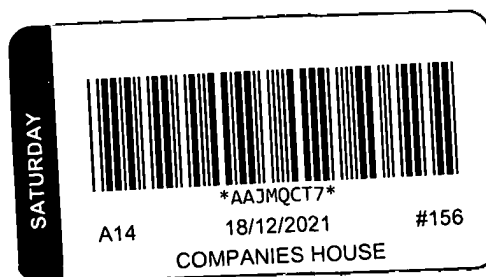


Company Registration No. 06925833 (England and Wales)

MOMENTA SOLUTIONS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



MOMENTA SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	Mr K M Riches Mr M L Westbrook Mr R W Stevens
Company number	06925833
Registered office	Tower 42 25 Old Broad Street London United Kingdom EC2N 1HQ
Auditor	Azets Audit Services 2nd Floor Regis House 45 King William Street London United Kingdom EC4R 9AN

MOMENTA SOLUTIONS LIMITED

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MOMENTA SOLUTIONS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present the strategic report for the year ended 31 March 2021.

Fair review of the business

These financial statements show the results for the group headed by Momenta Solutions Limited (the "Momenta Business") with turnover of £81.4m (2020: £104.9m). The profit before tax for the group (after deducting the amortisation of goodwill on consolidation of £0.4m) was £4.2m (2020: £2.0m).

The Company is one of the principal subsidiaries of Momenta Group Holdings Limited. Momenta Group Holdings Limited and its subsidiaries ("Momenta") has worked hard to support its customers throughout the disruption caused by COVID19 across the last year. During the first lockdown between March and May 2020, we saw large scale disruption to customer projects in the UK whilst customers implemented remote working across most of their projects. Activity resumed to normal levels of trading in the UK mid-way through our second quarter for ongoing projects. However, we found that the continued moving in and out of lockdown restrictions and the uncertainty that created delayed customer decisions over commencing new projects. In the near term, we are already seeing that the disruption caused by COVID19 to financial services companies will create additional requirements for contingent resource as such firms start to face a backlog of issues, particularly within their collections and debt teams, which have built up during lockdowns. We will continue to support such customers, either directly or through our partners, in addressing those challenges.

In July 2020 we commenced a new managed service project in the UK, where we use contingent labour to process claims for unfair commissions, working on behalf of our customer a legal firm. Across the last year and into the current financial year, we have seen volumes on this project grow and now have c. 170 contingent resources working there.

Our Australian business was less impacted by COVID during the year, and our headcount on customer projects there increased from 366 to 460 by the year end. In March 2021, we signed a new master services agreement with our largest Australian customer which, alongside strong demand from other customers, is already underpinning strong growth in this market in the current financial year.

Our more recently established businesses in the US, India and Hong Kong all experienced tough trading conditions during the year as all three markets were heavily disrupted by COVID restrictions. As with the UK, we have seen conditions improve in the current financial year and are now seeing more opportunities emerge in these territories.

Looking forward, we expect demand from financial services firms to increase as they start to address both issues caused by COVID such as within their collection and debt teams as well as projects delayed during the last year. We also believe that we will see new regulatory driven opportunities arising in key markets such as the US, UK and Australia and so remain confident about our outlook for the current financial year.

MOMENTA SOLUTIONS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Principal risks and uncertainties

The group uses various financial instruments; these include loans, cash, and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations. The existence of these financial instruments exposes the group to a number of financial risks, which are described in more detail below. No transactions of a speculative nature are undertaken.

The main risks arising from the group's financial instruments are market risk, interest rate risk, credit risk, and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Market risk

Market risk encompasses three types of risk, being currency risk, fair value interest rate risk, and price risk (the company does not have any listed investments). The group's policies for managing fair value interest rate risk are considered along with those for managing cash flow interest rate risk and are set out in the subsection entitled "interest rate risk" below.

Interest rate risk

The group finances its operations through a five-year Term Loan, drawn down on 17th October 2018 alongside Receivables Purchase Agreement facility. The group's exposure to interest rate fluctuations is not considered by the Board to be significant, and the company is therefore subject to fair value interest rate.

Credit risk

The group's principle financial assets are cash and trade debtors. The credit risk associated with the cash is limited as counter parties have high credit ratings assigned by international credit-rating agencies. The principle credit risk arises therefore from its trade debtors.

