Company Registration No. 10649983

Mozart Topco Limited

Report and Financial Statements

For the period 3 March 2017 to 31 March 2018

Mozart Topco Limited

Report and financial statements 2018

Contents

Mozart Topco Limited

Officers and professional advisers

Directors

A Nedungadi
J Seigler
G Warren

Registered Office

15 Bonhill Street
London
EC2A 4DN
United Kingdom

Auditor

Deloitte LLP
Statutory Auditor
London
United Kingdom

Mozart Topco Limited

Strategic report

The directors present their strategic report on the Group for the period ended 31 March 2018.

Review of business

Mozart Topco Limited ("the company") was incorporated on 3 March 2017 and on 17 March 2017 became the indirect holding company of ITRS Group Limited and its subsidiaries (together "the ITRS Group" or "the Group").

The principal activity of the ITRS Group during the period under review was that of software development, sales, implementation and support. The software provided is sold as Geneos and principally provides real-time performance monitoring tools to the financial services sector.

The ITRS Group operates in several geographical markets including those in North America, Europe & Asia-Pacific.

Results and performance

The results of the ITRS Group for the period, as set out on pages 10 to 12, show a loss on ordinary activities before taxation of $42,270,000. The Shareholders' deficit of the ITRS Group total $41,344,000.

The performance of the Group year on year has been encouraging. Recurring revenue growth from subscription-based customers in the financial services sector of its core Geneos product was just under $6 million and attrition from existing customers remained low at under 3%.

The operating profits when adjusted for amortisation of goodwill and exceptional administrative expenses relating to the acquisition costs of the underlying Group were $5,545,000.

The directors do not recommend the payment of a dividend.

Business environment

Geneos helps the Group's clients to manage operational risk. It does this by monitoring in real time the health of their business-critical applications, infrastructure and the messages that pass between them and is used by clients to monitor the end to end flow of transactions across their business. Configured appropriately Geneos also has the ability to collect, analyse and visualise business data that could help a bank to aggregate and report on credit, market or liquidity risks.

Increasing regulation and legislation of the markets such as BCBS239, MiFId II and the Dodd-Frank Act, is compelling the Group's clients to demonstrate to their supervisory bodies how they aggregate and report their risks (be those credit, market, liquidity or operational risks). Additionally, high profile incidents where financial service companies experience outages and the regulatory measures and reputational loss which are suffered on the back of such operational failures serve to remind customers of the importance of effective monitoring.

The monitoring tools market is highly competitive, particularly in the financial services sector where the Group's business is focused. Many companies offer similar tools, however Geneos is unique in the market given number of systems it can integrate with out of the box via a wide range of plug-ins, the real-time nature of the solution and the fact that it is resource light on data collection and therefore does not impact the performance of the servers and applications it is monitoring that other competitors would.

Strategy

The ITRS Group will continue to develop its core Geneos product to provide a best of breed monitoring tool, this includes ensuring Geneos is well equipped to operate in cloud-based deployments that our customers are increasingly using to provide scale and resilience to their IT estates.

Alongside this the ITRS Group is developing an enhanced data storage and processing module that will co-exist with the current Geneos product and provide additional advanced analytics functionality.

Strategic report

Key performance indicators	2018
Turnover ($'000)	34,687
Annual Recurring Revenue (ARR) ($'000)*	35,486
Direct customers	89
Number of technical staff at the end of the period	116
Technical staff as a % of total	67%

* ARR represents the annualised recurring subscription and maintenance revenue base as at the 31 March 2018.

Exposure to risks and how it is managed

Key clients

The ITRS Group's business continues to be concentrated in the financial services sector and the revenue is derived from the sale of software licences, managed services and implementation services to our clients. The rate of attrition of clients is very low. The Group employs a global team of very experienced account managers, product managers, professional services consultants, customer support staff and software engineers to ensure that the software continues to meet the current and future requirements of its clients and the markets in which it operates.

Market risk

Market risk refers to the possibility that changes in foreign exchange rates and interest rates will affect the Group's profitability. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing returns.

A significant portion of the Group's revenues and to a lesser extent its operating cost base is denominated in USD. However, the senior and subordinated debt is denominated in USD giving rise to significant USD cash outflows that act as a natural hedge against USD inflows.

In order to mitigate interest rate risk arising from variable interest rates on the senior debt facility the directors regularly review the exposure to adverse changes in US LIBOR rates. This includes reviewing a number of derivative instruments to cap or fix interest rates. The directors have concluded that in the period under review there was no requirement to enter into any such derivative agreements but will continue to monitor this assessment as prevailing macro-economic conditions dictate.

Liquidity risk

The ITRS Group had a cash balance of $8,039,000 at 31 March 2018. The Group prepares both short-term and long-term cashflow forecasts to ensure this is sufficient to meet the on-going needs of the Group and its operations. The Group maintains its liquidity via negotiation of reasonable payment terms with its clients and the prompt billing and collection of debts.

