

Registered no: 2766416

Infor (United Kingdom) Limited
Annual report and financial statements
for the year ended 31 December 2022

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Infor (United Kingdom) Limited

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Directors and advisers

Directors

J Allsop
T Holloway
I Giani

Registered Office

One Central Boulevard
Blythe Valley Park
Shirley
Solihull
B90 8BG

Independent Auditors

Grant Thornton
Chartered Accountants & Statutory Auditor
13-18 City Quay
Dublin
D02 ED70
Ireland

Strategic report for the year ended 31 December 2022

Our products and services

Infor is one of the largest providers of enterprise software and services in the world. We design, develop, market, sell, implement and support enterprise business software applications, primarily to large and medium-sized enterprises across a range of industries. Our software and services offerings help automate and integrate critical business processes, which enable our customers to better manage their suppliers, partners, customers and employees, as well as their business operations generally. We also offer a number of flexible deployment options for customers, allowing them to run our software on-premise, on a hosted basis or in the cloud.

The company is an indirect subsidiary of Infor, Inc., and ultimately of Koch Industries, Inc. The Infor group of companies headed by Infor, Inc., operates as a standalone subsidiary of Koch Industries, Inc.

Principal activities

Infor (United Kingdom) Limited markets, sells, implements and supports enterprise business software applications, primarily to large and medium-sized enterprises across a range of industries.

Our strategy

The foundation of Infor's strategy is our deep commitment to industry specialisation. Powered by the cloud, Infor's complete industry suites incorporate network, analytics, and AI capabilities to make connections across the enterprise and beyond, providing the visibility, insights, and information companies need to perform and serve customers better in dynamic, highly competitive markets. The principal features of our strategy include:

Industry. Infor software provides deep industry functionality without complex and expensive customisations. Industry best practices based on decades of experience and thousands of implementations are built in, along with pre-packaged workflows, content, integrations, and analytics. The result is that deployments are simpler and faster, users are more productive, and the business is more efficient from stem to stern.

Cloud. Infor CloudSuites offer highly secure, redundant availability zones via Amazon Web Services, a global cloud leader. Practices for provisioning, self-service, monitoring, scalability, and business continuity are built in, while elastic computing power, hyper-scale, and an unlimited data lake provide the flexibility to manage change and pursue new opportunities. With automatic upgrades that ensure applications are always up to date, these solutions provide a long-term platform for growth and provide what we believe to be a lower total cost of ownership than those of our largest competitors.

Network. Businesses today compete on the strength of their business networks. With so much relevant data now residing outside the typical company's four walls, visibility is both a challenge and an imperative. Infor runs a cloud commerce platform, connecting over 70,000 trading partners and supporting approximately \$2 trillion in annual trade. Providing real-time visibility of orders and inventory in transit or at rest for global omni-channel fulfilment, the Infor Nexus commerce network gives customers the ability to effectively and consistently meet demanding customers' expectations.

Analytics. Businesses have access to more information than ever before but making it actionable is a challenge. Infor helps turn information into action with a common analytics platform and data lake for Infor and third-party applications, including automated data refinement and common semantics. Self-service analytics for end users is delivered via consumer-grade visualisation, data blending, and data discovery tools, while pre-packaged industry and role-based content can help increase productivity. Data surfaced automatically to users also supports immediate and proactive decision making across the enterprise.

Artificial Intelligence. Infor is using the power of AI to re-imagine what the experience of using business software can be. Beyond simply augmenting or automating day-to-day work, Infor's AI, known as Coleman, serves as a science-driven, industry-aware, intelligent assistant that anticipates, advises, and derives insights from business data. By providing user assistance, deep insights and contextual recommendations across application and data silos, Coleman acts as a true business advisor and helps stakeholders make the most informed decisions every time.

Strategic report for the year ended 31 December 2022 (continued)

Review of business

The company's loss for the financial year is £23,160,000 (2021: loss of £565,000), which has been transferred from reserves.

Gross profit is lower than the comparative period largely driven by an increase in employee costs and sub-contractor resources from fellow group companies of £4,663,000. Additionally the other operating income for managing the Infor Partner Network has fallen by £2,994,000. An additional contribution of £11,966,000 to a subsidiary was immediately written off in the current year which was an increase of £10,627,000 to the comparative period and added to the increased loss for the year, especially as the prior year also benefitted by £7,758,000 from the sale of the EAM business. Offsetting this was £1,071,000 lower amortisation as intangibles have been fully amortised and £1,520,000 lower net interest expense.

The issue of share capital for consideration of £46,445,000 of intercompany receivables to offset against intercompany payables as part of a wider UK intercompany balance settlement plan and improved the net asset position compared to the prior year end despite the loss for the year. A further £22,000,000 of intercompany debtors and creditors balances were offset and together explain the decrease in intercompany balances during the year.

The directors recognise their responsibilities to promote the success of the company for the benefit of its members. Although the results of the company have not been positive from a standalone view, the directors believe in the group strategy and with the resources of the wider Koch group, look forward to the results improving in the future.

Key performance indicators (KPIs)

The following KPIs have been prepared to assist with an understanding of the performance of the company.

	2022	2021
Revenue	£143,549,000	£144,136,000
Earnings before interest, tax, depreciation/amortisation and foreign exchange	(£4,965,000)	£3,414,000
Current ratio (current assets/current liabilities)	0.81	0.58
Average quarterly days sales outstanding (DSO) for the UK	47	45
Infor Group R&D spend	USD522.8m	USD522.9m

The profit measure is showing a loss due to the decrease in gross margin and decrease in other operating income as discussed in the business review above. The current ratio has increased due to the contribution of intercompany debtors and subsequent settlement of intercompany creditors although the company is still reliant on group support with a letter of support in place. The DSO has deteriorated slightly due to the wider economic environment. The group continues to spend significant amounts on R&D, demonstrating the group's commitment to continually improving its products.

Principal risks and uncertainties

The principal risks and uncertainties which are directly or indirectly common to the Group and the Company:

Economic, political and market conditions can adversely affect our business, results of operations and financial condition, including our revenue growth and profitability.

Our business is influenced by a range of factors that are beyond our control and that we have no comparative advantage in forecasting. These include:

- general economic and business conditions;
- the overall demand for enterprise software, hardware systems and services;
- governmental budgetary constraints or shifts in government spending priorities;
- general political developments; and
- currency exchange rate fluctuations.