Credit limits are reviewed by the directors on a regular basis in conjunction with debt ageing and collection histories.

Liquidity risk

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved by an invoice discounting facility.

Key performance indicators

Management use a range of performance measures to monitor and manage the business. These performance measures include the financial key performance indicators of revenue, gross profit margin, and operating profit margin.

Revenue (£) - the group analyses revenue by territory, client and project. This links directly to charge rates per head and the focus is on delivering market rates to clients. Principally as a result of the impact that the first COVID lockdown had in the first quarter of our 2021 financial year, the group's revenue has decreased during the year to £81.4m (2020: £104.9m).

Gross profit margin (%) - the focus is on paying our associates (the contractors and staff we supply to our clients) at market rates whilst maintaining our gross margin targets. The aggregate gross margin in the year ended 31 March 2021 was 19.5% (2020: 16.3%).

Operating profit margin (before the amortisation of goodwill and exceptional items) (%) - overhead cost controls are in place to achieve operating profit in line with strategic forecasts. There is a focus on efficiencies via process improvements and system development to increase the contribution per head. The operating margin achieved in the year ended 31 March 2021 was 6.25% (2020: 4.75%).

MOMENTA SOLUTIONS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Promoting the success of the company

Statutory duties under s172(1) Companies Act 2006

The Directors consider that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ended 31 March 2021; and in so having regard, amongst other matters to;

- (a) the likely consequences of any decision in the long term
- (b) the interests of the company's employees
- (c) the need to foster the company's business relationships with clients, service providers and custodians
- (d) the impact of the company's operations on the community and the environment
- (e) the desirability of the company maintaining a reputation for high standards of business conduct, and
- (f) the need to act fairly and uphold company values

Our business strategy is focused on achieving success for the Company in the long-term through helping our clients maintain an agile, flexible working model while having access to skilled professionals on demand and cost effectively when they need them.

The Board understands the importance of engaging with all its stakeholders and regularly discusses issues concerning employees, clients, our associates, regulators, the community and the environment.

We continue to invest in our people and processes to provide an enhanced business experience for our clients, employees and associates. The business' processes continue to be ISO 9001:2015 (Quality Management Systems) and ISO 27001:2017 (Information Security) certified.

Employees

Our employees remain fundamental to the success of our business. In addition to aiming to be a responsible employer in our approach to pay and benefits, we continue to engage with our team to ascertain which training and development opportunities should be made available to improve our team's productivity and our individual employees' potential within the business. Regular staff meetings and dialogue provide updates of the company's plans and performance and opportunities for sharing ideas and asking questions.

Clients

We build lasting relationships with current and potential clients to understand their objectives and requirements. We aim to be a true business partner, working to understand our clients resourcing needs and so to cost effectively provide the right people, with the right skills, at exactly the right time.

Our Associates

We understand that we are only as good as our Associates, the contingent workforce we provide to our clients. In fact, our reputation depends on them. Therefore, treating them with care and respect as individuals and ensuring they are fully supported in undertaking work for our clients, is of paramount importance to us.

MOMENTA SOLUTIONS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Suppliers

Our aim is to develop and enter into agreements with our partners and foster these relationships as we evolve. We seek to be fair and transparent in our dealings with suppliers.

Environment and community

We are committed to enhancing shareholder value in an ethical and socially responsible manner by considering the interests of all of the wider community of stakeholders including investors, employees, clients, suppliers and local communities. We promote equality of opportunity for all staff and job applicants and create a working environment in which all individuals are able to make best use of their skills, free from discrimination or harassment, and in which all decisions are based on merit. The Board is committed to pursuing high standards of environmental performance, including the maintenance of safe and healthy working environments.

Governance and regulation

The Board's intention is to behave responsibly and to ensure that the management team operates the business in a responsible manner, acting with the high standards of business conduct and good governance expected of a business of our nature and size. In doing so, we believe we will achieve our long-term business strategy and further develop our reputation in our sector.

Members

The Board also seeks to behave in a responsible manner towards our shareholders, in order that they can benefit from the company achieving its long-term business strategy.

On behalf of the board



Mr R W Stevens

Director

10 December 2021

MOMENTA SOLUTIONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

The principal activity of the company and group continued to be that of a holding company. The group's principal activity during the year was the provision of outsourced support services to the retail financial services market internationally.