In addition, the ITRS Group has available to it a $5,000,000 revolving credit facility with its senior debt provider, Silicon Valley Bank. Access to this credit facility has not been required in the period under review.

Credit risk

Credit risk refers to the possibility that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group trades with blue-chip financial services companies mitigating the risk of financial loss from defaults.

Key personnel

As a software developer, implementer and distributor over 75% of our cost base relates to our people. We are committed to hiring high calibre staff to facilitate the growth of the business and to providing our employees with the appropriate working environment, tools and effective training to maintain our competitive advantage.

Mozart Topco Limited

Strategic report

Future developments

The Group continues to invest in the development of new technology, spending circa $4.8 million on the development of new software in the period.

Post balance sheet events

On 25 May 2018, Mozart Bidco acquired Sumerian Holdings Limited, a company incorporated in the United Kingdom under the Companies Act 2006 and registered in Scotland. This acquisition was funded by cash.

On 13 August 2018, Mozart Bidco acquired OP5 AB, a company incorporated in Sweden. This acquisition was funded through additional debt from SiliconValley Bank of $22.5 million.

Approved by the Board of Directors
and signed on behalf of the Board

G Warren
Director

1 November 2018

Mozart Topco Limited

Directors' report

The directors present their annual report and the audited financial statements for the period 3 March 2017 to 31 March 2018.

The company was incorporated on 3 March 2017 and commenced activities on 17 March 2017.

Directors

The directors of the company during the period and up to the date of this report were:

A Nedungadi (appointed 3 March 2017)
J Seigler (appointed 3 March 2017)
G Warren (appointed 17 March 2017)

Research and development

The Group continues to invest in the development of its software in order to continually enhance the service that the group provides to it's clients. The Group is committed to delivering a clearly set out product roadmap in order to provide a future stream of revenue for the group. The roadmap is published on the Company's website. www.itrsgroup.com.

Going concern

The directors have a reasonable expectation the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies in note 1 to the financial statements.

Future developments and post balance sheet events

Details of future developments and events that have occurred after the balance sheet date can found in the Strategic report on pages 2 to 4 and form part of this report by cross reference.

Disclosure of information to the auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors has taken all the steps that they ought to have taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Auditor

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

G Warren

Director

1 November 2018

Directors' responsibilities statement

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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 will continue in business.

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

Independent auditor's report to the members of Mozart Topco Limited

Report on the audit of the financial statements
In our opinion the financial statements of Mozart Topco Limited (the 'parent company') and its subsidiaries (the 'group'):
- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2018 and of the group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:
- the consolidated profit and loss account;
- the consolidated statement of comprehensive income
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 26.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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
We are required by ISAs (UK) to report in respect of the following matters where:
- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

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

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

Independent auditor's report to the members of Mozart Topco Limited (continued)

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 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 for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Independent auditor's report to the members of Mozart Topco Limited (continued)

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.

David Griffin FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
1 November 2018

Consolidated profit and loss account
For the period ended 31 March 2018

	Notes	2018 $'000
Turnover	3	34,687
Cost of sales		(1,748)
Gross profit		32,939
Administrative expenses		(27,394)
Exceptional administrative expenses	4	(469)
Amortisation of goodwill		(30,698)
Operating loss	7	(25,622)
Interest receivable and similar income	8	1
Interest payable and similar charges	9	(16,649)
Loss on ordinary activities before taxation		(42,270)
Tax on loss from ordinary activities	10	(392)
Loss on ordinary activities after taxation		(42,662)

All amounts relate to continuing activities.

The notes on pages 17 to 35 form part of these financial statements.

Mozart Topco Limited

Consolidated statement of comprehensive income
For the period ended 31 March 2018

	Notes	2018 $'000
Loss for the financial period		(42,662)
Actuarial loss relating to retirement benefit obligations	20	(18)
Net exchange differences on translation of foreign subsidiaries		801
Equity proportion of transaction costs of shares issued		(261)
Other comprehensive income		522
Total comprehensive loss		(42,140)

The notes on pages 17 to 35 form part of these financial statements.

Mozart Topco Limited

Consolidated balance sheet
As at 31 March 2018

	Notes	2018 $'000
Fixed assets		
Tangible fixed assets	12	1,749
Intangible assets	13	123,592
		125,341
Current assets		
Debtors	15	11,763
Cash at bank and in hand		8,039
		19,802
Creditors: amounts falling due within one year	16	(22,135)
Net current liabilities		(2,333)
Total assets less current liabilities		123,008
Creditors: amounts falling due after one year	17	(164,205)
Net liabilities excluding provision for liabilities		(41,197)
Provision for liabilities	18	(147)
Net liabilities		(41,344)
Capital and reserves		
Called up share capital	21	4
Share premium account	22	793
Other reserve	22	(261)
Profit and loss account	22	(41,880)
Shareholders' deficit		(41,344)

The financial statements of Mozart Topco Limited, registered number 10649983 were approved by the Board of Directors on 1 November 2018.

