Company registration number 02869895 (England and Wales)

SOLIFI GROUP (UK) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

SOLIFI GROUP (UK) LIMITED

COMPANY INFORMATION

Director	Mr D Hamilton-Matthews
Secretary	Pennsec Limited
Company number	02869895
Registered office	White Clarke House Woodlands Business Park Breckland Milton Keynes MK14 6FG
Auditor	RSM UK Audit LLP Chartered Accountants Davidson House Forbury Square Reading Berkshire RG1 3EU

SOLIFI GROUP (UK) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The director presents the strategic report for the year ended 31 December 2022.

Review of the business
The principal activity of Solifi Group (UK) Limited continues to be that of a holding company. During 2022 the key focus of the business was the continued integration of White Clarke Group Limited following the acquisition in 2021.

This included an entity rationalisation project to streamline the combined Group entities resulting in a number of legacy White Clarke Group Limited holding companies being dissolved. Subsequently a distribution in species occurred to transfer the original investment balance recognised in White Clark Group Holdings Limited, representing its interest in Solifi (UK) Limited to Solifi Group (UK) Limited.

Principal risks and uncertainties
2022 saw unprecedented political and economic turbulence which has driven inflation and subsequently interest rates to record highs, both in the UK and across the world. As a result, there is a risk of slower growth in the automotive and capital equipment markets reducing the profitability of banks and finance companies. The reduction in profitability and increased uncertainty could lead to a reduced appetite for new investments in software which would impact the future revenue and EBITDA projections of the Group.

Going concern

The long-term future of the organisation has strengthened following the acquisition in 2021, as the combined group now has broader market reach and access to greater financial resources to ensure its long-term future.

Given the strong reoccurring nature of our business model and significant new business, income remains strong and where reductions have occurred the Board has initiated mitigating strategies to manage the underlying EBITDA and cash flow levels.

The Board continues to assess the impact of the current political and economic turbulence and will take further action if needed to ensure strong revenue and EBITDA results in the future.

In addition, the Company has received confirmation from the controlling party, that the amounts owing to group undertakings will not be payable for a period no less than 12 months from signing of these financial statements. On this basis, the director has prepared the financial statements on the going concern basis.

On behalf of the board

David Hamilton
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Mr D Hamilton-Matthews
Director

Date: 28-Sep-2023

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The director presents his annual report and financial statements for the year ended 31 December 2022.

Principal activities
The principal activity of the company continued to be that of a holding company.

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

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

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

Mr E Gibson	(Resigned 14 October 2022)
Mr D Hamilton-Matthews	

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

Future developments
The company will continue to operate as a holding company for the foreseeable future with minimal operational activity.

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

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that he ought to have taken as a director in order to make himself aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

David Hamilton
....
Mr D Hamilton-Matthews
Director

Date: 28-Sep-2023

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS 101"). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the or of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

Opinion

We have audited the financial statements of Solifi Group (UK) Limited (the 'company') for the year ended 31 December 2022 which comprise statement of income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the 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 material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 director
As explained more fully in the directors' responsibilities statement set out on page 3, 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 101, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence from the external tax advisor.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Neil Mellor

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

29-Sep-2023

SOLIFI GROUP (UK) LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Administrative expenses		(7,129,137)	(2,000,245)
Finance costs	7	(4,848,284)	(2,576,771)
Loss before taxation		(11,977,421)	(4,577,016)
Tax on loss	8	-	-
Loss for the financial year		(11,977,421)	(4,577,016)
Dividend in specie from group companies		22,728,000	-
Total comprehensive income for the year		10,750,579	(4,577,016)

