

**CARBON II MIDCO 3 LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2023**



# **CARBON II MIDCO 3 LIMITED**

## **COMPANY INFORMATION**

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**Directors**

D Engel  
M Sprot

**Company number**

12686132

**Registered office**

Central House  
Otley Road  
Harrogate  
North Yorkshire  
HG3 1UF  
England

**Auditor**

RSM UK Audit LLP  
Chartered Accountants  
Central Square  
5th Floor  
29 Wellington Street  
Leeds  
LS1 4DL

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# **CARBON II MIDCO 3 LIMITED**

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# CARBON II MIDCO 3 LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2023

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The directors present their annual report and the audited financial statements for the year ended 31 December 2023.

#### **Fair review of the business**

The principal activity of the company during the year is that of an intermediate holding company. The main activities of the company's subsidiary undertakings during the year were those of providing digital marketing services.

#### **Principal risks and uncertainties**

Holding investments with subsidiary companies is inherent with risk of changes in valuation. This is mitigated by using estimates of investments' value in use. A detailed exercise was carried out following completion of the investment transaction in March 2021. The carrying amount of investments in subsidiaries in the Statement of Financial Position date had no impairment loss recognised in 2023.

As part of a cash generative group of companies owned by Ingenuity Digital Holdings Limited (formerly known as Carbon II Topco Limited), the company either supports or is supported by the other members of the group depending on the company's needs at the time. The financial statements show net current assets of £76k (2022 - £50k) and net assets of £30,617k (2022 - £30,591k) for the company. The directors have prepared forecasts and projections, taking into account reasonably possible changes in trading performance, which show that the company is expected to have a sufficient level of financial resources available through current facilities to continue in operational existence for the foreseeable future. The directors believe that the company is well placed to manage its business risks successfully and after making enquiries in respect of the factors above they continue to prepare the financial statements on a going concern basis.

#### **Future developments**

It is intended that the company continues as an intermediate holding company. The directors of the company will monitor the underlying investment values of the company's subsidiaries as described above.

#### **Key performance indicators**

As an intermediate holding company, the company does not have any key performance indicators other than the group's indicators that are disclosed in Ingenuity Digital Holdings Limited's (formerly known as Carbon II Topco Limited) financial statements.

#### **Section 172 Companies Act statement**

The company's consideration of the interests of key stakeholders and the broader matters set out in section 172 (1): (a)-(f) of the Companies Act 2006 ("s172") when performing their duty to promote the success of the company is set out in detail in the consolidated financial statements of its ultimate parent company, Ingenuity Digital Holdings Limited (formerly known as Carbon II Topco Limited).

On behalf of the board



D Engel

Director

27 March 2024

# **CARBON II MIDCO 3 LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

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The directors present their annual report and financial statements for the year ended 31 December 2023.

#### **Principal activity**

The principal activity of the company was that of an intermediate holding company.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D Engel

M Sprot

#### **Qualifying third party indemnity provisions**

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

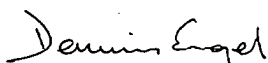
#### **Auditor**

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



D Engel

**Director**

27 March 2024

# **CARBON II MIDCO 3 LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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;
- 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.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARBON II MIDCO 3 LIMITED**

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## **Opinion**

We have audited the financial statements of Carbon II Midco 3 Limited (the 'company') for the year ended 31 December 2023 which comprise Statement of Income and Retained Earnings, Statement of Financial Position, Statement of changes in Equity and notes to the financial statements, including 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 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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.

## **Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARBON II MIDCO 3 LIMITED (CONTINUED)**

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### **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 strategic report or 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 and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 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.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARBON II MIDCO 3 LIMITED (CONTINUED)

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### The extent to which the audit was considered capable of detecting irregularities, including fraud (Continued)

- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and the Companies Act 2006. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing the appropriateness of journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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.

*Hugh Fairclough*

Hugh Fairclough (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Central Square  
5th Floor  
29 Wellington Street  
Leeds  
LS1 4DL  
27 March 2024

## CARBON II MIDCO 3

### STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 DECEMBER 2023

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	Notes	2023 £'000	2022 £'000
Administrative expenses		(1)	-
Income from shares in group undertaking		-	-
Interest receivable	3	2,267	4,157
Interest payable and similar charges	4	(2,240)	(4,107)
<b>Profit before taxation</b>		<u>26</u>	<u>50</u>
Taxation		-	-
<b>Profit for the financial year</b>		<u>26</u>	<u>50</u>
Retained earnings brought forward		50	-
Retained earnings carried forward		<u>76</u>	<u>50</u>

There were no items of other comprehensive income in the current or prior years. Accordingly no Statement of Other Comprehensive Income has been prepared.