Signed on behalf of the Board of Directors

G Warren
Director

The notes on pages 17 to 35 form part of these financial statements.

Mozart Topco Limited

Company balance sheet
As at 31 March 2018

	Notes	2018 $'000
Fixed assets		
Investment	14	84,525
Current assets		
Debtors	15	4,079
Cash at bank and in hand		-
		4,079
Creditors: amounts falling due within one year	16	(66)
Net current assets		4,013
Total assets less current liabilities		88,538
Creditors: amounts falling due after one year	17	(110,689)
Net liabilities		(22,151)
Capital and reserves		
Called up share capital	20	4
Share premium account	21	793
Profit and loss account	22	(22,948)
Shareholders' deficit		(22,151)

The loss for the financial period dealt with in the financial statements of the parent company was $11,169,000. Other comprehensive income of $11,779,000.

The financial statements of Mozart Topco Limited, registered number 10649983 were approved by the Board of Directors on 1 November 2018.

Signed on behalf of the Board of Directors

G Warren

G Warren
Director

The notes on pages 17 to 35 form part of these financial statements.

Consolidated statement of changes in equity
For the period ended 31 March 2018

	Called-up share capital $'000	Share premium account $'000	Other reserve $'000	Profit and loss account $'000	Total $'000
On incorporation	-	-	-	-	-
Loss for the period	-	-	-	(42,662)	(42,662)
Other comprehensive income					
Actuarial gain on pension scheme	-	-	-	(18)	(18)
Net exchange differences on translation of foreign operations	-	-	-	800	800
Equity proportion of transaction costs of shares issued	-	-	(261)	-	(261)
Total comprehensive income	-	-	(261)	(41,880)	(42,142)
Shares issued in the period	4	793		-	797
At 31 March 2018	4	793	(261)	(41,880)	(41,344)

Mozart Topco Limited

Company statement of changes in equity
For the period ended 31 March 2018

	Called-up share capital $'000	Share premium account $'000	Profit and loss account $'000	Total $'000
On incorporation				
Loss for the financial period	-	-	(11,169)	(11,169)
Net exchange differences on translation			(11,779)	(11,779)
Total comprehensive loss	-	-	(22,948)	(22,948)
Shares issued in the period	4	793	-	797
At 31 March 2018	4	793	(22,948)	(22,151)

Mozart Topco Limited

Consolidated cash flow statement
For the period ended 31 March 2018

	2018 $'000
Net cash flows from operating activities	
Loss for the financial period	(42,662)
Adjustments for:	
Amortisation of intangible assets	31,005
Depreciation of tangible fixed assets	690
Interest charged	16,649
Interest credited	(1)
Taxation charged	392
(Increase) in debtors	(22)
Increase in creditors	3,563
Taxation paid	(216)
Net cash generated in operating activities	9,398
Cash flows from investing activities	
Purchase of tangible fixed assets	(732)
Purchase of intangible assets	(384)
Purchase of fixed asset investments	(48,107)
Interest received	1
Net cash used in investing activities	(49,222)
Cash flows from financing activities	
Interest paid	(3,882)
Repayment of loan notes	(99,271)
Proceeds from debenture loan	39,750
Repayment of debenture loan	(414)
Proceeds from subordinated loan	13,483
Proceeds from issue of ordinary shares	797
Proceeds from issue of preference shares	86,736
Net cash generated from financing activities	37,199
Net (decrease) in cash and cash equivalents	(2,625)
Cash and cash equivalents at beginning of period	-
Cash received from acquisition of fixed asset investments	10,330
Effect of foreign exchange rate changes	334
Net decrease in cash and cash equivalents	(2,625)
Cash and cash equivalents at end of period	8,039
Reconciliation to cash at bank and in hand:	
Cash at bank and in hand	8,039
Cash and cash equivalents	8,039

The notes on pages 17 to 35 form part of these financial statements.

Notes to the financial statements (continued)
For the period ended 31 March 2018

1. Accounting policies

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

Basis of accounting

Mozart Topco Limited is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the group's operations and its principal activities are set out in the strategic report.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") issued by the Financial Reporting Council, and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

Basis of consolidation

The group financial statements consolidate the financial statements of the company and all its subsidiaries. Trading between group companies is eliminated on consolidation. All companies within the group report their results to the same date. The turnover and results of subsidiary companies are included in the group financial statements from the date of acquisition.

Going concern

The directors have prepared cash flow forecasts for 12 months from the approval date. The financial statements have been prepared under the going concern concept on the basis that the group cash flow forecasts show the ability to meet obligations as they fall due for the 12 months following the approval date.

