

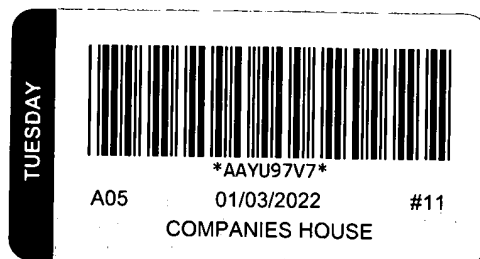
EY Fusion (EMEIA) Holdings Limited

Annual Reports and Financial Statements

2 July 2021

Registered No. 10131244

Registered in England and Wales



Directors

H Bax	
R Braes	(Resigned: 25 November 2021)
A Hudson	
N Patey	
M Burton	(Appointed: 9 July 2020)
R Sarvepalli	(Appointed: 9 July 2020)

Auditor

BDO LLP
55 Baker Street
London W1U 7EU

Registered Office

6 More London Place
London SE1 2DA

Directors' report

The directors present their report and financial statements for the 52 week period from 4 July 2020 to 2 July 2021, the prior period being the 53 weeks from 29 June 2019 to 3 July 2020.

Principal activity

EY Fusion (EMEIA) Holdings Limited ("the company") is controlled by EMEIA Fusion LP which is ultimately owned by various member firms of the EY network ("Investing Member Firms") located within the EMEIA region. The company does not trade. Its purpose is to invest in assets and businesses with international reach on behalf of those Investing Member Firms.

Results and dividends

The company made a loss of \$2,641k (2020: profit of \$49k). The directors do not recommend the payment of a dividend for the period.

Financial instruments

The directors are responsible for setting objectives and policies in relation to financial instruments and they review and agree policies for managing these risks which are deemed insignificant for the company. Financial instruments are not used for speculative activity and complex financial instruments are avoided.

Directors

The directors during the period ended 2 July 2021 and the period up until approval of the financial statements are listed on page 1.

Future developments

The entity will remain a non-trading entity. There is no intention to liquidate this company for at least the next twelve months from the date these financial statements are approved.

Going concern

The COVID-19 pandemic has continued into the current period and similar to the prior period, had an insignificant impact on the business. The directors believe that the company is well placed to manage its business risks successfully and have a reasonable expectation that the company has adequate resources to meet its liabilities as they fall due for at least the next twelve months from the date these financial statements were approved. The directors thus continue to adopt the going concern basis in preparing the annual financial statements. See note 1 for further information on going concern.

Auditor

Having made enquiries of fellow directors and of the company's auditor, each person who is a director at the date of approving this annual report confirms that:

- To the best of each director's knowledge and belief, there is no information (that is, information needed by the company's auditor in connection with preparing their report) of which the company's auditor is unaware; and
- Each director has taken all steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditor is aware of that information.

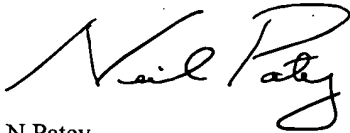
BDO are to be re-appointed auditor to the company for the period ending 1 July 2022 and have expressed their willingness to continue in office.

Directors' report

Strategic report

The directors have taken advantage of the small companies exemption from preparing a Strategic report provided by section 414B of the Companies Act 2006.

For and on behalf of the Board

A handwritten signature in black ink, appearing to read 'Neil Patey', with a stylized flourish at the end.

N Patey
Director

Date 27 January 2022

Statement of directors' responsibilities

The directors are responsible for preparing the annual reports and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the company financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 ("IFRS"). 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 and loss of the company for that period. In preparing these financial statements, the directors are required to:

- present fairly the financial position, financial performance and cash flows of the company;
- select suitable accounting policies in accordance with IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance;
- state whether the company financial statements have been prepared in accordance with IFRS, subject to any material departures disclosed and explained in the financial statements; and
- 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 company 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.