Results and dividends

The results for the year are set out on page 11.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors

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

Mr K M Riches
Mr M L Westbrook
Mr R W Stevens

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues and that the appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the company's performance.

Promoting Diversity

Momenta are committed to promoting equality of opportunity for all staff and job applicants. We operate and support an environment in which all individuals are able to make best use of their skills, free from discrimination or harassment, and in which all decisions are based on merit. We do not discriminate against staff on the basis of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief, sex or sexual orientation (protected characteristics). The principles of non-discrimination and equality of opportunity also apply to the way in which staff treat visitors, clients, customers, suppliers and former staff members. All staff have a duty to act in accordance with Momenta's Equal Opportunities Policy and treat colleagues with dignity at all times, and not to discriminate against or harass other members of staff, regardless of their status.

Future developments

The directors intend to both continue and expand the group's existing activities.

MOMENTA SOLUTIONS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Changes in presentation of the financial statements

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of certain key risks facing the group.

Auditor

Azets Audit Services were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Energy and carbon report

As the group has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

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 auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



Mr R W Stevens
Director

10 December 2021

MOMENTA SOLUTIONS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

The directors are responsible for preparing the Annual 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 group and company, and of the profit or loss of the group 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 UK 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MOMENTA SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MOMENTA SOLUTIONS LIMITED

Opinion

We have audited the financial statements of Momenta Solutions Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows 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 group's and the parent company's affairs as at 31 March 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for 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 group's and parent 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.

MOMENTA SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF MOMENTA SOLUTIONS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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.

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.

MOMENTA SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF MOMENTA SOLUTIONS LIMITED

Extent to which the audit was considered 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

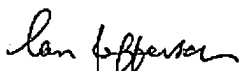
In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.



Ian Jefferson (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

10 December 2021

Chartered Accountants
Statutory Auditor

2nd Floor
Regis House
45 King William Street
London
United Kingdom
EC4R 9AN

MOMENTA SOLUTIONS LIMITED

GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

		2021	2020
	Notes	£	£
Turnover	3	81,437,677	104,875,066
Cost of sales		(65,577,580)	(87,778,301)
Gross profit		<u>15,860,097</u>	<u>17,096,765</u>
Administrative expenses		(11,511,541)	(12,467,834)
Other operating income		394,315	926
Exceptional item (1)	4	(160,987)	(421,642)
Exceptional item (2)	4	-	(239,799)
Exceptional item (3)	4	-	(1,124,831)
Operating profit	5	<u>4,581,884</u>	<u>2,843,585</u>
Interest receivable and similar income	9	3,395	4,027
Interest payable and similar expenses	10	(400,473)	(871,812)
Profit before taxation		<u>4,184,806</u>	<u>1,975,800</u>
Tax on profit	11	272,946	(907,042)
Profit for the financial year		<u><u>4,457,752</u></u>	<u><u>1,068,758</u></u>

Profit for the financial year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

MOMENTA SOLUTIONS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Profit for the year	4,457,752	1,068,758
Other comprehensive income		
Currency translation differences	(201,761)	(380,665)
Total comprehensive income for the year	<u>4,255,991</u>	<u>688,093</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

MOMENTA SOLUTIONS LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Goodwill	12		225,731		571,386
Tangible assets	13		967,526		1,047,666
Investments	14		500,000		500,000
			<u>1,693,257</u>		<u>2,119,052</u>
Current assets					
Debtors	16	34,404,374		31,336,555	
Cash at bank and in hand		<u>2,365,306</u>		<u>3,890,102</u>	
		36,769,680		35,226,657	
Creditors: amounts falling due within one year	17	<u>(20,792,147)</u>		<u>(23,765,801)</u>	
Net current assets			<u>15,977,533</u>		<u>11,460,856</u>
Total assets less current liabilities			<u>17,670,790</u>		<u>13,579,908</u>
Provisions for liabilities					
Provisions	19	-		239,799	
Deferred tax liability	20	<u>183,690</u>		<u>109,000</u>	
			<u>(183,690)</u>		<u>(348,799)</u>
Net assets			<u>17,487,100</u>		<u>13,231,109</u>
Capital and reserves					
Called up share capital	22		630		630
Share premium account			393,427		393,427
Profit and loss reserves			<u>17,093,043</u>		<u>12,837,052</u>
Total equity			<u>17,487,100</u>		<u>13,231,109</u>

