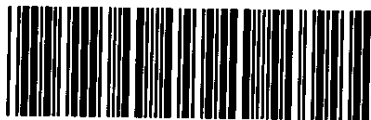


**DAVIES TECHNOLOGY SOLUTIONS LIMITED
(FORMERLY SERVICETICK LIMITED)**

**ANNUAL REPORT AND UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

REGISTERED NUMBER 06142958

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**DAVIES TECHNOLOGY SOLUTIONS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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**DAVIES TECHNOLOGY SOLUTIONS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

COMPANY INFORMATION

DIRECTORS

D Coombes
A Debiase
D Saulter

COMPANY SECRETARY

A Debiase

REGISTERED OFFICE

5th Floor
20 Gracechurch
Street London
EC3V 0BG

**DAVIES TECHNOLOGY SOLUTIONS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

DIRECTORS' REPORT

The directors present their report with the unaudited financial statements of the company, registered number 06142958, for the year ended 30 June 2022.

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

For the year ended 30 June 2022 the Company was entitled to the exemption from audit under section 479A of the Companies Act 2006.

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was that of customer experience and analytics solutions.

REVIEW OF BUSINESS

A summary of the results for the year is given in the Income statement on page 5.

RESULTS AND DIVIDENDS

The company's profit for the financial year is £341,857 (2021: £181,422). No dividends were paid or proposed during the year (2021: £nil).

GOING CONCERN

Going concern has been discussed in detail in note 1. The company has continued to trade profitably since the year end in line with forecasts. As such, The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The Directors therefore believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from this basis of preparation being inappropriate.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

Davies Topco Limited, the company's ultimate holding company until 2 August 2021, maintained cover for its directors and officers and those of its subsidiary companies under a directors' and officers' liability insurance policy as permitted by the Companies Act 2006 until 3 August 2022, when the new ultimate holding company, Tennessee Topco Limited assumed these responsibilities. The liability insurance is a qualifying third-party indemnity provision and was in force during the financial year and up to and including the date of the approval of the Annual Report and Financial Statements.

DIRECTORS

The directors who served during the year and up to the date of signing these financial statements unless otherwise stated are as follows:

D Coombes
A Debiase
D Saulter

**DAVIES TECHNOLOGY SOLUTIONS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

DIRECTORS' REPORT (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 prepared the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board



A Debiase
Director

Date: 22 June 2023

DAVIES TECHNOLOGY SOLUTIONS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	Note	Unaudited Year ended 30 June 2022 £	Year ended 30 June 2021 £
Turnover	3	2,621,892	2,426,004
Cost of sales		(582,094)	(1,254,020)
Gross profit		2,039,798	1,171,984
Administrative expenses		(1,469,230)	(735,640)
EBITDA		570,568	436,344
Amortisation		(240,307)	(271,260)
Total administrative expenses		(1,709,537)	(1,006,900)
Other income		-	(3,451)
Operating profit		330,261	161,633
Profit on ordinary activities before taxation		330,261	161,633
Tax on profit on ordinary activities		11,596	19,789
Profit for the financial year		341,857	181,422

All amounts relate to continuing operations.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Unaudited Year ended 30 June 2022 £	Year ended 30 June 2021 £
Profit for the financial year	341,857	181,422
Total comprehensive income relating to the year	341,857	181,422

The notes on pages 8 to 13 form part of these financial statements.

DAVIES TECHNOLOGY SOLUTIONS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	Unaudited As at 30 June 2022		As at 30 June 2021	
		£	£	£	£
ASSETS					
Fixed assets					
Intangible assets	5	490,268		303,075	
Tangible assets	6	4,993		-	
			495,261		303,075
Current assets					
Debtors	7	2,551,630		1,997,920	
Cash at bank and in hand		178,452		243,660	
			2,730,082		2,241,580
Total assets			3,225,343		2,544,655
LIABILITIES AND EQUITY					
Capital and reserves					
Called up share capital	9	275,800		275,800	
Capital redemption reserve		306,748		306,748	
Profit and loss account		679,116		337,259	
Total equity			1,261,664		919,807
Other liabilities					
Creditors: amounts falling due within one year	10	1,944,096		1,615,316	
Deferred tax	8	19,583		9,532	
Total other liabilities			1,963,679		1,624,848
Total equity and liabilities			3,225,343		2,544,655

For the year ended 30 June 2023 the company was entitled to exemption under section 479A of the Companies Act 2006.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements on pages 5 to 13 were approved by the Board of Directors on 22 June 2023 and were signed on its behalf by:



A Debiase
Director

Company registered number 06142958

The notes on pages 8 to 13 form part of these financial statements.