Macroeconomic developments could negatively affect our business, operating results or financial condition. Economies are continuing to deal with disrupted supply chains, rising interest rates and high inflation outstripping wage increases as a result of previous economic shocks. Additionally the UK is experiencing strike action in multiple industries in an already tight labour market, further stifling growth. It is widely expected to be another volatile year, and economic nervousness remains, especially with the recent banking crisis in the United States and the European Union. A general weakening of, and related declining corporate confidence in, the global economy or the curtailment in corporate spending could cause current or potential customers to reduce their information technology budgets, which could cause customers to delay, decrease or cancel purchases of our products and services or cause customers not to pay us or to delay payment.

Strategic report for the year ended 31 December 2022 (continued)

Principal risks and uncertainties (continued)

We face large, established competitors, specialised competitors and substantial price competition.

The nature of the IT industry creates a competitive landscape that is constantly evolving as firms emerge, expand or are acquired, as technology evolves and as delivery models change. In particular, we compete with Oracle, SAP and other larger software companies that have advantages over us due to their larger customer bases, greater name recognition, long operating and product development history, greater international presence and substantially greater marketing resources. If customers or prospects want to reduce the number of their software vendors, they may elect to purchase competing products from Oracle or SAP since those larger vendors offer a wider range of products. Furthermore, Oracle is capable of bundling its software with its database applications, which underlie a significant portion of our installed applications. We also compete with a variety of more specialised software and services vendors.

Our revenue is heavily dependent on renewal of maintenance agreements by our customers.

We generate substantial recurring revenue from our customer support program and other software maintenance services, most of which renew annually at the customer's option. The level of our maintenance revenue is directly related to the number of our software products that are in active use by customers. If our customers stop using our products, if we are unable to maintain the rate of addition of new customers, or if our customers determine that they cannot afford maintenance, our maintenance revenue can be expected to decline.

Our revenue is also dependent on renewal of subscription agreements by our customers.

We generate substantial recurring revenue from our CloudSuite and other SaaS subscription offerings, which generally renew annually once the initial term expires. Our customers have no obligation to renew their subscription agreements after their subscription terms expire, and they may not renew their subscriptions at the same or higher levels. Our subscription renewal rates may fluctuate because of several factors, including our customers' level of satisfaction with our services, the pricing of our subscription offerings and/or the pricing of our competitors' offerings, reductions in our customers' spending levels due to the macroeconomic environment, or other factors. If our customers do not renew their subscription agreements, renew on less favourable terms, or renew for fewer elements of our offerings, our subscriptions revenues may decline over time.

We may not retain or attract customers if we do not develop new products and enhance our current products in response to technological changes and competing products.

The enterprise software market is faced with rapid technological change, evolving standards in computer hardware, software development, communications and security infrastructure, and changing needs and expectations of customers. Building new products and service offerings requires significant investment in development. A substantial portion of the Group's research and development resources are devoted to regulatory and maintenance requirements and product upgrades that address new technology support. These demands put significant constraints on our resources available for new product development. We also face uncertainty when we develop or acquire new products because there is no assurance that a sufficient market will develop for those products.

If we are unable to attract appropriate qualified personnel, we will be unable to develop new products and increase our revenue and profitability.

In the software industry, there is substantial and continuous competition for account executives, product development, technical, financial and other personnel. The failure to attract and retain account executives will negatively impact our revenue growth and increases costs to attract new employees. We also rely on the continued service of our senior management, software developers, services consultants, finance and accounting specialists, and other key employees. The failure to attract, train, retain and effectively manage employees could negatively impact our development and efforts and cause a degradation of our customer service.

Strategic report for the year ended 31 December 2022 (continued)

Directors' duties – compliance with section 172 of the Companies Act 2006

The company applies Principle Based Management® (PBM®), in accordance with the expectations of the company's ultimate parent undertaking, Koch Industries Incorporated. PBM® is a management philosophy that enables organisations to succeed long-term by applying the principles that allow free societies to prosper.

Application of PBM® ensures all strategic decisions made by the company are taken for the long-term success of the company for the benefit of its members, taking into account the key concerns of each of its stakeholder groups. The decision-making process adopted by the Directors of the company includes consideration of risks and consequences that are likely to result from the decision and that could impact key stakeholders.

The directors recognise that discharging their duty under s172 of the Companies Act 2006 extends beyond how decisions are taken by each of them. In addition to the requirement to give appropriate weight to stakeholder factors and other relevant inputs in their decision making, a central feature of the PBM® approach requires that all such factors should be taken into account by the directors in discharging their responsibilities in setting the strategy of the company, in developing policies of engagement with stakeholders and maintaining a corporate culture throughout the company that ensures such principles are observed in every decision taken by every employee. Every employee is accountable for cultivating, protecting and exemplifying the PBM® culture. The shared values allow the company to maintain a reputation for high standards of business conduct, integrity and a principled approach to entrepreneurship.

Risk management

The directors regard a well-governed business as essential for the successful delivery of its principal activities. Please refer to the strategy and our discussion of principal risks above.

Employees

Employees are critical to the long-term success of the company. The company offers a range of methods to engage employees and maintain open communications. The group issues a monthly employee newsletter, weekly product update emails, frequent employee engagement surveys, a UK champions engagement platform informing employees on upcoming events around the UK, periodic HR newsletters and customer success stories as well as social media feeds and an internal intranet. All employees have the opportunity to become involved in a number of employee engagement programmes including Infor's Professional Development Programme, Women's Infor Network and Koch U. Periodic presentations and all-hands calls with senior executives are held providing updates on company, its strategy and financial metrics. Now as part of the Koch Industries, Inc., group Infor colleagues are embracing Koch's Principal-Based Management philosophy which focuses on creating value for society and giving individuals the tools to thrive and maximise their potential.

Customers and partners

We have extensive engagement with our customers, with user groups and customer events like Inforum and Infor Inspire and providing initiatives like Infor Concierge whereby customers can find support, product enhancements and information on product-specific education and webinars.

Our partner strategy is directed by group management and we use partner organisations across our business. Infor is committed to growing these partnerships with technology partners, channel partners and global system integrators, through the Infor Partner Network.

Strategic report for the year ended 31 December 2022 (continued)

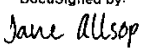
Directors' duties – compliance with section 172 of the Companies Act 2006 (continued)

Community and the Environment

Infor is a software provider and its products have limited environmental impact or waste. Infor abides by national regulations for office environments as specified by legal requirements and encourages employees to adopt practices that minimise their environmental impact, like reducing printing, promoting recycling, providing video and virtual communication technologies to minimise unnecessary travel and also allows remote working where job roles allow to reduce office space requirements and travel to reduce our carbon footprint.

