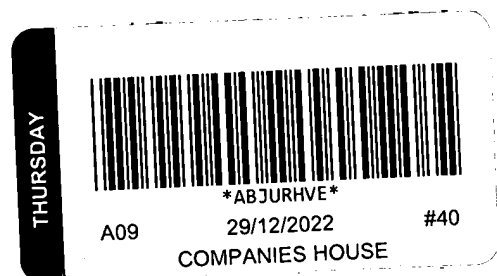


Company Registration No. 02869895 (England and Wales)

**SOLIFI GROUP (UK) LIMITED (FORMERLY IDS
GROUP LIMITED)**

**ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021**



SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

COMPANY INFORMATION

Director	Mr D Hamilton-Matthews
Secretary	Pennsec Limited
Company number	02869895
Registered office	8 Devonshire House Aviary Court Basingstoke Hampshire RG24 8PE
Auditor	RSM UK Audit LLP Chartered Accountants Davidson House Forbury Square Reading Berkshire RG1 3EU

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The director presents the strategic report and financial statements for the year ended 31 December 2021.

Review of the business

The key focus for 2021 was the acquisition and subsequent integration of Solifi (UK) Limited (formerly White Clarke Group Limited) by IDS Group Inc (IDS) which closed on the 1st June 2021. IDS being a leader in enterprise mission-critical solutions for secured finance. The two companies combined to create a multi-asset class secured finance technology powerhouse supporting banks, independents, OEM, captives and specificity finance firms. In October 2021, the combined Group rebranded to Solifi and IDS Group Limited changed its name to Solifi Group (UK) Limited.

The movement in the financial statements for the year is driven by the funds flow from IDS which facilitated the purchase of WC Topco Limited.

Principal risks and uncertainties

The global pandemic coupled with the United Kingdom's decision to leave the European Union continues to create uncertainties that are difficult to quantify. This has been compounded by recent political and economic turbulence which has driven sharp increases in inflation and interest rates. As a result, there is a risk of slower growth in the Automotive and Capital Equipment markets reducing the profitability of Banks and Finance Companies. The reduction in profitability and increased uncertainty could lead to a reduced appetite for new investments in software which would impact the future revenue and EBITDA projections of the Group.

On behalf of the board



.....
Mr D Hamilton-Matthews

Director

23-12-22
Date:

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The director presents his annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company continued to be that of a holding company. The company changed its name during the year, on 29th October 2021 from IDS Group Limited to Solifi Group (UK) Limited.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Director

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

Mr E Gibson

(Resigned 14 October 2022)

Mr D Hamilton-Matthews

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its director which were made during the year and remain in force at the reporting date.

Future developments

The company will continue to operate as a holding company for the foreseeable future with minimal operational activity. The Group have provided a letter of support ensuring that the entity is financial viable for a period not less than 12 months from account signing.

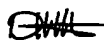
Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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 he ought to have taken as a director in order to make himself aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



.....
Mr D Hamilton-Matthews

Director

Date: 23-12-22
.....

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

The director is responsible for preparing the Strategic Report, the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS 101"). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the or of the company for that period. In preparing these financial statements, the director is 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, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He is 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 SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

Opinion

We have audited the financial statements of Solifi Group (UK) Limited (Formerly IDS Group Limited) (the 'company') for the year ended 31 December 2021 which comprise the income statement, the statement of financial position, the 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 101 'Reduced Disclosure Framework' (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 2021 and of its loss 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED) (CONTINUED)

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 director's report.

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

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

Responsibilities of director

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

In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has 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;
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED) (CONTINUED)

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 101, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and inspecting tax computations prepared by the external tax advisor.

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 manual 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.