The financial statements were approved by the board of directors and authorised for issue on 10 December 2021 and are signed on its behalf by:



Mr R W Stevens
Director

MOMENTA SOLUTIONS LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Investments	14		3,445,324		3,439,985
Current assets					
Debtors	16	5,533,936		5,605,983	
Cash at bank and in hand		1,945		10,416	
		<u>5,535,881</u>		<u>5,616,399</u>	
Creditors: amounts falling due within one year	17	<u>(7,351,856)</u>		<u>(7,425,886)</u>	
Net current liabilities			<u>(1,815,975)</u>		<u>(1,809,487)</u>
Total assets less current liabilities			<u>1,629,349</u>		<u>1,630,498</u>
Capital and reserves					
Called up share capital	22		630		630
Share premium account			393,427		393,427
Profit and loss reserves			<u>1,235,292</u>		<u>1,236,441</u>
Total equity			<u>1,629,349</u>		<u>1,630,498</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £1,149 (2020 - £4,027 profit).

The financial statements were approved by the board of directors and authorised for issue on 10 December 2021 and are signed on its behalf by:



Mr R W Stevens
Director

Company Registration No. 06925833

MOMENTA SOLUTIONS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 April 2019	630	393,427	12,148,959	12,543,016
Year ended 31 March 2020:				
Profit for the year	-	-	1,068,758	1,068,758
Other comprehensive income: Currency translation differences	-	-	(380,665)	(380,665)
Total comprehensive income for the year	-	-	688,093	688,093
Balance at 31 March 2020	630	393,427	12,837,052	13,231,109
Year ended 31 March 2021:				
Profit for the year	-	-	4,457,752	4,457,752
Other comprehensive income: Currency translation differences	-	-	(201,761)	(201,761)
Total comprehensive income for the year	-	-	4,255,991	4,255,991
Balance at 31 March 2021	630	393,427	17,093,043	17,487,100

MOMENTA SOLUTIONS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 April 2019	630	393,427	1,232,414	1,626,471
Year ended 31 March 2020:				
Profit and total comprehensive income for the year	-	-	4,027	4,027
Balance at 31 March 2020	630	393,427	1,236,441	1,630,498
Year ended 31 March 2021:				
Loss and total comprehensive income for the year	-	-	(1,149)	(1,149)
Balance at 31 March 2021	630	393,427	1,235,292	1,629,349

MOMENTA SOLUTIONS LIMITED

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

		2021		2020	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	28		(151,501)		(6,866,748)
Interest paid			(400,473)		(837,999)
Income taxes (paid)/refunded			(175,291)		268,653
			<hr/>		<hr/>
Net cash outflow from operating activities			(727,265)		(7,436,094)
Investing activities					
Purchase of intangible assets		-		(44,876)	
Purchase of tangible fixed assets		(599,152)		(627,564)	
Interest received		3,395		4,027	
		<hr/>		<hr/>	
Net cash used in investing activities			(595,757)		(668,413)
			<hr/>		<hr/>
Net decrease in cash and cash equivalents			(1,323,022)		(8,104,507)
Cash and cash equivalents at beginning of year			3,890,102		12,014,790
Effect of foreign exchange rates			(201,774)		(20,181)
			<hr/>		<hr/>
Cash and cash equivalents at end of year			2,365,306		3,890,102
			<hr/> <hr/>		<hr/> <hr/>

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Momenta Solutions Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Tower 42, 25 Old Broad Street, London, EC2N 1HQ.

The group consists of Momenta Solutions Limited and all of its subsidiaries.

1.1 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") and the requirements of the Companies Act 2006.

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 £.

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

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Basis of consolidation

The consolidated financial statements incorporate those of Momenta Solutions Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.4 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated mainly in relation to time worked by our resources under contract for clients at the contractual hourly staff rates for the respective client. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Revenue from the contracts to process unfair commission claims on behalf of solicitors is recognised as the work is performed based on the stage in the claims process that such claims have reached.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% on cost
Computer equipment and software	33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.11 Financial instruments

The group 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 in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 debtors and cash and bank balances, 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end 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 group 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 group after deducting all of its liabilities.