Infor strives to give back to the local communities where our employees live and work. We support a variety of important causes and organisations, establishing a community engagement site programme which has 3 focus areas; to develop future generations of talent, particularly in Science, Technology, Engineering and Mathematics ("STEM") and STEM related fields, improve the quality of life of people in our local communities and support communities impacted by disasters. Infor also offers employees a day in addition to annual leave allowances to support not for profit organisations in local communities and has a strategic partnership with The Princes Trust.

On behalf of the Board

DocuSigned by:

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J Allsop
Director
28 July 2023

Directors' report for the year ended 31 December 2022

The directors present their report and the audited financial statements of the company for the year ended 31 December 2022.

Matters covered in the strategic report

Details of the principal activity, review of business, key performance indicators and principal risks have been disclosed in the strategic report on page 2.

Directors

The directors who held office during the year and up until the date of signing these financial statements are given below:

J Allsop
J B Kasper (resigned 30 June 2022)
T Holloway
I Giani (appointed 30 June 2022)

Qualifying third party indemnity provisions

For the full year and up to the date of signing, the company has provided an indemnity for the directors, which is a qualifying third-party indemnity provision for the purposes of the Companies Act 2006.

Recommended dividend

The directors do not recommend the payment of a dividend for the financial year (2021: £nil).

Future developments

The company's statutory loss for the year has increased due to various factors including an investment impairment and a drop in other income. The gross margin had reduced slightly with turnover remaining flat and cost of sales increasing due to the company increasing its sales force with the view to increase revenue in future periods. Financial year 2021 results had benefitted from a gain on sale in the year. The directors continue to monitor world events impacting our customers and the economy. Due to the company providing solutions often considered critical to our customers and their business, the directors do not expect a material impact of these events on the company's business.

There are no events between the reporting date and the date of signing these financial statements to report.

Financial risk management

The company is exposed to foreign exchange rate risk, interest rate risk, liquidity and cash flow risk, which are managed centrally by the Group's overall Treasury department although undertakes no hedging activities itself.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

Directors' report for the year ended 31 December 2022 (continued)

Statement of directors' responsibilities (continued)

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.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

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

Going concern

The directors have considered the group's strategy and, based on the responses to their enquiries, the directors, at the time of approving the financial statements, have determined that there is reasonable expectation that the company has adequate resources to continue operating for the foreseeable future. The directors have received a letter confirming financial support from Infor (US), Inc., which will enable the company to meet its liabilities as they fall due for at least the next 12 months from the date of signing these financial statements. For this reason, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Given the current economic volatility following recent external shocks and the current nervousness with the banking sector, the directors have considered the impact if future trading results do not meet projections. Should results fall short of projections, the directors have identified a number of mitigating actions and plans to access financial support from the parent company that could be instigated to enable the company to continue to meet its obligations as they fall due for the foreseeable future. The directors consider that the Infor group is sufficiently resilient to the impact of current events that they will be able to provide the necessary financial support if required.

Furthermore, the parent company has also confirmed that it will provide support, where necessary, to all group companies to ensure they can settle intercompany payable balances in full when required to do so.

Employees

The company offers a range of methods to engage employees and maintain open communications. The group issues a monthly employee newsletter, weekly product update emails, annual employee engagement survey, periodic HR newsletters and customer success stories as well as social media feeds and an internal intranet. All employees have the opportunity to become involved in a number of employee engagement programmes including Infor's Professional Development Programme, Women's Infor Network, Koch U and Infor University. Periodic presentations and all-hands calls with senior executives are held providing updates on company, its strategy and financial metrics. Now as part of the Koch Industries, Inc., group Infor colleagues are embracing Koch's Principle Based Management philosophy which focuses on creating value for society and giving individuals the tools to thrive and maximise their potential.

The company's aim is to recruit, train and promote the best person for the job, to make full use of the talents and resources of all our employees and to create a working environment free from unlawful discrimination, victimisation and harassment in which all employees are treated with dignity and respect, regardless of colour, race, nationality, ethnic origin, caste, sex, marital status, disability, part-time or fixed term status, parental responsibilities, age, religion/belief, gender reassignment, pregnancy and maternity or sexual orientation. The company is responsive to the needs of its employees. As such, should any employee who becomes disabled whilst in employment will be given the full support of line managers and the Human Resources Department to continue in their own job where practicable (and having put in place any reasonable adjustments), or to move to an alternative job appropriate to his/her experience and abilities, if available.

Directors' report for the year ended 31 December 2022 (continued)

Streamlined Energy and Carbon Reporting ("SECR")

Infor is a software provider and endeavours to minimise waste in the development and implementation of our software. At Infor we encourage our employees to minimise how their practices and operations negatively affect the environment and urges them to comply with applicable laws, regulations, and other environmentally oriented requirements in their daily work habits and practices. Infor promotes remote work environments for much of its work force. As well, even though our business model requires an extensive set of office structures throughout the world, most of these facilities are utilised by a limited number of people and as a consequence, the footprint of each is greatly reduced.

During the year emissions have increased as employees return to offices and travel has increased following Covid-19. The company continues to promote the use of virtual communication tools to reduce the need for employee travel.

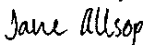
	2022	2021
UK energy use (kWh)	1,601,238	753,407
Associated Greenhouse gas emissions (tonnes CO ² equivalent)	343.6	172.2
Scope 2 emissions	245.4	138.8
Reportable scope 3 emissions	98.2	33.4
Intensity ratio (annualised emissions per employee)	0.65	0.32

UK energy use covers the purchased electricity for leased offices and business mileage in private cars. Associated Greenhouse gases have been converted using UK government GHG conversion factors for company reporting which are based on the Greenhouse Gas Protocol Corporate Standard.

Independent auditors

Pursuant to section 487(2) of the Companies Act 2006, the company has elected to dispense with the obligation to appoint auditors annually and Grant Thornton Ireland will remain in office until revoked or superseded by a further resolution.

On behalf of the Board

DocuSigned by:

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J Allsop
Director
28 July 2023



Independent auditor's report to the members of Infor (United Kingdom) Limited

Opinion

We have audited the financial statements of Infor (United Kingdom) Limited ("Company"), which comprise the Profit and Loss, the Statement of comprehensive income, the Balance Sheet, the Statement of changes in equity for the year ended 31 December 2022, and the related notes to the financial statements, including a summary of significant accounting policies.