Notes on pages 10 to 17 form an integral part of these financial statements.

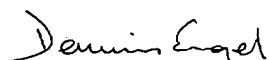
**CARBON II MIDCO 3 LIMITED**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2023**

		2023	2022
	Notes	£'000	£'000
<b>Fixed assets</b>			
Investments	6	30,541	30,541
<b>Current assets</b>			
Debtors	9	28,276	26,010
		28,276	26,010
Creditors: amounts falling due within one year	10	(28,200)	(25,960)
<b>Net current assets</b>		76	50
<b>Net assets</b>		30,617	30,591
<b>Capital and reserves</b>			
Called up share capital	11	-	-
Share premium account	12	30,541	30,541
Profit and loss reserves	12	76	50
<b>Total equity</b>		30,617	30,591

The financial statements were approved by the board of directors and authorised for issue on 26 March 2024 and are signed on its behalf by:



D Engel  
Director

**CARBON II MIDCO 3 LIMITED****STATEMENT OF CHANGES IN EQUITY****AS AT 31 DECEMBER 2023**

	Share capital £'000	Share Premium £'000	Profit and Loss Reserve £'000	Total £'000
<b>Balance at 1 January 2022:</b>	-	30,541	-	30,541
<b>Year ended 31 December 2022:</b>				
Result for the year	-	-	50	50
<b>Balance at 31 December 2022</b>	-	30,541	50	30,591
<b>Year ended 31 December 2023:</b>				
Profit for the year	-	-	26	26
<b>Balance at 31 December 2023</b>	-	30,541	76	30,617

# CARBON II MIDCO 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 1 Accounting policies

##### Company information

Carbon II Midco 3 Limited ("the company") is a private company limited by shares, and is registered and incorporated in England and Wales. The registered office is Central House, Otley Road, Harrogate, North Yorkshire, England, HG3 1UF.

##### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102").

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### Consolidated financial statements

###### Reduced Disclosures

In accordance with FRS102, the company has taken advantage of the exemptions from the following disclosure requirements;

- Section 7 'Statement of Cash Flow' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instruments;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

Carbon II Midco 3 Limited is a wholly owned subsidiary of Ingenuity Digital Holdings Limited (formerly known as Carbon II Topco Limited) and the results of Carbon II Midco 3 Limited are included in the consolidated financial statements of Ingenuity Digital Holdings Limited (formerly known as Carbon II Topco Limited) which are available from Central House, Otley Road, Harrogate, HG3 1UF.

##### Going concern

The company has not traded in the current or prior period and has net assets of £30,617k (2022 - £30,591k).

The directors have prepared cash flow forecasts and associated sensitivity analysis for the period beyond 12 months from the date of approval of the financial statements, which indicate that, in all reasonable scenarios, the company will be able to operate within its banking facilities and meet its liabilities as they fall due.

As a result, at the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least twelve months. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

# CARBON II MIDCO 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 1 Accounting policies (Continued)

##### **Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include amounts owed by group undertakings, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

##### **Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# CARBON II MIDCO 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 1 Accounting policies (Continued)

##### **Basic financial liabilities**

Basic financial liabilities, including amounts due to group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

##### **Equity instruments**

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### **Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

##### **Impairment of investments in subsidiaries**

Determining whether the company's investments in subsidiaries have been impaired requires estimations of the investments' value in use. A detailed exercise was carried out following completion of the investment transaction in March 2021. The carrying amount of investments in subsidiaries in the Statement of Financial Position date was £30,541k with no impairment loss recognised in the year.

##### **Recoverability of intercompany balances**

Determination of whether the company's intercompany debtors have been impaired requires estimation of the fellow group entities net asset position and its ability to generate future cashflows to settle the debtor. The directors have performed a review of each intercompany debtor for indications of impairment and estimated the future cashflows of the fellow group entity to determine recoverability. The carrying amount of intercompany debtors at the balance sheet date was £28,276k with no impairment loss recognised in the year.

# CARBON II MIDCO 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 3 Interest receivable

	2023 £'000	2022 £'000
Interest on loans	2,267	4,157

In the year, interest was charged on intercompany loans to Carbon II Bidco Limited at an annual rate of 10.375%. This was agreed during the year to 31 December 2022.

