	£	£
Trade creditors	45,371	25,340
Other taxes and social security	144,708	50,855
VAT	49,586	5,365
Salaries and Wages	162,907	31,212
Expenses Control	(2,690)	2,168
Pagero AB	1,585,635	955,348
Pensions	236	4,614
Deferred Income	881,574	432,925
Accrued Expenses	187,175	165,028
	<u>3,054,502</u>	<u>1,672,855</u>

10. Share Capital

	2022	2021
	£	£
Allotted, Called up and fully paid	<u>1</u>	<u>1</u>

11. Related Party Transactions

The immediate and ultimate parent undertaking and controlling party is Pagero AB Limited, which prepares group financial statements. The registered office of Pagero AB Limited is Vastra Hamngatan 1, SE-411 17 Gothenberg, Sweden.

12. FRC's Ethical Standard - Provision Available for Small Entities

In common with other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

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.