RSM UK AUDIT LLP

Neil Mellor (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Davidson House
Forbury Square
Reading
Berkshire, RG1 3EU
.....
23 December 2022

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Revenue	3	-	106,005
Administrative expenses		(2,000,245)	(103,383)
Operating (loss)/profit	6	(2,000,245)	2,622
Investment income	8	-	1,009,443
Finance costs	9	(2,576,771)	-
Impairment charge		-	(117,684)
(Loss)/profit before taxation		(4,577,016)	894,381
Tax on (loss)/profit	10	-	-
(Loss)/profit and total comprehensive income for the financial year	16	(4,577,016)	894,381

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2021**

	Notes	2021 £	2020 £
Non-current assets			
Investments	11	136,016,362	6,199,336
Current assets			
Cash and cash equivalents		1,254	1,342
Current liabilities			
Trade and other payables	13	-	3,768,558
Net current assets/(liabilities)		1,254	(3,767,216)
Total assets less current liabilities		136,017,616	2,432,120
Non-current liabilities			
Trade and other payables	13	100,419,666	-
Net assets		35,597,950	2,432,120
Equity			
Called up share capital	14	9,460,619	5,686,334
Share premium account	15	128,092,236	94,123,675
Retained earnings	16	(101,954,905)	(97,377,889)
Total equity		35,597,950	2,432,120

The financial statements were approved by the board of directors and authorised for issue on ~~23 DECEMBER~~ 23 DECEMBER 2021 and are signed on its behalf by:



Mr D Hamilton-Matthews
Director

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Share capital £	Share premium account £	Retained earnings £	Total £
Balance at 1 January 2020		5,686,334	94,123,675	(98,272,270)	1,537,739
Year ended 31 December 2020:					
Profit and total comprehensive income for the year		-	-	894,381	894,381
Balance at 31 December 2020		<u>5,686,334</u>	<u>94,123,675</u>	<u>(97,377,889)</u>	<u>2,432,120</u>
Year ended 31 December 2021:					
Loss and total comprehensive income for the year		-	-	(4,577,016)	(4,577,016)
Issue of share capital	14	3,774,285	33,968,561	-	37,742,846
Balance at 31 December 2021		<u>9,460,619</u>	<u>128,092,236</u>	<u>(101,954,905)</u>	<u>35,597,950</u>

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

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

1 Accounting policies

Company information

Solifi Group (UK) Limited (Formerly IDS Group Limited) is a private company limited by shares incorporated in England and Wales. The registered office is 8 Devonshire House, Aviary Court, Basingstoke, Hampshire, RG24 8PE.

The company's principal activities and nature of its operations are disclosed in the Director's Report.

Company name

On 29th October 2021, IDS Group Limited changed its name to Solifi Group (UK) Limited.

Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

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 basis. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- presentation of a Statement of Cash Flows and related notes;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities;
- the effect of financial instruments on the Statement of Comprehensive Income;
- comparative period reconciliations for the number of shares outstanding and the carrying amounts of property, plant and equipment, intangible assets, investment property and biological assets;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- comparative narrative information;
- a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements;
- requirement for a minimum of two primary statements, including cashflow statements;
- requirements for a third statement of financial position;
- capital management disclosures;
- related party disclosures for transactions with the parent or wholly owned members of the group.

Exemption from preparing consolidated financial statements

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Solifi Group (UK) Limited (Formerly IDS Group Limited) is a wholly owned subsidiary of IDS Group Inc and the results of Solifi Group (UK) Limited (Formerly IDS Group Limited) are included in the consolidated financial statements of IDS Group Inc which are available from 200 South Sixth Street, Suite 700, Minneapolis, Mn 55402.

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Going concern

Solifi Group (UK) Limited is a holding company and its ability to continue as a going concern is dependent on its subsidiary undertakings.

The combined group is trading EBITDA profitably and cash flow positive. The subsidiary company in the UK, Solifi (UK) Limited, reported an operating loss in 2021 but it is EBITDA and cash positive and is expected to continue so into 2022 and beyond.

The Board continues to assess the impact of the current political and economic turbulence in the UK and will take further action if needed to ensure the long term viability of the entity.

In addition, the Company has received confirmation from the controlling party, IDS, that sufficient support will be provided for a period not less than 12 months from signing.

The directors continue to adopt the Going Concern Basis in preparing the annual report and financial statements.

Revenue

Revenue is measured at the fair value of the consideration receivable in respect of services provided to other group entities.

Non-current 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.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or 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 of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Financial liabilities

Basic financial liabilities, including trade and other creditors and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors, loans from fellow group companies and financial liability from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Derecognition of financial liabilities

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

Equity instruments

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

Taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the director is 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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

Critical judgements

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of investments, the directors have considered both external and internal sources of information such as market conditions, the financial position of the investment entity and experience of recoverability of similar assets.