The directors have reviewed the financial position of Mozart Topco Limited, including the arrangements with group undertakings. The directors have considered the financial position of the company and its group undertakings. The company's directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the immediate group to continue as a going concern. Accordingly, they expect that the group will be able to continue in operational existence for the foreseeable future and hence continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Functional currency

The functional currency of Mozart Topco Limited is considered to be pound sterling as this is the currency of its primary economic enviroment. The consolidated financial statements are presented in US Dollar. Foreign operations are included in accordance with the policies set out below.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The group derives revenue from software subscription licenses, maintenance fees (post contract customer support) and providing managed services and software implementation services to its clients.

Licence revenue includes fees from the sale of software developed by the group. Licence fees are recognised when persuasive evidence of an arrangement exists, commencement of the licence period has occurred, and the fee is fixed or determinable and collectability is probable. Where the clients subscribe to software licences under extended payment terms of more than one year, the fee under these arrangements is recognised rateably over those years, assuming all other revenue recognition criteria have been met. Software subscription licences invoiced and not recognised as revenue are included in deferred income.

Notes to the financial statements (continued)
For the period ended 31 March 2018

1. Accounting policies (continued)

Turnover (continued)

Maintenance fees associated with software licences include helpdesk support, bug fixes, and rights to updates on a when-and-if-available basis. These fees are invoiced annually in advance and recognised rateably over the period. Unrecognised maintenance fees are included in deferred income.

Services revenue includes managed services, implementation and training. Services are generally separable from the other elements of turnover, since the performance of the services is not essential to the functionality of the software. Such revenue for services is recognised as the services are delivered.

Where the group enters into bundled contracts, the fair value of post-contract services is calculated and accounted for in line with the appropriate revenue recognition policies detailed within this note. The remaining value of the contract is treated as licence revenue and is accounted for in accordance with the licence revenue recognition policy. Post-contract activities may include configuration and implementation of our software under a professional services engagement, training and support.

Research and development costs

Expenditure on research and development is written off to the profit and loss account as incurred.

Operating lease costs

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the profit and loss account on a straight line basis over the lease term.

Interest receivable

Interest receivable is recognised in the profit and loss account using the effective interest method.

Costs of financing

Costs of financing are charged to the profit and loss account using over the term of the debt using the effective interest method so that the amount charges is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Current taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax assets are only accounted for when it is more likely than not that there will be taxable profits in the future against which they can be offset. Deferred tax balances are not discounted.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

On consolidation, the trading results, assets and liabilities of the overseas subsidiary are translated into sterling at the rate of exchange ruling on the balance sheet date. The exchange difference arising from the translation of the opening share capital and reserves is shown as a movement on reserves.

Notes to the financial statements (continued)
For the period ended 31 March 2018

1. **Accounting policies (continued)**

Pension costs

The group operates a non-contributory defined contribution pension scheme covering some of the directors and other employees. The pension cost charged in the profit and loss account represents the amounts payable by the group to the fund for the financial period. This fund is separately administered by an external provider and is independent of the finances of the company.

ITRS Philippines Inc. operates a defined benefit scheme. This has been valued using the projected unit credit method. The difference between the fair value of the plan's assets and the present value of the plan's liabilities are disclosed as an asset or liability on the consolidated balance sheet as appropriate. The amount charged to the consolidated profit and loss account is the expected annual cost of the accruing pension benefits that the employees were entitled. Any differences between the expected return on assets and those actually achieved, and any changes in the liabilities over the period due to changes in assumptions or experience, are recognised in the statement of recognised gains and losses.

Fixed asset investments

Investments held as fixed assets are stated at cost less provision for impairment in value.

The carrying values of fixed asset investments are reviewed for impairment when a triggering event arises that indicates assets might be impaired. Any provision for impairment is charged to the profit and loss account in the year concerned.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land and buildings:		
Leasehold improvements	-	Equal instalments over the term of the lease
Plant and machinery:		
Computer equipment	-	33.33% on cost (straight line over three years)
Office furniture and equipment	-	33.33% on cost (straight line over three years)

Intangible assets

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings is the difference between the fair value of the purchase consideration, and the fair value of the net assets acquired. Goodwill is estimated to have a useful economic life of 5 years from the date of acquisition. It is amortised evenly over its five year useful economic life on a straight line basis.

Software

Research expenditure is written off in the period in which it is incurred.

Expenditure on internally developed software is capitalised if it can be demonstrated that:

- it is technically and commercially feasible to develop the asset for future economic benefit;
- adequate resources are available to maintain and omplete the development;
- there is the intention to complete and develop the asset for future economic benefit;
- the group is able to use the asset;
- use of the asset will generate future economic benefits; and
- expenditure on the development of the asset can be measured reliably.

Notes to the financial statements (continued)
For the period ended 31 March 2018

1. **Accounting policies (continued)**

Impairment of fixed assets and goodwill

The carrying values of fixed assets are reviewed for impairment when a triggering event arises that indicates assets might be impaired. First year impairment reviews are conducted for acquired goodwill and intangible assets after the first full year following acquisition. Impairment is determined by the comparison of the carrying value of the asset and value in use. Any provision for impairment is charged to the profit and loss account in the year concerned.