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

In our opinion, Infor (United Kingdom) Limited's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the financial position of the Company as at 31 December 2022 and of its financial performance for the year then ended; and
- have been properly 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 'Responsibilities of the auditor 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 United Kingdom, including the FRC's Ethical Standard and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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 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 the date 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 matter

The financial statements of Infor (United Kingdom) Limited for the year ended 31 December 2021, were audited by Grant Thornton UK LLP who expressed an unmodified opinion on those statements on 01 July 2022.



Independent auditor's report to the members of Infor (United Kingdom) Limited (continued)

Other information

Other information comprises information included in the annual report, other than the financial statements and our auditor's report thereon, including the Directors' Report and the Strategic Report.

The directors are responsible for the other information. 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 in the financial statements, 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 this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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 any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with FRS 102, and for such internal control as directors determine necessary to enable the preparation of financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.



Independent auditor's report to the members of Infor (United Kingdom) Limited (continued)

Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor 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 their 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 an auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatement in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to data protection, employment and environmental regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and UK tax legislation. The Audit engagement partner considered the experience and expertise of the engagement team to ensure that the team had appropriate competence and capabilities to identify or recognise non-compliance with the laws and regulation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions.

We apply professional scepticism through the audit to consider potential deliberate omission or concealment of significant transactions, or incomplete/inaccurate disclosures in the financial statements.

In response to these principal risks, our audit procedures included but were not limited to:

- enquiries of management, internal audit, and legal functions on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;



Independent auditor's report to the members of Infor (United Kingdom) Limited (continued)

Responsibilities of the auditor for the audit of the financial statements (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

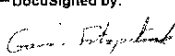
- inspection of the Company's legal correspondence and review of minutes of directors' meetings during the year to corroborate inquiries made;
- gaining an understanding of the entity's current activities, the scope of authorisation and the effectiveness of its control environment to mitigate risks related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- challenging assumptions and judgements made by management in their significant accounting estimates, including revenue recognition, impairment of trade and intercompany debtors, estimate life of useful life of goodwill and intangible assets and customer claims ; and
- review of the financial statement disclosures to underlying supporting documentation and inquiries of management.

The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance and management. As with any audit, there remains a risk of non-detection or irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or override of internal controls.

The purpose of our audit work and to whom we owe our responsibilities

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.

DocuSigned by:

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Gavin Fitzpatrick (Senior Statutory Auditor)

For and on behalf of

Grant Thornton

Chartered Accountants & Statutory Auditors

Dublin

Ireland

28 July 2023

Profit and loss account for the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Turnover	5	143,549	144,136
Cost of sales		(117,896)	(112,260)
Gross profit		25,653	31,876
Distribution costs		(25,659)	(28,224)
Total administrative expenses		(14,591)	(16,187)
Administrative expenses		(12,966)	(13,491)
Amortisation of intangibles	12	(1,625)	(2,696)
Other operating income	3	4,211	7,205
Operating loss	6	(10,386)	(5,330)
Loss on sale of fixed assets		(2)	(2)
Gain on disposal of business	8	338	7,758
Amounts written off investments	14	(11,966)	(1,339)
Interest receivable and similar income	9	1,224	1,270
Interest payable and similar charges	10	(2,020)	(3,586)
Loss before taxation		(22,812)	(1,229)
Tax (charge)/credit	11	(348)	664
Loss for the financial year attributable to the owners of the parent		(23,160)	(565)

All activities are derived from continuing operations.

Statement of comprehensive income for the year ended 31 December 2022

	2022 £'000	2021 £'000
Loss for the financial year being total comprehensive expense for the year attributable to the owners of the parent	(23,160)	(565)

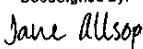
The notes on pages 17 to 31 are an integral part of these financial statements.

Balance sheet as at 31 December 2022

	Note	2022 £'000	2021 £'000
Intangible assets	12	768	2,216
Tangible assets	13	4,685	4,969
Investments	14	12	12
Fixed assets		5,465	7,197
Debtors: amounts falling due after more than one year	15	7,867	46,180
Debtors: amounts falling due within one year	15	88,590	65,832
Cash at bank and in hand		10,098	22,876
Current assets		106,555	134,888
Creditors: Amounts falling due within one year	16	(122,867)	(153,401)
Net current liabilities		(16,312)	(18,513)
Total assets less current liabilities		(10,847)	(11,316)
Creditors: Amounts falling due after more than one year	17	(26,556)	(49,629)
Provisions for liabilities	18	(1,418)	(1,162)
Net liabilities		(38,821)	(62,107)
Capital and reserves			
Called up share capital	20	3	2
Share premium account	20	46,445	-
Profit and loss account	21	(85,269)	(62,109)
Total equity		(38,821)	(62,107)

The notes on pages 17 to 31 are an integral part of these financial statements.

The financial statements on pages 14 to 31 were approved by the board of directors on 28 July 2023 and were signed on its behalf by:

DocuSigned by:

ESC2AAD50BE94B1

J Allsop
Director

Statement of changes in equity for the year ended 31 December 2022

	Called up share capital	Share Premium account	Profit and loss account	Total equity
	£'000	£'000	£'000	£'000
Balance as at 1 January 2021	2	-	(61,544)	(61,542)
Loss for the financial year being total comprehensive expense for the year	-	-	(565)	(565)
Balance as at 31 December 2021	2	-	(62,109)	(62,107)
On issue of share capital	1	46,445	-	46,446
Loss for the financial year being total comprehensive expense for the year	-	-	(23,160)	(23,160)
Balance as at 31 December 2022	3	46,445	(85,269)	(38,821)

The notes on pages 17 to 31 are an integral part of these financial statements.

Notes to the financial statements for the year ended 31 December 2022**1) General information**

Infor (United Kingdom) Limited markets, sells, implements and supports enterprise business software applications, primarily to large and medium-sized enterprises across a range of industries.

The company is a private company limited by shares and is incorporated and domiciled in England and Wales under registered number 2766416. The address of its registered office is One Central Boulevard, Blythe Valley Park, Shirley, Solihull, West Midlands, B90 8BG.

2) Statement of compliance

The individual financial statements of Infor (United Kingdom) Limited have been prepared in compliance with United Kingdom Generally Accepted Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3) Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, with the exception of share based payments in the comparative period as disclosed below. All amounts are rounded to the nearest thousand (£'000) unless otherwise indicated.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

Going concern

The directors have considered the group's strategy and, based on the responses to their enquiries, the directors, at the time of approving the financial statements, have determined that there is reasonable expectation that the company has adequate resources to continue operating for the foreseeable future. The directors have received a letter confirming financial support from Infor (US), Inc., which will enable the company to meet its liabilities as they fall due for at least the next 12 months from the date of signing these financial statements. For this reason, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Given the current economic volatility following recent external shocks and the current nervousness with the banking sector, the directors have considered the impact if future trading results do not meet projections. Should results fall short of projections, the directors have identified a number of mitigating actions and plans to access financial support from the parent company that could be instigated to enable the company to continue to meet its obligations as they fall due for the foreseeable future. The directors consider that the Infor group is sufficiently resilient to the impact of current events that they will be able to provide the necessary financial support if required.