Independent auditor's report

to the shareholders of EY Fusion (EMEIA) Holdings Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 2 July 2021 and of its loss for the 52 week period then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of EY Fusion (EMEIA) Holdings Limited ("the Company") for the 52 week period ended 2 July 2021 which comprise the Statement of comprehensive income, Statement of changes in equity, Balance sheet, Cash flow statement 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 international accounting standards in conformity 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director's 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 Director with respect to going concern are described in the relevant sections of this report.

Other information

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

Independent auditor's report

to the shareholders of EY Fusion (EMEIA) Holdings Limited

Other Companies Act 2006 reporting

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

- the information given in the Director's report for the financial 52 week period for which the financial statements are prepared is consistent with the financial statements; and
- the Director's report has been prepared in accordance with applicable legal requirements.

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 Director's 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 and returns; or
- certain disclosures of Director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Director is not entitled to prepare the financial statements in accordance with the small companies' regime and from the requirement to prepare a strategic report.

Responsibilities of Director

As explained more fully in the Statement of director's responsibilities, the Director is 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 Director 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 Director is 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 Director 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Based on our understanding of the Company and the industry in which it operates, we considered those laws and regulations that might have a direct impact on the preparation of the financial statements such as the Companies Act 2006, International Financial Reporting Standards, PAYE, Corporate tax and VAT legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and posting inappropriate journal entries to manipulate the fair value of the Company's assets.

Independent auditor's report

to the shareholders of EY Fusion (EMEIA) Holdings Limited

Audit procedures performed by the engagement team included:

- We obtained an understanding of the processes and controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud and how management monitors those processes and controls;
- We reviewed minutes of Board meetings throughout the year for any evidence of non-compliance with laws and regulations;
- We performed detailed testing on account balances and transactions which were considered to be a greater risk of susceptibility to fraud;
- We targeted journal entry testing based on identified characteristics the audit team considered could be indicative of fraud, as well as a focus on large and unusual transactions based upon our knowledge of the business;
- We made enquiries of Management, those charged with governance and those responsible for legal and compliance procedures as to whether there was any correspondence from regulators in so far as the correspondence related to financial statements; and
- We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

DocuSigned by:

Iain Henderson

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Iain Henderson (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK
Date: 27 January 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of comprehensive income

for the period ended 2 July 2021

		52 weeks to 2 July 2021	53 weeks to 3 July 2020
	Notes	\$k	\$k
Dividends received from EY Melbourne Holdings Limited		–	9,400
Foreign exchange gains		–	145
Impairment of investment in EY Melbourne Holdings Limited	6	–	(9,488)
Impairment of investment in joint venture	7	(2,631)	–
Other operating expenses	4	(10)	(8)
Operating (loss)/profit before tax		(2,641)	49
Tax	5	–	–
(Loss)/profit and total comprehensive (loss)/profit		(2,641)	49

Statement of changes in equity

for the period ended 2 July 2021

	Notes	Share capital \$k	Share premium \$k	Retained earnings \$k	Total \$k
At 28 June 2019		150	14,896	(17)	15,029
Issue of share capital	9	17	1,717	–	1,734
Repayment of share capital	9	(95)	(9,451)	–	(9,546)
Total comprehensive profit		–	–	49	49
At 3 July 2020		72	7,162	32	7,266
Total comprehensive loss		–	–	(2,641)	(2,641)
At 2 July 2021		72	7,162	(2,609)	4,625

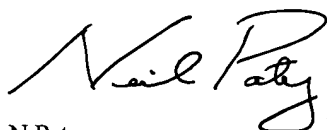
Balance sheet

at 2 July 2021

Registered number 10131244

	Notes	2 July 2021 \$k	3 July 2020 \$k
ASSETS			
Non-current assets			
Investment in subsidiary	6	58	58
Investment in joint venture	7	4,603	7,234
Total non-current assets		4,661	7,292
Current assets			
Cash and cash equivalents		1	–
Total current assets		1	–
TOTAL ASSETS		4,662	7,292
EQUITY AND LIABILITIES			
Current liabilities			
Other payables	8	37	26
Total current liabilities		37	26
Equity			
Share capital	9	72	72
Share premium	9	7,162	7,162
Retained (losses)/profit		(2,609)	32
Total equity		4,625	7,266
TOTAL EQUITY AND LIABILITIES		4,662	7,292