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.12 Equity instruments

Equity instruments issued by the group are recorded at the 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 group.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

1.18 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

1.19 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

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.

The key estimate made by the directors in respect of the group accounts this year is in respect of the recoverability of certain debtors and a potential bad debt provision of £1,100,000 (2020: £1,100,000) has been made at the year end.

3 Turnover and other revenue

	2021	2020
	£	£
Other significant revenue		
Interest income	3,395	4,027
Grants received	362,818	-
	<u>366,213</u>	<u>4,027</u>
	2021	2020
	£	£
Turnover analysed by geographical market		
UK	44,736,941	71,255,013
Australia	34,904,842	31,880,100
USA	417,236	915,933
Other	1,378,658	824,020
	<u>81,437,677</u>	<u>104,875,066</u>

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4	Exceptional item	2021	2020
		£	£
	Expenditure		
	Raising of finance and group reorganisation costs	160,987	421,642
	Onerous lease costs	-	239,799
	Bad debt charge	-	1,124,831
		<u>160,987</u>	<u>1,786,272</u>
		<u><u>160,987</u></u>	<u><u>1,786,272</u></u>
5	Operating profit	2021	2020
		£	£
	Operating profit for the year is stated after charging/(crediting):		
	Exchange (gains)/losses	(59,948)	1,445
	Government grants	(362,818)	-
	Depreciation of owned tangible fixed assets	679,305	495,429
	Amortisation of intangible assets	351,004	351,004
	Operating lease charges	566,257	490,469
		<u>566,257</u>	<u>490,469</u>
		<u><u>566,257</u></u>	<u><u>490,469</u></u>
6	Auditor's remuneration	2021	2020
		£	£
	Fees payable to the company's auditor and associates:		
	For audit services		
	Audit of the financial statements of the group and company	5,000	5,000
	Audit of the financial statements of the company's subsidiaries	41,800	44,000
		<u>46,800</u>	<u>49,000</u>
		<u><u>46,800</u></u>	<u><u>49,000</u></u>
	For other services		
	Taxation compliance services	13,000	3,000
	All other non-audit services	8,200	1,000
		<u>21,200</u>	<u>4,000</u>
		<u><u>21,200</u></u>	<u><u>4,000</u></u>

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Management and administration	90	92	-	-
Client support services	530	480	-	-
Total	<u>620</u>	<u>572</u>	<u>-</u>	<u>-</u>

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Management & administration:				
Wages and salaries	5,271,915	5,461,128	-	-
Social security costs	535,407	595,503	-	-
Pension costs	314,198	368,644	-	-
Client support services:				
Wages and salaries	24,264,712	21,895,430	-	-
Social security costs	1,348,563	1,390,767	-	-
Pension costs	2,202,422	1,821,964	-	-
	<u>33,937,217</u>	<u>31,533,436</u>	<u>-</u>	<u>-</u>

8 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	929,403	1,057,525
Company pension contributions to defined contribution schemes	12,300	85,195
	<u>941,703</u>	<u>1,142,720</u>

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2021 £	2020 £
Remuneration for qualifying services	563,054	705,792
Company pension contributions to defined contribution schemes	-	50,995
	<u>563,054</u>	<u>756,787</u>

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9	Interest receivable and similar income	2021	2020
		£	£
	Interest income		
	Other interest income	3,395	4,027
		<u> </u>	<u> </u>
10	Interest payable and similar expenses	2021	2020
		£	£
	Interest on financial liabilities measured at amortised cost:		
	Interest on invoice finance arrangements	400,473	871,812
		<u> </u>	<u> </u>
11	Taxation	2021	2020
		£	£
	Current tax		
	Adjustments in respect of prior periods	405,235	(1,998)
	Foreign current tax on profits for the current period	(827,990)	994,940
	Total current tax	<u>(422,755)</u>	<u>992,942</u>
	Deferred tax		
	Origination and reversal of timing differences	74,690	9,000
	Write down or reversal of write down of deferred tax asset	75,119	-
	Tax losses carried forward	-	(94,900)
	Total deferred tax	<u>149,809</u>	<u>(85,900)</u>
	Total tax (credit)/charge	<u>(272,946)</u>	<u>907,042</u>

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Taxation

(Continued)