Carrying value of investments in subsidiary undertakings

The carrying value of fixed asset investments are sensitive to changes in the underlying asset or liability value and expected future revenue and profit streams generated in the relevant subsidiary undertakings. Management review for any potential indicators of impairment in the carrying value of fixed asset investments on an annual basis. The carrying value of investments as at 31 December 2021 was £136,016,362 (2020: £6,199,336). Management have determined that there are no potential indicators of impairment in the current period.

3 Revenue

	2021	2020
	£	£
United Kingdom		
Revenue analysed by class of business		
Intergroup recharges	-	106,005
	<u> </u>	<u> </u>

4 Employees

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

	2021	2020
	Number	Number
	-	1
	<u> </u>	<u> </u>

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Employees (Continued)

Their aggregate remuneration comprised:

	2021	2020
	£	£
Wages and salaries	-	80,906
Social security costs	-	11,615
	<u>-</u>	<u>92,521</u>

5 Director's remuneration

	2021	2020
	£	£
Remuneration for qualifying services	-	80,906
	<u>-</u>	<u>80,906</u>

The directors are remunerated by other group companies. The remuneration received in respect of services to the company are indistinguishable.

6 Operating (loss)/profit

	2021	2020
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Total staff costs	-	92,521
Other administrative expenses	89	10,862
Exchange losses	2,000,156	-
	<u>2,000,156</u>	<u>10,862</u>

7 Auditor's remuneration

The fees for the audit of the company's financial statements and provision of non-audit services by the auditor for the period are borne by another group company.

8 Investment income

	2021	2020
	£	£
Other income from investments		
Dividends received	-	1,009,443
	<u>-</u>	<u>1,009,443</u>
Total income	-	1,009,443
	<u>-</u>	<u>1,009,443</u>

9 Finance costs

	2021	2020
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest payable to group undertakings	2,576,771	-
	<u>2,576,771</u>	<u>-</u>

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Taxation

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

	2021 £	2020 £
(Loss)/profit before taxation	(4,577,016)	894,381
Expected tax (credit)/charge based on a corporation tax rate of 19.00% (2020: 19.00%)	(869,633)	169,932
Effect of expenses not deductible in determining taxable profit	869,633	21,862
Income not taxable	-	(191,794)
Taxation charge for the year	-	-

Factors that may affect future tax charges

In the budget on 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021.

On 23 September 2022, the Chancellor of the Exchequer announced that the planned tax rate change to 25% would no longer be implemented and that the main rate would remain at 19%. As the enacted rate at the balance sheet date was 25% this announcement does not represent an adjusting event and the company's deferred tax balances as at 30 June 2022 are still calculated at that higher rate.

11 Investments

	Current		Non-current	
	2021 £	2020 £	2021 £	2020 £
Investments in subsidiaries	-	-	136,016,362	6,199,336

The company has not designated any financial assets that are not classified as held for trading as financial assets at fair value through profit or loss.

Fair value of financial assets carried at amortised cost

Except as detailed below the directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Investments (Continued)

Movements in non-current investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2021	6,199,336
Additions	129,817,026
At 31 December 2021	<u>136,016,362</u>
Carrying amount	
At 31 December 2021	<u>136,016,362</u>
At 31 December 2020	<u>6,199,336</u>

On 1 June 2021, the company acquired 100% of the share capital of WC Topco Limited. WC Topco Limited is the holding company of White Clarke Group. The products and services of the group are complimentary to those currently provided in the UK. The acquisition supports the strategic objectives to grow the Group's product set and market presence.