Loans

The loan notes issued by the group are interest bearing although there is no requirement to repay either the principal or the interest until maturity. The interest cost associated with the loan notes is accrued and charged to the profit and loss.

Debtors

Short term debtors are measured at the transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

Notes to the financial statements (continued)
For the period ended 31 March 2018

1. **Accounting policies (continued)**

Financial instruments (continued)

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2. **Judgements in applying accounting policies and key sources of estimation uncertainty**

In preparing these financial statements, the directors have mde the following judgements:

- Determination of whether there are indicators of impairment of the group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

- Development costs are capitalised based on an assessment on whether they meet the criteria laid down in FRS 102 for capitalisation. Capitalised development costs are amortised over their useful life. The useful life is based on management estimates of the period that the asset will generate revenue, and is periodically reviewed for appropriateness.

Other key sources of estimation uncertainty

- Intangible and tangible fixed assets are amortised or depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into

Notes to the financial statements (continued)
For the period ended 31 March 2018

2. **Judgements in applying accounting policies and key sources of estimation uncertainty (continued)**

account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

3. **Turnover and revenue**

Turnover by destination

	3 March 2017 to 31 March 2018 $'000
Turnover of the group by destination is analysed as follows:	
United Kingdom and Europe	23,712
United States	8,904
Asia Pacific and Rest of the World	2,071
	34,687

Turnover by class of business

	3 March 2017 to 31 March 2018 $'000
Turnover of the group by class of business is analysed as follows:	
Subscription and maintenance from software license sales	32,525
Implementation and training	90
Managed services	2,072
	34,687

4. **Exceptional administrative expenses**

	3 March 2017 to 31 March 2018 $'000
Management bonuses paid	4,889
Foreign Exchange gain on waiver of loan notes	(4,420)
	469

Notes to the financial statements (continued)
For the period ended 31 March 2018

5. Employees

	3 March 2017 to 31 March 2018 $'000
Staff costs consist of:	
Wages and salaries	18,779
Social security costs	1,796
Defined contribution scheme pension costs	484
Defined benefit pension scheme costs	72
	21,131

The average monthly number of employees (excluding executive and non-executive directors) employed by the group during the period was:

	No.
Software development	60
Technical support	59
Sales	31
Administration	22
	172

6. Directors

Directors' remuneration consists of:

	3 March 2017 to 31 March 2018 $'000
Emoluments	2,819
Compensation for loss of office	9
Social security costs	385
Defined contribution scheme pension costs	12
	3,225

	3 March 2017 to 31 March 2018 $'000
The emoluments of the highest paid director were:	
Emoluments	2,372
Social security costs	325
	2,697

Notes to the financial statements (continued)
For the period ended 31 March 2018

7. Operating loss

	3 March 2017 to 31 March 2018 $'000
This has been arrived at after charging/(crediting):	
Research and development expenditure	4,169
Depreciation of tangible fixed assets	690
Amortisation of intangible assets	31,004
Auditor's remuneration:	
- Fees payable to the company's auditor for the audit of the company's annual financial statements	18
- Fees payable to the group auditor and its associates for the audit of the company's subsidiaries, pursuant to legislation	112
- Tax	114
Operating lease rentals – Land and buildings	1,161
Operating lease rentals – Other	22
Foreign exchange gain	3,134

8. Interest receivable and similar income

	3 March 2017 to 31 March 2018 $'000
Bank interest	1

9. Interest payable and similar charges

	3 March 2017 to 31 March 2018 $'000
Bank loan interest	2,402
Bank loan non-utilisation fee	8
Subordinated loan interest	1,958
Redeemable 12% preference share dividend	11,596
Amortisation of debt issuance costs	685
	16,649

10. Taxation on loss from ordinary activities

	3 March 2017 to 31 March 2018 $'000
Current tax:	
UK corporation tax provided	179
Foreign tax	287
	466
Adjustment in respect of prior periods relating to:	
UK corporation tax	(5)
Foreign corporation tax	7
Total current tax	468
Deferred tax	
Origination and reversal of timing differences	(76)
Total deferred tax (see note 19)	(76)
Total tax on loss on ordinary activities	(392)

Notes to the financial statements (continued)
For the period ended 31 March 2018

10. Taxation on loss from ordinary activities (continued)

Factors affecting total current tax:

Loss before tax	42,271
Corporation tax on loss at 19%	8,031
Adjusted for:	
Expenses not deductible for tax purposes	(2,889)
Depreciation for the period in excess of capital allowances	(37)
Difference between rates of UK and Foreign tax	(76)
Goodwill amortisation	(5,833)
Adjustments to tax charge in respect of prior periods	(2)
Research & Development relief	350
Losses utilised	24
Foreign withholding tax	(35)
Change in unrecognised deferred tax liabilities	75
	(392)

Deferred tax assets and liabilities are measured at tax rates that are enacted or substantively enacted at the balance sheet date. The UK corporation tax rate changed on 1 April 2017 to 19%. Following the substantive enactment of the Finance Act 2016 the UK corporation tax rate is further due to reduce to 17% on 1 April 2020. Accordingly, the deferred tax balance has been calculated at rate of 19% for those amounts due until 31 March 2020 and 17% for the amounts owing after 1 April 2020.