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	4,184,806	1,975,800
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	795,113	375,402
Tax effect of expenses that are not deductible in determining taxable profit	-	102,013
Adjustments in respect of prior years	-	(1,998)
Group relief	(816,739)	-
Permanent capital allowances in excess of depreciation	15,366	-
Amortisation on assets not qualifying for tax allowances	66,690	66,690
Effect of overseas tax rates	(333,376)	364,935
Taxation (credit)/charge	(272,946)	907,042

12 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 April 2020	3,554,920
Additions	5,349
At 31 March 2021	3,560,269
Amortisation and impairment	
At 1 April 2020	2,983,534
Amortisation charged for the year	351,004
At 31 March 2021	3,334,538
Carrying amount	
At 31 March 2021	225,731
At 31 March 2020	571,386

The company had no intangible fixed assets at 31 March 2021 or 31 March 2020.

The addition to goodwill in the year ended 31 March 2021 was in respect of the completion of a purchase in the prior year of the entire share capital of Bulk Check Limited, a company incorporated in the United Kingdom.

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Tangible fixed assets

Group	Fixtures and fittings £	Computer equipment and software £	Total £
Cost			
At 1 April 2020	710,133	1,963,772	2,673,905
Additions	20,229	578,923	599,152
Exchange adjustments	-	13	13
At 31 March 2021	<u>730,362</u>	<u>2,542,708</u>	<u>3,273,070</u>
Depreciation and impairment			
At 1 April 2020	647,311	978,928	1,626,239
Depreciation charged in the year	27,302	652,003	679,305
At 31 March 2021	<u>674,613</u>	<u>1,630,931</u>	<u>2,305,544</u>
Carrying amount			
At 31 March 2021	<u>55,749</u>	<u>911,777</u>	<u>967,526</u>
At 31 March 2020	<u>62,822</u>	<u>984,844</u>	<u>1,047,666</u>

The company had no tangible fixed assets at 31 March 2021 or 31 March 2020.

14 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	15	-	-	2,945,324	2,939,985
Unlisted investments		500,000	500,000	500,000	500,000
		<u>500,000</u>	<u>500,000</u>	<u>3,445,324</u>	<u>3,439,985</u>

Movements in fixed asset investments

Group	Investments other than loans £
Cost or valuation	
At 1 April 2020 and 31 March 2021	<u>500,000</u>
Carrying amount	
At 31 March 2021	<u>500,000</u>
At 31 March 2020	<u>500,000</u>

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Fixed asset investments (Continued)

Movements in fixed asset investments

Company	Shares in group undertakings	Other investments other than loans	Total
	£	£	£
Cost or valuation			
At 1 April 2020	2,939,985	500,000	3,439,985
Additions	5,339	-	5,339
At 31 March 2021	2,945,324	500,000	3,445,324
Carrying amount			
At 31 March 2021	2,945,324	500,000	3,445,324
At 31 March 2020	2,939,985	500,000	3,439,985

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Momenta Customer Services Limited	Tower 42, 25 Old Broad Street, London, EC2N 1HQ	Provision of outsourced support services	Ordinary	100.00	-
Momenta Group Limited	Tower 42, 25 Old Broad Street, London, EC2N 1HQ	Dormant	Ordinary	100.00	-
Momenta Holdings (PPI) Limited	Tower 42, 25 Old Broad Street, London, EC2N 1HQ	Provision of outsourced support services	Ordinary	100.00	-
Momenta Interim Management Limited	Tower 42, 25 Old Broad Street, London, EC2N 1HQ	The placement of interim resources	Ordinary	100.00	-
Momenta Operations Limited	Tower 42, 25 Old Broad Street, London, EC2N 1HQ	Provision of administration and support services	Ordinary	100.00	-
Momenta People Limited	Tower 42, 25 Old Broad Street, London, EC2N 1HQ	Provision of outsourced support services	Ordinary	-	100.00
Momenta Performance Academy Limited	Tower 42, 25 Old Broad Street, London, EC2N 1HQ	Provision of outsourced support services	Ordinary	100.00	-
Momenta Resourcing Pty Ltd	Tower 3, International Towers, Barangaroo, Sydney, NSW 2000	Provision of outsourced support services	Ordinary	-	100.00
Momenta Associates Pty Ltd	Tower 3, International Towers, Barangaroo, Sydney, NSW 2000	Provision of outsourced support services	Ordinary	-	100.00
Momenta Resourcing Pty Inc	5950 Fairview Road, Charlotte, North Carolina 28210	Provision of outsourced support services	Ordinary	100.00	-
Momenta Resourcing Deutschland CmbH	Heubachstrasse 40, 10585 Berlin	Provision of outsourced support services	Ordinary	100.00	-
Momenta Resourcing India Private Limited	007 Prestige Langleigh, Phase 1 Whitefield, Bangalore, 560066	Provision of outsourced support services	Ordinary	100.00	-
Momenta Resourcing Asia Limited	Suite 1601-1603 Kinwick Centre, 32 Hollywood Road, Hong Kong	Provision of outsourced support services	Ordinary	100.00	-
Bulk Check Ltd	Tower 42, 25 Old Broad Street, London, EC2N 1HQ	Dormant	Ordinary	100.00	-