Furthermore, the parent company has also confirmed that it will provide support, where necessary, to all group companies to ensure they can settle intercompany payable balances in full when required to do so.

3) Summary of significant accounting policies (continued)

Exemptions for qualifying entities under FRS102

FRS 102 allows a qualifying entity certain disclosure exemptions. The company has taken advantage of the following exemptions:

- (i) the requirement to prepare a statement of cash flows. [Section 7 of FRS 102 and para 3.17(d)];
- (ii) certain financial instrument disclosures providing equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated. [FRS 102 paras 11.39 – 11.48A, 12.26 – 12.29]; and
- (iii) the non-disclosure of key management personnel compensation in total. [FRS102 para 33.7].

These exemptions are taken on the basis equivalent disclosures have been made in the group financial statements of Infor, Inc., in which the company's results and cash flows have been consolidated. The consolidated financials can be obtained from the offices detailed in note 23.

Related party transactions

The company is a wholly owned subsidiary of Koch Industries, Inc. Consequently, the company has taken advantage of the exemption contained in FRS 102.33.1A from disclosing related party transactions with fellow group undertakings where the company has a wholly owned relationship, and there are no other related party transactions.

Consolidated financial statements

The company is a wholly owned subsidiary of Infor, Inc., a company incorporated in the State of Delaware in the United States of America. It is included by full consolidation in the consolidated financial statements of Infor, Inc., which are publicly available. Therefore, the company is exempt by virtue of Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. These financial statements are the company's separate financial statements.

Foreign currencies

The company's functional and presentational currency is the Great British Pound ('GBP'). Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Revenue

Revenue is measured as the fair value of the consideration we expect to be entitled to, in exchange for transferring products or providing services to our customers and is recognised when the significant risks and rewards are transferred to the customer.

We account for contracts with our customers when both parties have approved the contract and are committed to perform their respective obligations, each party's rights regarding products or services to be transferred are identified, payment terms are identified, the contract has commercial substance and collection of the consideration is probable. We utilise written contracts as the means to establish the terms and conditions by which our products, product updates and support and/or consulting services are sold to our customers.

Our revenues are generated primarily by providing access to our SaaS subscriptions, licensing our software, providing product updates and support related to our licensed products, and providing consulting services to our customers. Generally, revenue from software license sales is recognised upon delivery; revenues from SaaS subscriptions and product updates and support are recognised rateably over time; and revenues from consulting services are recognised as performed. Revenue is recorded net of applicable taxes. Our specific revenue recognition policies are as follows:

SaaS subscriptions

Our SaaS subscriptions revenues are primarily from granting customers the right to access software products through our cloud-based SaaS subscription offerings. Under a SaaS subscription agreement, our customer receives a right to access the software for a specified period of time in an environment hosted, supported, and

3) Summary of significant accounting policies (continued)

Revenue (continued)

maintained by Infor. The risks and rewards of our SaaS subscription services are transferred over time, and associated revenue is generally recognised rateably over the contract term once the software is made available to the customer. Our SaaS subscription offerings are typically sold with one to five-year subscription terms, generally invoiced in advance of each annual subscription period, and are non-cancellable during the committed subscription term.

Consulting services sold in conjunction with SaaS offerings such as implementation, configuration, customisation, training, and data conversion services are considered separate performance obligations. Consequently, they are recognised separately from the SaaS subscription agreement, and applicable revenue is typically recognised as the services are delivered. See *Contracts with Multiple Elements* below.

Software license fees

Our software license fees revenues are primarily from sales of perpetual software licenses, granting customers the license right to use our software products, with no expiration date. The risks and rewards of perpetual software licenses are satisfied at a point in time, and associated revenue is recognised upon transfer of control of the software (i.e. when the customer can access, use, and benefit from the software license).

Certain of our software products are offered as term-based license contracts, under which we grant customers the license right to use the software for a specified period. Term software licenses are satisfied at a point in time and associated revenue is recognised upon the later of 1) delivery of the software, or 2) the beginning of the period in which the customer has received the license right to use the software.

For customer contracts that include software license fees, implementation and/or other consulting services, the portion of the transaction price allocated to software licenses is generally recognised when delivered. The implementation and consulting services are typically distinct performance obligations and qualify for separate recognition. The portion of the transaction price allocated to implementation and other consulting services is generally recognised as such services are performed. See *Contracts with Multiple Elements* below.

Product updates and support fees

Product updates and support fees entitle the customer to receive, for an agreed upon period, unspecified product upgrades (when and if available), as well as support services including access to technical information and technical support staff. The maintenance period is typically twelve months and fees are recognised ratably over the term of the agreement. Agreements are typically invoiced annually in advance of the service period.

Consulting Services

We also provide consulting services, including systems implementation and integration services, consulting, training, and application managed services. Our consulting services are contracted for in conjunction with the licensing of our software products or SaaS subscription offerings and/or on a standalone basis. Most of our services are sold under specific software services agreement terms, and are priced separately from other promises, as they do not significantly customise or modify the software, are generally not essential to the functionality of our software products and are also available from third-party vendors and systems integrators.

The majority of our consulting services agreements are provided under time and materials contracts, and the related revenues are recognised over time as the services are provided.

Our fixed price service contracts are typically recognised on a proportional performance basis. For these fixed price projects, progress is measured based on labour hours performed to date relative to the total expected labour hours to complete the project. When it cannot be demonstrated that services meet the criteria for recognition over time, revenue from fixed price engagements is recognised only at points in time when the customer obtains control of promised products.

Consulting services and other fees also include hosting services. Customers who elect to host their software licenses by Infor have the contractual right to take possession of the software at any time during the hosted period. The customer has the right to choose not to renew hosting services upon its expiration and can deploy the software internally or contract with another party unrelated to Infor to host the software. The software provides standalone usage and functionality and, therefore, is not dependent upon the hosting service. Therefore, customers can self-host and any penalties to do so are insignificant. Accordingly, fees allocated to the hosting element are recognised once the service begins, separate from software licenses, and then ratably over the term of the hosting service.