The financial statements of EY Fusion (EMEIA) Holdings Limited for the period ended 2 July 2021 were authorised for issue by the board of directors and signed on their behalf by:



N Patey
Director
Date 27 January 2022

Cash flow statement

for the period ended 2 July 2021

	<i>52 weeks to 2 July 2021 \$k</i>	<i>53 weeks to 3 July 2020 \$k</i>
(Loss)/profit before tax for the financial period	(2,641)	49
Adjustments for:		
Dividends received	–	(9,400)
Impairment of investment in subsidiary	–	9,488
Impairment of investment in joint venture	2,631	–
Increase in other payables	11	9
Foreign exchange gains	–	(145)
Net cash inflows from operating activities	1	1
Investing activities		
Repayment of investment	–	(9,372)
Dividends received	–	9,400
Net cash inflows from investing activities	–	28
Net increase in cash	1	29
Net foreign exchange differences	–	(29)
Cash and cash equivalents at beginning of period	–	–
Cash and cash equivalents at end of period	1	–

Notes to the financial statements

at 2 July 2021

1. Corporate information

EY Fusion (EMEIA) Holdings Limited (“the company”) is a private company limited by shares incorporated, domiciled and registered in England and Wales (registered number 10131244). The company’s registered office address is 6 More London Place, London SE1 2DA.

Details of the principal activity of the company can be found in the Directors’ report.

The financial statements of EY Fusion (EMEIA) Holdings Limited for the period from 4 July 2020 to 2 July 2021 were authorised for issue by the Board of Directors on 27 January 2022.

2. Significant accounting policies

The principal accounting policies are summarised below and have all been applied consistently throughout the period and preceding period unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 (“IFRS”).

The financial statements have been prepared on the accrual basis of accounting using a number of measurement bases, as set out in the accounting policies below.

The directors have prepared cashflow forecasts for twelve months post the date of signing, taking into account the potential effects of COVID-19, and are comfortable that the company has sufficient cash and working capital to meet its liabilities as they fall due. They therefore conclude that the company remains a going concern and that it is appropriate to prepare the financial statements on a going concern basis.

The company is exempt from the obligation to prepare consolidated accounts under section 400 of the Companies Act 2006 as it is a wholly owned subsidiary undertaking and its ultimate parent undertaking prepares consolidated accounts (see note 11). Consequently, these financial statements contain information about the company as an individual entity.

The functional currency of the company is US dollars. The financial statements are presented in US dollars and, unless otherwise indicated, are rounded to the nearest thousand US dollars (\$k).

The financial statements have been prepared for the 52 week period from 4 July 2020 to 2 July 2021 (the comparative period being the 53 weeks from 29 June 2019 to 3 July 2020).

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires the application of judgement and the use of estimates that affect the amounts reported for assets, liabilities, revenues and expenses. Information about these judgements and estimates is included in the accounting policies and other notes to the financial statements, the most significant being the impairment of the investment in its subsidiary and joint venture.

Although estimates are based on the best information available, actual outcomes could differ from the amounts included in the financial statements

Dividend income

Dividend income is recognised when the company’s right to receive dividends is established, which is when the dividend has been paid or a legally binding liability has been established for the payment of dividend by the subsidiaries.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less provision for impairment.

Notes to the financial statements

at 2 July 2021

2. Significant accounting policies (continued)

Investment in joint venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The company is exempt from the obligation to apply the equity method of accounting to its investment in joint venture as neither its debt nor equity is publicly traded, it is not in the process of issuing any class of instruments in the public market and its parent, which produces consolidated financial statements including the results of the company, do not object to the company not applying the equity method. As such, the company's investment in joint venture is accounted for at cost.