A potential deferred tax asset of $800,000 has not been recognised on losses available to carry forward in accordance with FRS 102. These losses may be offset in the future only against taxable profits generated by the entities concerned.

11. Loss for the financial period

The loss for the financial period dealt with in the financial statements of the parent company was $11,169,000. As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account or statement of comprehensive income is presented in respect of the parent Company.

Notes to the financial statements (continued)
For the period ended 31 March 2018

12. Tangible fixed assets

Group	Land and buildings (Leasehold) $'000	Plant and machinery $'000	Total $'000
Cost or valuation			
Acquired	1,018	554	1,572
Additions	181	552	733
Foreign exchange differences	89	57	146
At 31 March 2018	1,288	1,163	2,451
Accumulated depreciation			
Charge for the period	274	416	690
Foreign exchange differences	3	9	12
At 31 March 2018	277	425	702
Net book value			
At 31 March 2018	1,011	738	1,749

The company had no tangible fixed assets during the period.

13. Intangible assets

Group	Goodwill $'000	Software $'000	Total $'000
Cost			
Acquired	-	332	332
Additions	137,221	384	137,605
Foreign exchange differences	18,200	55	18,255
At 31 March 2018	155,421	771	156,192
Amortisation			
Charge for the period	30,698	306	31,004
Foreign exchange differences	1,578	18	1,596
At 31 March 2018	32,276	324	32,600
Net book value			
At 31 March 2018	123,145	447	123,592

Goodwill of $137,221,000 arose from the acquisition of ITRS Global Holdings Limited (and subsidiaries) by Mozart Bidco Limited, an indirect subsidiary of Mozart Topco Limited, on 17 March 2017.

Notes to the financial statements (continued)
For the period ended 31 March 2018

14. Investments

Company	$'000
Cost and net book value	
Additions	84,524
At 31 March 2018	84,524

Subsidiary undertakings of the company during the financial period

The following were subsidiary undertaking of the company:

	% of ordinary share capital held	Registered office
Mozart Midco Limited (Incorporated in England and Wales)*	100	15 Bonhill Street, London, EC2A 4DN, United Kingdom.
Mozart Bidco Limited (Incorporated in England and Wales)	100	15 Bonhill Street, London, EC2A 4DN, United Kingdom.
ITRS Global Holdings Limited (Incorporated in England and Wales)	100	15 Bonhill Street, London, EC2A 4DN, United Kingdom.
ITRS Global Bidco Limited (Incorporated in England and Wales)	100	15 Bonhill Street, London, EC2A 4DN, United Kingdom.
ITRS Group Limited (Incorporated in England and Wales)	100	15 Bonhill Street, London, EC2A 4DN, United Kingdom.
Geneos Limited (Incorporated in England and Wales)	100	15 Bonhill Street, London, EC2A 4DN, United Kingdom.
ITRS America Inc. (Incorporated in the United States of America)	100	711 Third Avenue, Suite 1802 New York, NY 10017, USA.
ITRS Asia Limited (Incorporated in Hong Kong)	100	Unit 3310, 33/F The Center, 99 Queen's Road Central, Hong Kong.
ITRS Asia Limited (Singapore Branch) (Incorporated in Singapore)	100	16 Collyer Quay, Level 21, Room 15, Singapore 049318.
ITRS Canada Limited (Incorporated in Canada)	100	1500 Royal Centre, P.O. Box 11117, 1055 West Georgia Street, Vancouver BC V6E 4N7, Canada.
ITRS (Phils) Inc. (Incorporated in the Philippines)	100	18th Floor, Tower 6789, 6789 Ayala Avenue, Makati City, 1226, Philippines.
ITRS (Spain) S.L. (Incorporated in Spain)	100	Plaza de la Solidaridad 12, 1st Floor, 29002, Málaga, Spain.

* held directly and all others held indirectly.

All subsidiaries were engaged in providing computer software licences, rentals and related services except for the following:

Mozart Midco Limited	Holding company.
Mozart Bidco Limited	Holding company.
ITRS Global Holdings Limited	Holding company.
ITRS Global Bidco Limited	Holding company.
Geneos Limited	Owner of intellectual property.

14. Investments (continued)

On 17 March 2017, the group acquired ITRS Global Holdings Limited (and subsidiaries) for a cash consideration of £36,327,000 ($44,929,000) and loan notes of £2,570,000 ($3,178,000). The investment in ITRS Global Holdings Limited has been included in the balance sheet of Mozart Bidco Limited at fair value at the date of acquisition.