DAVIES TECHNOLOGY SOLUTIONS LIMITED
 ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2022

**STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2022**

	Share capital £	Capital redemption reserve £	Profit and loss account £	Total Equity £
Balance as at 1 July 2020	275,800	306,748	155,837	738,385
Profit for the year	-	-	181,422	181,422
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	181,422	181,422
Balance as at 30 Jun 2021	275,800	306,748	337,259	919,807
Profit for the year	-	-	341,857	341,857
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	341,857	341,857
Balance as at 30 June 2022 (Unaudited)	275,800	306,748	679,116	1,261,664

The notes on pages 8 to 13 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Davies Technology Solutions Limited is a private company limited by shares incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the directors' report. The financial statements have been prepared in accordance with FRS 102 Section 1A, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. The company changed its name from ServiceTick Limited to Davies Technology Solutions on 6 November 2021.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland.

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17 (d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

Going concern

The entity is a subsidiary of Tennessee Topco Limited and party to group funding facilities. Monitoring of financial performance and management of banking facilities is done on a group basis and incorporates the results of all subsidiaries of the group that are consolidated within Tennessee Topco Limited accounts.

The directors continually review and monitor business performance and liquidity of the Group. After reviewing the Group's forecasts and projections, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

The Group has performed ahead of expectations since the outbreak of the COVID-19 pandemic and is in line with budget after the first 7 months of the year ending 30 June 2023 despite the challenging economic environment and the Group remains on track to deliver an EBITDA performance in FY23 significantly ahead of last year. The Group also has access to a committed revolver credit facility of £90m should this be required.

The Group's most recent forecasting exercise covers a period from the balance sheet date to 30 June 2024. As part of their forecasting work, the directors undertook detailed sensitivity analysis which showed that the Group is highly unlikely to breach its covenant. The Group enjoys continued funding support of its shareholders BC Partners, HGGC, and AimCo, having raised an additional £45m in equity in September 2022 to support M&A, with a further £35m to follow by the end of the calendar year. The key mitigant for a covenant breach would be an equity injection from the shareholders which is permitted under the existing banking agreement. Additionally, a further mitigant should the Group experience a liquidity issue, would be to drawdown on the £90m RCF which can be accessed for any purpose.

In August 2021, the Group completed a transaction with BC Partners who have acquired a majority stake in the business following a rigorous due diligence process. As part of this transaction, Blackstone replaced ICG as the Group's debt provider and an acquisition facility of £350m was secured alongside a c£90m rolling credit facility. This is a committed facility which can be utilised for any purpose including operational, working capital and M&A requirements and can be drawn down in 5 working days.

The Group is continuing its M&A program and during the period ended 30 June 2022 the Group made five acquisitions. In June 2022, The Group secured an additional acquisition facility of £350m which underlines Blackstone's confidence in Davies performance. The Group has completed five new acquisitions in the period to January 2023, adding c£18.6m of annualised EBITDA before synergies.

The company has continued to trade profitably since the year end in line with forecasts. As such, The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The Directors therefore believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from this basis of preparation being inappropriate.

The following principal accounting policies have been applied:

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 Accounting policies (continued)

Turnover

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/vat added tax, returns, rebates and discounts.

All turnover is derived from within the United Kingdom.

Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

- Technology asset - 33% straight line

Tangible assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Repairs and maintenance are charged to the income statement during the period in which they are incurred.

Depreciation

Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Fixtures and fittings and office equipment - 20% straight line

Computer equipment - 33.3% straight line

Leased assets: Lessee

Costs in respect of operating leases are charged to the income statement on a straight line basis over the term of the lease.

The company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered before the date of transition to the standard (1 July 2014) to continue to be charged over the shorter period to the first market rent review rather than the term of the lease. For leases entered into on or after 1 July 2014, reverse premiums and similar incentives received to enter into operating lease agreements are released to the income statement over the term of the lease.

Where the company has a legal obligation, a dilapidations provisions is created on inception of a lease. These provisions are a best estimate of the cost acquired to return lease properties to their original condition upon termination of the lease. Where the obligation arises from 'wear and tear', the provision is accrued as the 'wear and tear' occurs.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future entitlement so accrued at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 Accounting policies (continued)

Current and deferred taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met and;

-Where timing differences relate to interests in subsidiaries and the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of timing differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Pensions

The Group makes contributions under a defined contribution scheme, the assets of which are held in a separately administered fund. All pension contributions are charged to the profit and loss in the period in which they fall due.

Reserves

The company's reserves are as follows:

- Called up share capital represents the nominal value of the shares issued.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transactions costs) and subsequently held at cost, less any impairment.

Financial liabilities

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

2 Significant judgements and estimates

In application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions around carrying amounts of assets and liabilities that are not readily apparent from other sources. The directors confirm that the company does not have any critical accounting judgements and key sources of estimation uncertainty.