3) Summary of significant accounting policies (continued)

Revenue (continued)

Contracts with Multiple Elements

We also enter into contracts that may include a combination of our various products and services offerings including SaaS subscriptions, software licenses, product updates and support, consulting services, and hosting services. We account for individual elements separately if they are distinct, however, when we enter into arrangements with a fixed-fee or a maximum-fee basis or where services are considered essential to the functionality of the software, revenue is recognised based upon a percentage of completion method.

Deferred Revenues

Deferred revenues represent amounts billed or payments received from customers for software licenses, services and/or product updates and support in advance of recognising revenue or performing services. We defer revenues for any undelivered elements, and recognise revenues when the product is delivered or over the period in which the service is performed, in accordance with its revenue recognition policy for such elements.

Other operating income

The company manages the Infor Partner Network ("IPN") and our partners also sell Infor-owned products to end users. The company is compensated by the relevant product owning group companies at cost plus a mark-up of 5% (2021: 5%), for managing this relationship and providing training, support and enablement to our partners. The costs are included within cost of sales, distribution and administrative expenses and the income is included within other operating income.

Employee benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Employees belong to the Infor Group Personal Pension Plan, a defined contribution scheme, under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the scheme are held separately from those of the company in an independently administered fund.

The company operates an annual bonus plan for certain employees. An expense is recognised in the profit and loss account when the company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

Share-based payments

In accordance with FRS102, the charge arising for share-based payments is recognised in the profit and loss account of the company, which employs those to whom share-based awards are granted. The corresponding credit is taken to liabilities as the awards are cash settled by the company.

The fair value of the share-based payments are estimated using an option-pricing model that incorporates assumptions relating to the number of options that will vest, share price volatility, dividend yield and expected life of the options.

Leases and lease incentives

The company has no finance leases. Rental income/(charges) receivable/(payable) under operating leases are taken to the profit and loss account on a straight-line basis over the term of the lease.

Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively. Current or deferred taxation assets and liabilities are not discounted.

3) Summary of significant accounting policies (continued)

Taxation (continued)

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is recognised in respect of all timing differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or future taxable profits.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Intangible fixed assets

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition. Intangible assets acquired as part of an acquisition are not recognised where they arise from legal or other contractual rights, and where there is no history of exchange transactions.

Intangible assets created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight-line basis over their estimated useful economic life. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The useful economic lives of intangible assets are as follows:

Customer relationships	8 years
Goodwill	5 years

If there are indicators that the residual value or useful life of an intangible asset has changed since the most recent annual reporting period previous estimates shall be reviewed and, if current expectations differ the residual value, amortisation method or useful life shall be amended. Changes in the expected useful life or the expected pattern of consumption of benefit shall be accounted for as a change in accounting estimate.

Tangible fixed assets and depreciation

Fixed assets are included in the balance sheet at historical purchase cost less provision for impairment and accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on all property, plant and equipment, at rates calculated to write-off the cost, less their estimated residual values, of each asset on a systematic basis over their expected useful lives as follows:

Land & buildings	40 years
Leasehold improvements	period of the lease
Office equipment	3 to 5 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

3) Summary of significant accounting policies (continued)

Impairment of non-financial assets

The company assesses at each reporting date whether an asset may be impaired. If any such indication exists the directors estimate the recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the directors estimate the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through an impairment in profit and loss unless the asset is carried at a revalued amount where the impairment loss of a revalued asset is a revaluation decrease.

An impairment loss recognised is reversed in a subsequent period if, and only if, the reasons for the impairment loss have ceased to apply.

Investments

Investments in subsidiary companies and associates are held at historical purchase cost less accumulated impairment losses.

The directors decide each year whether there is an indicator of impairment. If there is, the company evaluates the carrying value of investments. When it is determined that the carrying value exceeds the recoverable amount, the impaired amount is written off to the profit and loss account.

Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4) Critical accounting judgements and estimation uncertainty

Estimates, judgements and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, the nature of estimation means that the actual outcomes could differ from those estimates.

Goodwill and intangible assets

The company establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

Contracts using percentage of completion

The company establishes the estimated costs to complete for the fixed price consulting contracts accounted for by the percentage of completion method. This estimate is based on a variety of factors, including management expertise and experience on similar contracts and will impact upon the value of turnover recognised for those contracts.

Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 15 for the net carrying amount of the debtors and associated impairment provision.

Customer claims

By their nature are uncertain and the determination of whether any particular case involves a probable loss and quantifying the amount of loss for purposes of establishing or adjusting applicable provisions requires us to exercise considerable judgment, which is applied as of a certain date. The required provisions may change in the future due to new matters, developments in existing matters, or if we determine to change our strategy with respect to the resolution of any particular matter.

Notes to the financial statements for the year ended 31 December 2022 (continued)

5) Turnover

Analysis of turnover by geography:

	2022 £'000	2021 £'000
UK	99,294	97,156
Rest of Europe	31,648	33,827
The rest of the world	12,607	13,153
Turnover	143,549	144,136

Analysis of turnover by category:

	2022 £'000	2021 £'000
Software licence fees	6,521	5,897
SaaS subscriptions	34,655	31,280
Product updates and support fees	59,421	65,833
Consulting services	41,749	39,579
Other	1,203	1,547
Turnover	143,549	144,136

6) Operating loss

	Note	2022 £'000	2021 £'000
Operating loss is stated after charging/(crediting):			
Depreciation of tangible fixed assets – owned	13	887	947
Amortisation of intangible assets	12	1,625	2,696
Amounts written off investments	14	11,966	1,339
Foreign exchange gain		(1,733)	(1,316)
Operating lease charges		1,558	1,309
Services provided by the company's auditors			
- fees payable for the audit		142	120

7) Directors, employee costs and numbers

	2022 £'000	2021 £'000
Wages and salaries	49,252	50,940
Social security costs	6,476	6,227
Other pension costs	1,893	1,881
Staff costs	57,621	59,048

The company makes payments to a personal defined contribution pension scheme. The pension cost charge represents the contributions payable by the company. At 31 December 2022 contributions of £nil (2021: £nil) were outstanding. Charges in respect of long-term incentive schemes are disclosed in note 22.

Infor (United Kingdom) Limited 24
Notes to the financial statements for the year ended 31 December 2022 (continued)

7) Directors, employee costs and numbers (continued)

The average monthly number of persons employed by the company during the year split by activity was:

By activity	2022 No.	2021 No.
Administration	57	54
Computer consultants	326	322
Sales and marketing	143	156
Development	-	1
	526	533

No (2021: none) directors have been remunerated by this company. For both periods, all directors are remunerated by fellow group companies since these directors are either officers or directors of other group companies. The services of these directors to the company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the company for either year.