Impairment of investments in subsidiaries and joint venture

The carrying values of the investments in subsidiaries and joint venture are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If any indication exists, the company estimates the investment's recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

Foreign currencies

Transactions in foreign currencies are initially recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Exchange differences are recognised in the income statement as they arise.

Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Interest levied on unpaid tax is classified as a finance cost.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

New and amended accounting standards and interpretations and other changes to the financial statements

A number of standards and pronouncements have been issued and are effective for the financial period. These are either not applicable to the group or have not had any impact on the group's financial statements. A number of standards and other pronouncements are in issue that are not yet effective and have not been adopted, none of which are expected to have a material impact on the group's financial statements.

3. Directors' remuneration

The directors, who are the key management of EY Fusion (EMEIA) Holdings Limited received no remuneration for their services as directors or their services in connection with the management of the company.

4. Other operating expenses

Other operating expenses include \$9k (2020: \$8k) payable to the company's auditor for the audit of the company's financial statements and foreign exchange losses of \$1k (2020: \$nil).

Notes to the financial statements

at 2 July 2021

5. Tax

(a) Tax on (loss)/profit

	2021 \$k	2020 \$k
<i>Current tax:</i>		
UK corporation tax arising on (loss)/profit in the period	–	–

(b) Reconciliation of total tax charge

The tax assessed on the profit/(loss) for the period differs to the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 \$k	2020 \$k
(Loss)/profit before tax	(2,641)	49
(Loss)/profit multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	(502)	9
Expenses not deductible for tax purposes	500	1,803
Non-taxable income	–	(1,819)
Unrecognised deferred tax asset	2	7
Total tax charge reported in the income statement	–	–

At the period end, there is an unrecognised deferred tax asset relating to losses amounting to \$12k (2020: \$10k) due to a current absence of visibility of when taxable profits will be earned against which losses can be relieved.

6. Investments in subsidiary

	2021 \$k	2020 \$k
Opening investment in subsidiary	58	9,546
Impairment	–	(9,488)
Closing investment in subsidiary	58	58

The company's investment in subsidiaries relates to the following:

<i>Subsidiary undertakings</i>	<i>Country of incorporation</i>	<i>Percentage held</i>	<i>Nature of business</i>
EY Melbourne Holdings Limited	UK	100%	Holding company
Riverview Law Holdings Limited (indirect holding)	UK	100%	Non-trading entity

Notes to the financial statements

at 2 July 2021

6. Investments in subsidiary (continued)

During the prior period, Riverview Law Holdings Limited sold its investment in Riverview Law Limited which resulted in a gain on disposal. Riverview Law Holdings Limited paid a dividend to EY Melbourne Holdings Limited which then paid a dividend of \$9,400k (£7,500k) to the company. These transactions led to an impairment of the company's investment in its subsidiary of \$9,488k in the prior period.

The registered office of EY Melbourne Holdings Limited and Riverview Law Holdings Limited is 6 More London Place, London SE1 2DA.

7. Investment in joint venture

	2021 \$k	2020 \$k
At the start of the period	7,234	5,500
Additional investment	–	1,734
Impairment	(2,631)	–
At the end of the period	4,603	7,234

The company holds a 33.33% interest in the share capital of Fusion Global Holdings Limited which holds entities that are developing intangible assets. The company has joint control of Fusion Global Holdings Limited with Ernst & Young US LLP and AP Fusion Holdings (HK) Limited.

Its principal place of business is in the UK and its registered office address is 6 More London Place, London SE1 2DA. The summarised financial information of the consolidated results of Fusion Global Holdings Limited is as follows:

	2021 \$k	2020 \$k
Summarised balance sheet:		
Non-current assets	13,934	34,139
Current assets *	33,072	8,924
Current liabilities **	(36,428)	(36,791)
Non-current liabilities***	(6,500)	(2,722)
	4,078	3,550
Equity attributable to equity holders of the parent	2,998	1,769
Non-controlling interest	1,080	1,781
Total equity	4,078	3,550

* Current assets include cash and bank balances of \$2,988k (2020: \$3,255k) and assets of a disposal group held for sale of \$13,667k.