3 Turnover

All turnover is derived from the company's principal activity, which the directors consider comprises a single class of business and arose within the United Kingdom.

DAVIES TECHNOLOGY SOLUTIONS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

4 Staff costs and employee information

The average monthly number of employees, including The Directors, during the year was 31 (2021: 35).

5 Intangible fixed assets

	Other intangible assets £	Total £
Cost		
At 1 July 2021	940,159	940,159
Additions	427,500	427,500
At 30 June 2022 (Unaudited)	1,367,659	1,367,659
Accumulated amortisation		
At 1 July 2021	(637,084)	(637,084)
Amortisation for year	(240,307)	(240,307)
At 30 June 2022 (Unaudited)	(877,391)	(877,391)
Net book value		
At 30 June 2022 (Unaudited)	490,268	490,268
At 30 June 2021	303,075	303,075

The asset relates to an internally generated development asset comprising staff and contractor costs.

6 Tangible fixed assets

	Fixtures and Fittings £	Computer Equipment £	Total £
Cost			
At 1 July 2021	15,006	34,242	49,248
Additions	-	4,993	4,993
At 30 June 2022 (Unaudited)	15,006	39,235	54,241
Accumulated depreciation			
At 1 July 2021	(15,006)	(34,242)	(49,248)
Charge for the year	-	-	-
At 30 June 2022 (Unaudited)	(15,006)	(34,242)	(49,248)
Net book value			
At 30 June 2022 (Unaudited)	-	4,993	4,993
At 30 June 2021	-	-	-

Fixed assets are stated at historical cost.

NOTES TO THE FINANCIAL STATEMENTS (continued)

7 Debtors due within one year

	Unaudited Year ended 30 June 2022	Year ended 30 June 2021
	£	£
Trade debtors	621,111	294,875
Amounts owed by Group undertakings	1,736,496	1,672,212
Other debtors	103,601	22,800
Prepayments and accrued income	90,422	8,033
	2,551,630	1,997,920

Amounts owed by group undertakings are unsecured, interest-free, have no fixed date of repayment and are repayable on demand.

8 Deferred tax

The movements on deferred tax are as follows:

	Unaudited Year ended 30 June 2022	Year ended 30 June 2021
	£	£
At the beginning of year	(9,532)	(29,321)
Deferred tax (charge)/credit in income statement for the year	(10,051)	19,789
At the end of year	(19,583)	(9,532)

The deferred tax comprises:

	Unaudited Year ended 30 June 2022	Year ended 30 June 2021
	£	£
Fixed asset timing differences	(19,583)	(9,532)
	(19,583)	(9,532)

The company has no deferred tax assets on losses which are not recognised.

9 Called up share capital

	Unaudited Year ended 30 June 2022	Year ended 30 June 2021
	£	£
Allotted, issued and fully paid		
800 (2021: 800) Ordinary A Shares of £1.00 each	800	800
200 (2021: 200) Ordinary B Shares of £750.00 each	150,000	150,000
32 (2021: 32) Ordinary B Shares of £3,906.25 each	125,000	125,000
	275,800	275,800

All classes of share rank pari passu with each other.

10 Creditors: amounts falling due within one year

	Unaudited Year ended 30 June 2022	Year ended 30 June 2021
	£	£
Trade creditors	33,732	40,225
Amounts owed to Group undertakings	1,613,889	1,241,711
Other taxation and social security	-	36,433
Other creditors	47,996	82,340
Accruals and deferred income	248,479	214,607
	1,944,096	1,615,316

Amounts owed to group undertakings are unsecured, interest-free, have no fixed date of repayment and are repayable on demand.

**DAVIES TECHNOLOGY SOLUTIONS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

NOTES TO THE FINANCIAL STATEMENTS (continued)

11 Operating lease commitments

At 30 June 2022, the company had no future minimum lease payments under non-cancellable operating leases (2021: nil).

12 Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of a Group whose parent company is Davies Group Limited which is the smallest Group to consolidate these financial statements. At 30 June 2022 Davies Group Limited was in turn ultimately owned by Tennessee Topco Limited which the directors considered to be the ultimate parent undertaking and the largest Group to consolidate these financial statements.

Copies of Davies Group Limited and Tennessee Topco Limited consolidated financial statements can be obtained from the Company 5th Floor, 20 Gracechurch Street, London, EC3V 0BG.

The directors consider BC Partners to be the ultimate controlling party of the Group.

13 Related party disclosures

The Group has taken advantage of the exemption confirmed by section 33 of FRS 102 not to disclose transactions with members of the Group headed by Davies Group Limited on the grounds that 100% of the voting rights in the company are controlled within that Group.