Analysis of the acquisition of ITRS Global Holdings Limited and subsidiaries:

Fair value of net liabilities acquired:

	Fair value to group $'000
Tangible fixed assets	1,572
Intangible assets	332
Debtors	9,701
Cash at bank and in hand	10,330
Creditors: amounts falling due within one year	(16,545)
Creditors: amounts falling due after one year	(94,306)
Provision for pension liability	(88)
Provision for deferred tax	(110)
Net liabilities	(89,114)
Goodwill arising on acquisition	137,221
	48,107
Discharged by:	
Cash consideration	44,929
Loan notes	3,178
	48,107

15. Debtors

	2018 Group $'000	2018 Company $'000
Midco loan note	-	4,051
Trade debtors	8,916	-
Other debtors	542	28
Prepayments and accrued income	2,218	-
Corporation tax receivable	87	-
	11,763	4,079

All amounts are due within one year.

On the 17 March 2017, the company, Mozart Topco Limited, received an unsecured loan note of £2,569,607 ($3,178,000) from Mozart Midco Limited. The loan note is repayable on 17 March 2027 or on a disposal, listing, liquidation or share sale. The loan note accrues interest at 12% per annum, compounded each year at 31 March.

Notes to the financial statements (continued)
For the period ended 31 March 2018

16. Creditors: amounts falling due within one year

	2018 Group $'000	2018 Company $'000
Trade creditors	823	-
Corporation tax payable	100	-
Other taxation and social security	524	-
Accruals and deferred income	20,647	-
Other creditors	41	37
Amounts owed by group undertakings	-	29
	22,135	66

17. Creditors: amounts falling due after more than one year

	2018 Group $'000	2018 Company $'000
Debenture	41,032	-
Subordinated loan	15,460	-
Redeemable 12% preference share capital	10	10
Redeemable 12% preference share premium	98,230	98,230
Dividends accrued on redeemable 12% preference shares	12,295	12,295
Other Creditors	154	154
	167,181	110,689
Unamortised debt issuance costs	(2,976)	-
	164,205	110,689

Maturity of debt (excluding issuance costs):

	$'000	$'000
Between two and five years		
Debenture	41,032	-
Subordinated loan	15,460	-
Other Creditors	154	154
	56,646	154
In more than five years		
Redeemable 12% preference share capital	10	10
Redeemable 12% preference share premium	98,230	98,230
Dividends accrued on redeemable 12% preference shares	12,295	12,295
	110,535	110,535

On the 17 March 2017, a group company, Mozart Bidco Limited, received a debenture from Silicon Valley Bank of £33,500,000 which was then redominated on the same date into US Dollars at a redomination rate of 1.00 sterling to 1.2368 US Dollars. The principal loan amount after redomination was $41,433,000. The loan is secured by a charge over the assets of the group. The loan is repayable in quarterly instalments over 5 years, the termination date is 17 March 2022. Interest accrues at a base rate of 3.75% + LIBOR.

17. Creditors: amounts falling due after more than one year (continued)

On the 17 March 2017, a group company, Mozart Midco Limited, received subordinated loans from Bock Senior Capital Investors S.à.r.l. and Bock Senior Capital Investors IV S.à.r.l. of £707,547 and £11,792,453 respectively, totalling £12,500,000. These amounts were then redominated on the same date into US Dollars at a redomination rate of 1.00 sterling to 1.2368 US Dollars. The principal loan amounts after redomination totalled $15,460,000. These loans are secured by a debenture over the assets of Mozart Midco Limited and Mozart Bidco Limited, including its subsidiaries. The loans are repayable on the termination date, which is 17 March 2023. Interest accrues at 12% per annum and is payable quarterly.

18. Financial instruments

	2018	
	Group $'000	Company $'000
Financial assets		
Financial assets measured at fair value through profit or loss	8,039	-
Financial assets that are debt instruments measured at amortised cost	10,293	4,079
	18,332	4,079
Financial liabilities		
Financial liabilities measured at amortised cost	170,023	110,563
	170,023	110,563

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets that are debt instruments measured at amortised cost comprise loan notes, trade and other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade and other creditors, accruals, amounts owed to group companies and related parties, debentures, subordinated debt and preference shares.

19. Provision for liabilities

	Pension $'000	Deferred taxation $'000	Total $'000
Group			
On acquisition	88	118	206
Credited to profit and loss	17	(76)	(59)
At 31 March 2018	105	42	147

Deferred tax assets and liabilities are offset only where the Group has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the group.