** Current liabilities include loans payable of \$22,340k (2020: \$29,076k) and liabilities of a disposal group held for sale of \$989k.

*** Non-current liabilities include loans payable of \$6,500k (2020: \$2,722k).

Notes to the financial statements

at 2 July 2021

7. Investment in joint venture (continued)

	2021 \$k	2020 \$k
Summarised statement of comprehensive income:		
Revenue	10,869	3,289
Other operating income	18,929	5,827
Operating expenses *	(24,115)	(12,617)
Finance revenue	284	356
Finance costs	(1,033)	(1,273)
Share of loss of joint venture	(2,549)	(2,448)
Loss on remeasurement of joint venture	(604)	–
Tax charge	(1,095)	(13)
Profit/(loss) for the period from continuing operations	686	(6,879)
Post-acquisition loss after tax of discontinued operation	(64)	–
Profit/(loss) for the financial period	622	(6,879)
Profit/(loss) for the period attributable to:		
Equity holders of the parent	1,237	(6,470)
Non-controlling interest	(615)	(409)
	622	(6,879)
Profit/(loss) for the financial period	622	(6,879)
<i>Items that may be subsequently reclassified to profit or loss</i>		
Share of other comprehensive income of joint venture	(360)	(45)
Foreign currency translation	(108)	(20)
Total comprehensive profit/(loss) for the period	154	(6,944)
Total comprehensive profit/(loss) attributable to:		
Equity holders of the parent	855	(6,527)
Non-controlling interest	(701)	(417)
	154	(6,944)

* Operating expenses include amortisation of intangible assets of \$4,525k (2020: \$4,395k) and an impairment of intangible assets of \$3,588k (2020: \$nil).

Notes to the financial statements

at 2 July 2021

8. Other payables

	2021 \$k	2020 \$k
Intercompany payables	15	6
Other payables	14	14
Accruals	8	6
	<u>37</u>	<u>26</u>

9. Share capital and share premium reserve

<i>Issued and fully paid</i>	<i>Share capital \$k</i>	<i>Share premium \$k</i>	<i>Total \$k</i>
At 29 June 2019	150	14,896	15,046
Issued in the period	17	1,717	1,734
Repayments in the period	(95)	(9,451)	(9,546)
At 3 July 2020 and 2 July 2021 7,233,971 ordinary shares of \$0.01 each	<u>72</u>	<u>7,162</u>	<u>7,234</u>

During the prior period 1,733,970 ordinary shares were issued at \$1 per share which gave rise to a premium in excess of the nominal value per share of \$0.01.

The company's objective when managing capital is to safeguard its ability to continue as a going concern. Capital is monitored by the directors to ensure this objective is met. The company only makes investments if it has raised sufficient funding through the issue of capital.

10. Non-cash transactions

The prior period proceeds from the company's issue of share capital of \$1,734k were paid directly to a subsidiary of the company's joint venture, Fusion Global Holdings Limited, in exchange for the joint venture issuing its share capital to the company.

11. Related party transactions and ultimate parent undertaking

The company's parent undertaking and ultimate controlling party is EMEIA Fusion LP, which has its registered office at 6 More London Place, London SE1 2DA. EMEIA Fusion LP is the parent of the smallest and largest group that consolidates the financial statements.

Other than the investments in subsidiary (note 6) and investment in the joint venture (note 7) the company had the following transactions and balances with related parties which were made on an arm's length basis and are as follows:

	2021 \$k	2020 \$k
Payable to EY Catalyst Limited – a subsidiary of the joint venture	14	14
Payable to EMEIA Fusion LP	15	6

All balances with related parties are non-interest bearing. Except as disclosed above and elsewhere in the financial statements, there are no other related party transactions.