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Subsidiaries

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

Name of undertaking	Registered office	Ownership interest (%)	Nature of business
International Decision Systems Limited	1	100.00	Provision of software and services
Solifi Australia Holdings Pty Limited	2	100.00	Holding company
Solifi Pty Limited	2	100.00	Leasing and asset finance industries
Decision Systems Australia Pty Ltd.	2	100.00	Holding company
WC Midco Limited	3	100.00	Holding company
WC Bidco Limited	3	100.00	Holding company
White Clarke Group Holdings Limited	3	100.00	Holding company
Solifi (UK) Limited	3	100.00	Consultancy to asset finance industries
WC Topco Limited	3	100.00	Holding company
WCGAP Holdings Pty Limited	2	100.00	Holding company
White Clarke Asia Pacific Pty Ltd	2	100.00	Leasing and asset finance industries
Bureau Services Australia Pty Ltd	2	100.00	Leasing and asset finance industries
WC Midco 2 Limited	3	100.00	Holding company
Beijing White Clarke Group Software System Co. Ltd	4	100.00	IT Consultancy
White Clarke India Private Limited	5	100.00	IT Consultancy
Solifi Germany GmbH	6	100.00	IT Consultancy
White Clarke Group Ireland Limited	7	100.00	IT Consultancy
Solifi Austria GmbH	8	100.00	IT Consultancy

1. 8 Devonshire House, Aviary Court, Basingstoke, Hampshire, RG24 8PE

2. Suite 27.02B, Level 27, 1 O'Connell Street, Sydney, NSW 2000

3. 10 Queen Street Place, London, United Kingdom, EC4R 1AG

4. 1615, 13th floor, Building 602, Wangjing Yuan, Chaoyang District

5. No. 5669 Doddamane, General Thimmaiah Road, Vijaynager, 2nd Stage, Mysore, Karnataka

6. Herbert-Weichmann-Str. 56, D-22085 Hamburg

7. 87 Kerry Mount Rise, Foxrock, Dublin 18, Ireland

8. Bäckerstraße 1/13, 1010 Wien, Wien, Austria

The capital of each of the subsidiary companies above comprises ordinary shares only.

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13 Trade and other payables

	Current		Non-current	
	2021	2020	2021	2020
	£	£	£	£
Amounts owed to fellow group undertakings	-	3,768,558	100,419,666	-

During the year Solifi Group (UK) Limited entered into a loan agreements with IDS Inc for \$79,078,810 USD and International Decision Systems Limited for \$12,700,000 USD as part of the June 2021 of acquisition of White Clarke Group. In October 2021 International Decision Systems was acquired by Solifi (UK) Limited and the loan was transferred. Both agreements are repayable in 5 years within interest accruing at 6.6%. The remaining balance relates to amounts other than loans owed to fellow group undertakings that do not attract interest.

14 Share capital

	2021	2020
	£	£
Ordinary share capital		
<i>Issued and fully paid</i>		
94,606,190 (2020 - 56,863,340) ordinary shares of 10p each	9,460,619	5,686,334
	<u>9,460,619</u>	<u>5,686,334</u>

During the year the company issued 378,473,420 ordinary shares for consideration of £37,742,846. The shares issued have a nominal value of 10p per share and a share premium of £33,968,561 has been recognised, as can be seen in note 15.

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

15 Share premium account

	2021	2020
	£	£
At beginning of year	94,123,675	94,123,675
Issue of new shares	33,968,561	-
At end of year	<u>128,092,236</u>	<u>94,123,675</u>

The excess of consideration received for shares issued above their nominal value net of transaction costs.

16 Retained earnings

Profit and loss reserve

Cumulative profit and loss net of distributions to owners.

17 Financial commitments, guarantees and contingent liabilities

The company's parent IDS Group Inc. and International Decision Systems Inc. entered into a credit agreement with a lending syndicate led by Goldman Sachs' Speciality Lending Group, LP on 8 October 2019 under which the company's and its fellow group companies' copyrights, intellectual property and shares with certain limitations are pledged as security against the outstanding indebtedness.

SOLIFI GROUP (UK) LIMITED (FORMERLY IDS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Related party transactions

The company is exempt from disclosing other related party transactions under FRS 101 as they were all with other companies that are wholly owned within the group.

19 Controlling party

The company's immediate parent company is IDS Group Inc., a company incorporated in the United States of America located at 220 South Sixth Street, Suite 700, Minneapolis, Mn 55402.

The company's ultimate controlling party is IDS Group Parent, L.P. and Partnership located in the United States.

IDS Group Inc. is the only holding company for which group financial statements are prepared and of which the company is a member.