Notes to the financial statements (continued)
For the period ended 31 March 2018

20. Retirement benefit obligations

The group operates an unfunded defined benefit retirement plan in its Philippine subsidiary.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 31 March 2018 by an independent actuary. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

	Valuation 2018 $'000
Key assumptions used:	
Discount rate	7.16%
Salary inflation	6.00%

Amounts recognised in the profit and loss account in respect of these defined benefit schemes are as follows:

	2018 $'000
Current service cost	72
Net interest cost	6
Exchange differences	36
	114
Recognised in other comprehensive income	
Actuarial losses	18

The amount included in the balance sheet arising from the group's obligations in respect of its defined benefit retirement benefit schemes is as follows:

	2018 $'000
Present value of defined benefit obligations	218
Fair value of scheme assets	(113)
Net liability recognised in the balance sheet	105

Notes to the financial statements (continued)
For the period ended 31 March 2018

20. Retirement benefit obligations (continued)

Movements in the present value of defined benefit obligations were as follows:

	2018 $'000
At acquisition	89
Service cost	72
Benefits paid from plan assets	(3)
Interest cost	6
Actuarial losses	18
Exchange differences	36
At 31 March	218

21. Called-up share capital and reserves

	2018 $
Issued, allotted and called up	
1,000 ordinary shares of £0.001 each	1
632,355 A ordinary shares of £0.001 each	783
22,647 B ordinary B shares of £0.01 each	280
19,360 C1 ordinary shares of £0.10 each	2,394
6,400 C2 ordinary shares of £0.01 each	79
	3,537
Classified as a liability:	
67,709,292 A preference shares of £0.0001	9,485
2,419,774 B preference shares of £0.0001	339
77,440 C1 ordinary shares of £0.10 each	9,578
25,600 C2 ordinary shares of £0.01 each	317
	19,719

On incorporation, the company issued 1 ordinary £1 share at par.

On 17 March 2017, the 1 ordinary £1 share was sub-divided into 1000 ordinary shares at £0.001 each.

Also on 17 March 2017, the company issued the following:

- 632,355 A ordinary £0.001 shares were issued at £0.93 each, for a total consideration of £589,020.
- 22,647 B ordinary £0.01 shares were issued at £0.93 each, for a total consideration of £21,062.
- 96,800 C1 ordinary £0.10 shares were issued at £1.33 each, for a total consideration of £128,744. At 31st March 2018 20% of these shares had vested. The remaining 80% unvested shares being disclosed in other creditors.
- 32,000 C2 ordinary £0.01 shares were issued at £1.33 each, for a total consideration of £42,560. At 31st March 2018 20% of these shares had vested. The remaining 80% unvested share being disclosed in other creditors.

- 67,709,292 A £0.0001 preference shares were issued at £1.00 each, for a total consideration of £67,709,292.
- 2,419,774 B £0.0001 preference shares were issued at £1.00 each, for a total consideration of £2,419,774.

21. Called-up share capital and reserves (continued)

The redeemable preference shares carry a dividend of 12% per annum, which is rolled-up at each 12 month anniversary. The preference shares are redeemable on the eleventh anniversary of the adoption date being 17 March 2028.

The preference shares carry no voting rights unless the dividend thereon is in arrears or the company fails to redeem the shares on the redemption date or the business of the meeting includes a resolution for the winding up of the company or a resolution directly or adversely varies or abrogates any of the special rights attached to the preference shares, in which event each holder will be entitled to one vote on a show of hands or one vote per share on a poll.

On a winding up of the company, the preference shareholders have a right to receive, in preference to payments to ordinary shareholders, £1 per share plus any accrued dividend.

22. Reserves

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

The profit and loss reserve represents cumulative profits or losses, including unrealised profit on the remeasurement of investment properties, net of dividends paid and other adjustments.

23. Lease commitments

At the period end, the group had annual commitments under non-cancellable operating leases with expiry dates as follows:

Group	Other 2018 $'000	Land and buildings 2018 $'000
Within one year	20	1,251
Two to five years	48	4,474
After five years	-	1,039
	68	6,764

Company

At the period end, the company had no lease commitments.

24. Related party transactions

The company has taken advantage of the exemption available under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

During the period, the company received subordinated loans from Bock Senior Capital Investors S.à.r.l. and Bock Senior Capital Investors IV S.à.r.l., companies under common control.

The total remuneration for key management personnel for the period totalled $3,225,000, being remuneration disclosed in note 6.

25. Post balance sheet events

On 25 May 2018, Mozart Bidco acquired Sumerian Holdings Limited, a company incorporated in the United Kingdom under the Companies Act 2006 and registered in Scotland. This acquisition was funded by cash.

On 13 August 2018, Mozart Bidco acquired OP5 AB, a company incorporated in Sweden. This acquisition was funded through additional debt from SiliconValley Bank of $22.5 million.

26. Ultimate controlling party

The ultimate controlling party is TA Associates Management L.P, who manage a collection of Funds that own 75% of the Share Capital in Mozart Topco Limited. Fund TA XII-A L.P is the largest shareholder owning 40%. These funds are registered and incorporated in the USA..