#### 4 Interest payable and similar expenses

	2023 £'000	2022 £'000
Interest on other loans	2,240	4,107

In the year, interest was charged on intercompany loans from Carbon II Midco 2 Limited at an annual rate of 10.250%. This was agreed during the year to 31 December 2022.

#### 5 Operating profit

Audit fees were borne by fellow group companies in the year.

In the current year and prior year the company had no employees and accordingly no staff costs. There was therefore no pension creditor (2022 - £nil).

In the current year and prior year the directors' emoluments were paid by a fellow group company and it is impractical to make an apportionment between companies.

#### 6 Fixed asset investments

	Note	2023 £'000	2022 £'000
Investment in Carbon II Bidco Limited	8	30,541	30,541

##### Movements in fixed asset investments

	Shares in group undertakings £'000
<b>Cost</b>	
At 1 January 2023 & 31 December 2023	30,541
	30,541
<b>Carrying amount</b>	
At 31 December 2023	30,541
At 31 December 2022	30,541



# CARBON II MIDCO 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 7 Taxation

	2023 £'000	2022 £'000
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	-
Adjustments in respect of prior periods	-	-
	<u>-</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>
	2023 £'000	2022 £'000
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	-
Adjustment in respect of prior periods	-	-
Effect of tax rate change	-	-
	<u>-</u>	<u>-</u>
Total deferred tax	<u>-</u>	<u>-</u>
Total tax (credit)/charge for the year	<u>-</u>	<u>-</u>

The total tax (credit)/charge for the year included in the consolidated income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2023 £'000	2022 £'000
Profit / (Loss) before taxation	<u>26</u>	<u>50</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 23.52% (period ended 31 December 2022: 19%)	6	10
Effects of group relief / other reliefs	<u>(6)</u>	<u>(10)</u>
Taxation (credit)/charge for the year	<u>-</u>	<u>-</u>

# CARBON II MIDCO 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 8 Subsidiaries

Details of the company's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Carbon II Bidco Limited	1	Holding Company	Ordinary	100.00	-
Graphene Holdings Limited	1	Holding Company	Ordinary	-	100.00
Ingenuity Digital Limited (formerly known as Ingenuity Digital Holdings Limited)	1	Holding company	Ordinary	-	100.00
Webevents Limited	1	Development and provision of digital marketing solutions	Ordinary	-	100.00
NetConstruct Limited	1	Dormant	Ordinary	-	100.00
Pinpoint Designs Limited	1	Dormant	Ordinary	-	100.00
Statement Agency Limited	1	Dormant	Ordinary	-	100.00
Fostr Limited	1	Dormant	Ordinary	-	100.00
IDHL Web Limited	1	Website design and development	Ordinary	-	100.00
IDHL Intelligence Limited (formerly known as IDHL Tech Limited)	1	E-mail marketing & systems integration	Ordinary	-	100.00
Ampersand Commerce Limited	1	Dormant	Ordinary	-	100.00
Snow.io Limited	1	Dormant	Ordinary	-	100.00
Wired Plus Limited	1	Dormant	Ordinary	-	100.00

1 Central House, Otley Road, Harrogate, HG3 1UF

# CARBON II MIDCO 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 9 Debtors

	2023 £'000	2022 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	28,276	26,010
	<u>28,276</u>	<u>26,010</u>

#### 10 Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Amounts owed to group undertakings	28,200	25,960
	<u>28,200</u>	<u>25,960</u>

#### 11 Called up share capital

	No.	£
Ordinary share capital Allotted and fully paid		
At 1st January 2023	11	11
Issued during the year	-	-
At 31st December 2023	<u>11</u>	<u>11</u>

#### 12 Reserves

##### Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

##### Share Premium Account

Includes any premiums received on issue of Share Capital. Any transaction costs associated with the issuing of shares are deducted from Share Premium.

# **CARBON II MIDCO 3 LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

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#### **13 Financial commitments, guarantees and contingent liabilities**

The company has provided security in respect of certain borrowings of its parent company, and fellow subsidiaries. At 31 December 2023, the bank and other loans of fellow subsidiaries secured by the charges amounted to £75,387k (2022 – £73,540k).

#### **14 Consolidated accounts**

Ingenuity Digital Holdings Limited (formerly known as Carbon II Topco Limited), a company incorporated in England and Wales, is the parent of the largest and smallest group for which consolidated accounts including Carbon II Midco 3 Limited are prepared. Ingenuity Digital Holdings Limited (formerly known as Carbon II Topco Limited) has a registered office of Central House, Otley Road, Harrogate, HG3 1UF.