No directors (2021: None) received management incentive units for their qualifying services under long-term incentive schemes. No director (2021: none) exercised share options during the financial year.

8) Gain on disposal of business

During the prior year the company sold its Enterprise Asset Management business ("EAM") for £5,895,000. The net liabilities of this business were £1,863,000 giving a profit on disposal of £7,758,000. The disposal did not qualify as discontinued operations under FRS102.

In 2022 the company sold its Libraries business for £188,000. The net liabilities of this business were £150,000 giving a profit on disposal of £338,000.

9) Interest receivable and similar income

	2022 £'000	2021 £'000
Interest from fellow group undertakings	1,224	1,270
Interest receivable and similar income	1,224	1,270

10) Interest payable and similar charges

	2022 £'000	2021 £'000
Intercompany loan interest	2,020	3,586
Interest payable and similar charges	2,020	3,586

11) Tax on loss

Current tax and deferred tax

	2022 £'000	2021 £'000
Current tax	-	130
Deferred tax current year	183	(69)
Adjustment in respect of prior years	97	(339)
Change in rate	68	(386)
Total deferred tax charge/(credit)	348	(794)
Total tax charge/(credit)	348	(664)

Reconciliation of tax charge

The tax for the period is higher (2021: higher) than the standard rate of corporation tax in the UK. The differences are explained below:

	2022 %	2021 %
Standard (nominal) tax rate	19.0	19.0
	2022 £'000	2021 £'000
Loss before taxation	(22,812)	(1,229)
Tax on loss before taxation at the standard rate	(4,334)	(234)
Effects of:		
Expenses not deductible for tax purposes	2,526	516
Imputed interest	189	250
Group relief surrendered/(claimed) for nil consideration	1,814	(341)
Adjustment in respect of prior year deferred tax	97	(339)
Tax rate changes	68	(386)
Loss utilisation	-	(130)
Income not taxable	(12)	-
Total tax charge/(credit) for the year	348	(664)

11) Tax on loss (continued)**Deferred tax liability**

	Deferred tax asset/(liability) recognised		Full potential deferred tax asset/(liability)	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Accelerated depreciation over capital allowances	1,129	1,413	1,129	1,413
Other timing differences	220	445	220	445
Tax losses carried forward	-	-	18,457	18,286
Deferred tax liability on business combination	(89)	(250)	(89)	(250)
	1,260	1,608	19,717	19,894
Recognised at start of year	1,608	814		
Deferred tax credit in profit and loss	(348)	794		
Net asset recognised at end of year	1,260	1,608		

In accordance with company accounting policy, the directors have recognised deferred tax assets to the extent that it is more likely than not that there will be sufficient taxable profits after available group relief in the foreseeable future, from which the reversal of the underlying timing differences can be deducted.

Factors that may affect future tax changes

In the 2021 Budget, the Chancellor announced an increase in the corporate tax rate from 19% to 25%, effective from 1 April 2023. The change in rate was substantively enacted in June 2021 and so the deferred tax balances in these financial statements reflect this change.

12) Intangible assets

	Customer relationships £'000	Goodwill £'000	Total £'000
Cost at 1 January 2022	18,754	39,103	57,857
Additions	177	-	177
Cost at 31 December 2022	18,931	39,103	58,034
Accumulated amortisation and impairment at 1 January 2022	16,864	38,777	55,641
Charge for the year	1,376	249	1,625
Accumulated amortisation and impairment at 31 December 2022	18,240	39,026	57,266
Net book value at 31 December 2022	691	77	768
Net book value at 31 December 2021	1,890	326	2,216

12) Intangible assets (continued)

The intangibles have been created through the following business combinations:

	Customer relationships £'000	Goodwill £'000
External acquisition of the trades of MIS UK Ltd, Lasata Software Ltd and RSL Business Solutions Ltd in December 2004	-	833
Internal re-organisation and acquisition of trades on 29 February 2012	-	8,609
Internal re-organisation and acquisition of trades on 1 June 2014	16,584	24,848
Acquisition of Saleslogix operations in September 2014	723	783
Internal re-organisation and acquisition of trades in 2018	1,185	4,009
Acquisition of contracts from group company in 2019	252	-
Acquisition of the trade of Predictix Limited in 2019		21
Acquisition of the contracts from InHowes 2020	10	-
Acquisition of the contracts from Lighthouse Systems Ltd 2022	177	-
Total cost	18,931	39,103

13) Tangible assets

	Land & buildings £'000	Leasehold improvements £'000	Office equipment £'000	Total £'000
Cost at 1 January 2022	2,271	3,059	4,168	9,498
Acquired on business combination	-	-	1,217	1,217
Additions	-	314	243	557
Disposals	-	-	(945)	(945)
Cost at 31 December 2022	2,271	3,373	4,683	10,327
Accumulated depreciation at 1 January 2022	383	1,336	2,810	4,529
Acquired on business combination	-	-	1,166	1,166
Charge for the year	62	252	573	887
On disposals	-	-	(940)	(940)
Accumulated depreciation at 31 December 2022	445	1,588	3,609	5,642
Net book value at 31 December 2022	1,826	1,785	1,074	4,685
Net book value at 31 December 2021	1,888	1,723	1,358	4,969

Infor (United Kingdom) Limited
Notes to the financial statements for the year ended 31 December 2022 (continued)

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14) Investments in subsidiaries and associates

	£'000
Cost as at 1 January 2022	1,350
Additions	11,966
Cost as at 31 December 2022	13,316
Provisions as at 1 January 2022	(1,338)
Charged in the year	(11,966)
Provisions as at 31 December 2022	(13,304)
Net book value at 31 December 2022	12
Net book value at 31 December 2021	12

An additional investment was made in Infor Middle East FZ LLC during the year which was immediately written off in full, due to the losses incurred in the subsidiary.

Interests in group undertakings at 31 December 2022

Name of undertaking	Country of incorporation	Proportion of ordinary equity share capital owned	Principal activity
Infor (Saudi Arabia) Ltd*	Kingdom of Saudi Arabia	10	Consultancy
Infor Middle East FZ LLC	UAE	100	Distributor

* Denotes an associate investment

The above companies, both directly owned, operate principally in their country of incorporation. Their registered addresses are as follows:

Infor (Saudi Arabia) Ltd - 7277 King Fahd Rd, 3333 Al Olaya Dist. 12212 Riyadh, Kingdom of Saudi Arabia.