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Subsidiaries

(Continued)

Momenta Solutions Limited owns 100% of the share capital of the following subsidiaries:

- Momenta Customer Services Limited
- Momenta Group Limited
- Momenta Interim Management Limited
- Momenta Holdings (PPI) Limited
- Momenta Operations Limited
- Momenta Performance Academy Limited
- Momenta Resourcing Inc (US)
- Momenta Resourcing Deutschland GmbH
- Momenta Resourcing India Private Limited
- Momenta Resourcing Asia Limited
- Bulk Check Limited

Momenta Holdings (PPI) Limited owns 100% of the share capital of Momenta People Limited.

Momenta Interim Management Limited owns 100% of the share capital of Momenta Resourcing PTY Ltd.

Momenta Resourcing PTY Ltd owns 100% of the share capital of Momenta Associates PTY Ltd.

The investment in all subsidiary companies is stated at cost.

16 Debtors

	Group 2021	2020	Company 2021	2020
Amounts falling due within one year:	£	£	£	£
Trade debtors	8,937,692	9,621,895	-	-
Corporation tax recoverable	-	206,253	-	1,150
Amounts owed by group undertakings	25,065,830	20,776,516	5,533,397	5,448,954
Other debtors	113,643	149,350	27	94,850
Prepayments and accrued income	252,428	472,641	512	61,029
	<u>34,369,593</u>	<u>31,226,655</u>	<u>5,533,936</u>	<u>5,605,983</u>
Deferred tax asset (note 20)	34,781	109,900	-	-
	<u>34,404,374</u>	<u>31,336,555</u>	<u>5,533,936</u>	<u>5,605,983</u>

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Creditors: amounts falling due within one year

	Group 2021 £	2020 £	Company 2021 £	2020 £
Trade creditors	7,694,650	11,447,727	-	57,904
Amounts owed to group undertakings	-	14,509	-	-
Corporation tax payable	454,578	1,109,971	-	-
Other taxation and social security	4,333,499	2,660,075	-	-
Other creditors	7,386,599	7,351,448	7,351,856	7,367,982
Accruals and deferred income	922,821	1,182,071	-	-
	<u>20,792,147</u>	<u>23,765,801</u>	<u>7,351,856</u>	<u>7,425,886</u>

18 Security

The assets of Momenta Group Holdings Limited (the company's ultimate parent company) and the assets of all subsidiary companies of Momenta Group Holdings Limited are subject to fixed and floating charges in favour of funds managed by Tikehau Investment Management SAS which has made a loan to Momenta Acquisitions Limited (a subsidiary of Momenta Group Holdings Limited). At the year end the balance outstanding on the loan from Tikehau Investment Management SAS at year end was £40,637,529 (2020: £40,197,529) plus accrued interest of £861,882 (2020: £895,552).

19 Provisions for liabilities

	Group 2021 £	2020 £	Company 2021 £	2020 £
Provision for onerous lease costs	-	239,799	-	-
	<u>-</u>	<u>239,799</u>	<u>-</u>	<u>-</u>

The onerous lease cost was settled during the financial year.

20 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2021 £	Liabilities 2020 £	Assets 2021 £	Assets 2020 £
Group				
Accelerated capital allowances	183,690	109,000	-	-
Tax losses	-	-	34,781	109,900
	<u>183,690</u>	<u>109,000</u>	<u>34,781</u>	<u>109,900</u>

The company has no deferred tax assets or liabilities.