Infor Middle East FZ LLC – 4301A Dubai Business Central Towers, Dubai Media City, Dubai, UAE

In the opinion of the directors, the value of the above investments at 2022 was at least equal to the net book value (2021: equal).

15) Debtors

	2022	2021
	£'000	£'000
Amounts owed by group undertakings due after one year	-	38,656
Deferred tax asset	1,339	1,838
Prepayments and accrued income falling due after one year	6,528	5,686
Debtors: amounts falling due after more than one year	7,867	46,180
Trade debtors	22,837	18,395
Amounts owed by group undertakings	59,188	40,034
Prepayments and accrued income	6,565	7,403
Debtors: amounts falling due within one year	88,590	65,832

Amounts owed by group undertakings are unsecured, with £31,635,000 (2021: £45,812,000) earning interest of SONIA + 2.75% (2021: between LIBOR + 2.75% and LIBOR + 4.75%). The remainder is non-interest bearing. There are no amounts owed by group undertakings due after more than one year as at 31 December 2022, as the balances in 2022 have less than 12 months to run and so are included in amounts falling due within one year.

Trade debtors are stated after provision for impairment of £1,524,000 (2021: £590,000).

16) Creditors: Amounts falling due within one year

	2022	2021
	£'000	£'000
Trade creditors	1,463	1,772
Amounts owed to group undertakings	48,781	80,328
Corporation tax creditor	5	-
Other taxation and social security	9,627	7,919
Accruals and deferred income	62,991	63,382
Creditors: Amounts due within one year	122,867	153,401

Amounts owed to group undertakings are unsecured and are repayable on demand. Interest is charged at an interest rate of SONIA + 4.50% (2021: between LIBOR + 3.65% and LIBOR + 6.38%) on an amount of £1,415,000 (2021: £26,522,000), the remainder being interest free.

17) Creditors: Amounts falling due after more than one year

	2022	2021
	£'000	£'000
Amounts owed to group undertakings	24,613	47,460
Accruals and deferred income	1,943	2,169
Creditors: amounts due after more than one year	26,556	49,629

Amounts owed to group undertakings are unsecured and are repayable on 30 April 2030 (2021: repayable on dates to 30 April 2030) and there are no instalment payments required for this loan. Interest is charged at a rate of SONIA + 3.3% (2021: between LIBOR + 3.3% and LIBOR + 4.5%).

18) Provisions for liabilities

	Premises	Deferred tax provision	Total
	£'000	£'000	£'000
At 1 January 2022	932	230	1,162
Charged/(credited) to the profit and loss account	396	(140)	256
At 31 December 2022	1,328	90	1,418

Premises

The premises provision relates to dilapidations on four properties. It has been calculated using an estimated cost per square foot. The provision will be utilised in meeting obligations prior to the lease expiry dates which fall due between May 2026 and September 2032.

Deferred tax

The provision for deferred tax was created on a business combination. The deferred tax liability expected to reverse in the year to 31 December 2023 is £26,000, in line with the amortisation on the related intangible asset.

Notes to the financial statements for the year ended 31 December 2022 (continued)

19) Commitments under operating leases

At 31 December the company had the following future minimum lease payments under non-cancellable operating leases as set out below.

	2022	2021
	£'000	£'000
Operating leases which expire:		
Within one year	1,328	1,536
Between one and five years	4,225	5,667
Over five years	3,219	4,211
Operating lease commitments	8,772	11,414

20) Called up share capital

	2022	2021
	£'000	£'000
2,000 (2021: 1,000) ordinary shares of £1 (2021: £1) each	2	1
1,000 (2021: 1,000) "A" ordinary shares of £1 (2021: £1) each	1	1
Allotted and fully paid	3	2

Class 'A' ordinary shares have no voting rights. In all other respects they rank pari passu with the ordinary shares and neither class of share is subject to any restrictions on the distribution of dividends or repayment of capital.

1000 shares were issued at par with consideration in specie of £46,446,000 being received in the form of intercompany receivables creating a share premium of £46,445,000.

21) Reserves**Profit and loss account**

The profit and loss account represents cumulative gains and losses recognised in the profit and loss account, net of transfers to/from other reserves and dividends paid.

22) Share based payments

The group headed by IGS Holding LP, a limited partnership registered in the United States of America, operated a phantom share option scheme, of which employees of the company participated. Beginning in fiscal 2018, IGS Holding LP granted Management Incentive Units ("MIUs") to certain executive officers and non-executive employees of Infor, pursuant to the IGS LP Agreement and certain MIU agreements. These MIUs were for Class D non-voting units ("IGS Class D Units") and vested over four years. In connection with the Infor acquisition, there were no additional grants of IGS Class D units after 31 March 2020.

In December 2021, the IGS Class D Unit award program was retired. In connection with the termination of the IGS Class D Unit program, the IGS Class D Unit awards that vested after January 2022 remained outstanding and were modified to a fixed settlement value. The vesting terms of the awards remained the same, with awards to be cash settled on a quarterly basis as they vest. Further, because these awards are no longer indexed to a share-based fair value, they are no longer considered share-based awards. Beginning in 2022, we accounted for these awards as performance bonuses, recognising compensation expense based on the fixed value and spread over remaining service periods.

22) Share based payments (continued)

The following table summarises IGS Class D MIU activity for the year ended 31 December 2022:

	Weighted average exercise price (US\$)	Number of MIUs
Class D MIU outstanding at 1 January 2022	0.000	596,094
Forfeited	0.000	(596,094)
Outstanding at 31 December 2022	0.000	-
Exercisable at 31 December 2022	0.000	-

The amounts recorded in the financial statements for the year ended 31 December 2022 in respect of cash settled share options were as follows:

	2022 £'000	2021 £'000
Fair value of carrying amount for the balance sheet liability	-	(918)
Cash settled share-based payments expense in the profit and loss	-	1,085

This scheme is no longer considered a share option and are now within long term accruals and the related cost recognised with the other bonus schemes.

23) Controlling parties

The immediate parent undertaking is Systems Union Group Limited, a company incorporated in England and Wales.

The ultimate parent, and the parent undertaking of the largest group to consolidate these financial statements, is Koch Industries, Inc., a Corporation registered in the State of Kansas in the United States of America in which C G Koch and J F Koch have a controlling interest. The group financial statements are not available to the public.

Infor, Inc., a company incorporated in the State of Delaware in the United States of America, is the parent undertaking of the smallest group to consolidate these financial statements. Those financial statements can be obtained from our offices at 641 Avenue of the Americas, 4th Floor, New York, NY 10011, United States of America.

24) Post balance sheet events

There are no events between the reporting date and the date of signing these financial statements to report.