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

20 Deferred taxation (Continued)

	Group 2021 £	Company 2021 £
Movements in the year:		
Asset at 1 April 2020	(900)	-
Charge to profit or loss	149,809	-
	<u>148,909</u>	<u>-</u>
Liability at 31 March 2021	<u>148,909</u>	<u>-</u>

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period. The deferred tax liability set out above is expected to reverse within 36 months and relates to accelerated capital allowances that are expected to mature within the same period.

21 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Management and administration	314,198	368,644
Client support services	2,202,422	1,821,969
	<u>2,516,620</u>	<u>2,190,613</u>

A defined contribution pension scheme is operated for all qualifying employees, including the standard superannuation schemes that operate in Australia. The assets of the scheme are held separately from those of the group in an independently administered fund.

22 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid				
Ordinary shares of 1p each	63,000	63,000	630	630
	<u>63,000</u>	<u>63,000</u>	<u>630</u>	<u>630</u>

Ordinary shares carry 1 vote per share.

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

23 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Within one year	218,486	542,839	-	-
Between two and five years	-	183,546	-	-
	<u>218,486</u>	<u>726,385</u>	<u>-</u>	<u>-</u>

24 Security

The assets of Momenta Group Holdings Limited (the company's ultimate parent undertaking) and the assets of all subsidiary companies of Momenta Group Holdings Limited are subject to fixed and floating charges in favour of funds managed by Tikehau Investment Management SAS which has made a loan to Momenta Acquisitions Limited (a subsidiary of Momenta Group Holdings Limited). The balance outstanding on the loan from Tikehau Investment Management SAS at year end was £40,637,529 (2020: £40,197,529) plus accrued interest of £861,882 (2020: £895,552).

25 Related party transactions

The company has taken advantage of the exemption provided by FRS 102 whereby disclosures need not be given of transactions entered into between two or more members of the group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

At the balance sheet date an amount of £401,041 (2020: £401,041) was due from I Get You Pro Limited to Momenta Holdings (PPI) Limited against which a provision of £400,644 was made during the year ended 31 March 2018 leaving an amount of £397 in other debtors at both 31 March 2021 and 31 March 2020. This is interest free and repayable on demand. I Get You Pro Limited is a related undertaking by virtue of R Stevens being a director and shareholder of the company.

During the year ended 31 March 2021 the group was charged £180,000 (2020: £180,000) for the provision of consultancy services by Adalta International Solutions Limited, a company controlled by K M Riches who is a director of Momenta Solutions Limited.

26 Directors' transactions

As at the 31 March 2021 there was a Directors loan account balance of £102,386 and accrued interest thereon of £1,733 outstanding from R W Stevens, a Director of the company. (Balance as at 31 March 2020: £38,828). At the date of this report, £11,847 had been repaid against this outstanding balance.

MOMENTA SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

27 Controlling party

In the opinion of the directors, there is no ultimate controlling party.

The company's immediate parent undertaking is Momenta Acquisitions Limited which is itself a wholly owned subsidiary of Momenta Group Holdings Limited (a company registered in England & Wales and whose registered office is situated at 201 Bishopsgate, London, EC2M 3AB).

28 Cash absorbed by group operations

	2021 £	2020 £
Profit for the year after tax	4,457,752	1,068,758
Adjustments for:		
Taxation (credited)/charged	(272,946)	907,042
Finance costs	400,473	871,812
Investment income	(3,395)	(4,027)
Amortisation and impairment of intangible assets	351,004	351,004
Depreciation and impairment of tangible fixed assets	679,305	495,429
Foreign exchange gains on cash equivalents	-	20,181
(Decrease)/increase in provisions	(239,799)	239,799
Movements in working capital:		
Increase in debtors	(3,425,119)	(1,948,461)
Decrease in creditors	(2,098,776)	(8,868,285)
Cash absorbed by operations	<u>(151,501)</u>	<u>(6,866,748)</u>

29 Analysis of changes in net funds - group

	1 April 2020 £	Cash flows £	Exchange rate movements £	31 March 2021 £
Cash at bank and in hand	3,890,102	(1,323,022)	(201,774)	2,365,306
	<u>3,890,102</u>	<u>(1,323,022)</u>	<u>(201,774)</u>	<u>2,365,306</u>