SOLIFI GROUP (UK) LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Notes	2022 £	2021 £
Non-current assets			
Investments	9	158,744,362	136,016,362
Current assets			
Cash and cash equivalents		49,159	1,254
Total assets less current liabilities		158,793,521	136,017,616
Non-current liabilities			
Trade and other payables	11	112,444,992	100,419,666
Net assets		46,348,529	35,597,950
Equity			
Called up share capital	12	9,460,619	9,460,619
Share premium account	13	128,092,236	128,092,236
Other reserves	14	22,728,000	-
Retained earnings	14	(113,932,326)	(101,954,905)
Total equity		46,348,529	35,597,950

The financial statements were approved by the board of directors and authorised for issue on 28-Sep-2023 and are signed on its behalf by:

David Hamilton

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Mr D Hamilton-Matthews

Director

SOLIFI GROUP (UK) LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Share capital	Share premium account	Other reserves	Retained earnings	Total
		£	£	£	£	£
Balance at 1 January 2021		5,686,334	94,123,675	-	(97,377,889)	2,432,120
Year ended 31 December 2021:						
Loss and total comprehensive income for the year		-	-	-	(4,577,016)	(4,577,016)
Issue of share capital	**12**	3,774,285	33,968,561	-	-	37,742,846
Balance at 31 December 2021		9,460,619	128,092,236	-	(101,954,905)	35,597,950
Year ended 31 December 2022:						
Loss and total comprehensive income for the year		-	-	-	10,750,579	10,750,579
Transfer to other reserves		-	-	22,728,000	(22,728,000)	-
Balance at 31 December 2022		9,460,619	128,092,236	22,728,000	(113,932,326)	46,348,529

1 Accounting policies

Company information

Solifi Group (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is White Clarke House, Woodlands Business Park, Breckland, Milton Keynes, MK14 6FG.

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

Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

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

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- presentation of a Statement of Cash Flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- comparative period reconciliations for the number of shares outstanding and the carrying amounts of property, plant and equipment, intangible assets, investment property and biological assets;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- comparative narrative information;
- requirement for a minimum of two primary statements, including cashflow statements;
- requirements for a third statement of financial position;
- related party disclosures for transactions with the parent or wholly owned members of the group.

Exemption from preparing consolidated financial statements

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

Solifi Group (UK) Limited is a wholly owned subsidiary of IDS Group III Limited and the results of Solifi Group (UK) Limited are included in the consolidated financial statements of IDS Group Inc which are available from TractorWorks Building, 800 Washington Avenue North, Suite 901, Minneapolis, MN 55401, USA.

Going concern

The long-term future of the organisation has strengthened following the acquisition in 2021, as the combined group now has broader market reach and access to greater financial resources to ensure its long-term future.

Given the strong reoccurring nature of our business model and significant new business, income remains strong and where reductions have occurred the Board has initiated mitigating strategies to manage the underlying EBITDA and cash flow levels.

The Board continues to assess the impact of the current political and economic turbulence and will take further action if needed to ensure strong revenue and EBITDA results in the future.

In addition, the Company has received confirmation from the controlling party, that the amounts owing to group undertakings will not be payable for a period no less than 12 months from signing of these financial statements. On this basis, the director has prepared the financial statements on the going concern basis.

1 Accounting policies (Continued)

Non-current investments
Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

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

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

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

Financial assets held at amortised cost
Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets
The company recognises an allowance for expected credit losses, or an ECL, for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ECLs for group receivables are calculated based on cash flow forecasts of the relevant Group entities.

There is no impairment of intercompany receivables as there is sufficient cash forecast to support the full recovery of intercompany receivables.

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

1 Accounting policies (Continued)

Financial liabilities
The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities
Other financial liabilities, including amounts owed to group undertakings and other payables, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

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

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

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

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

Deferred tax
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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

1 Accounting policies (Continued)

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

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

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

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

FRS 101 requires management to undertake an annual test for impairment of assets, including investments, and to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable

Critical judgements
Carrying value of investments in subsidiary undertakings
The carrying value of fixed asset investments are sensitive to changes in the underlying asset or liability value and expected future revenue and profit streams generated in the relevant subsidiary undertakings. Management review for any potential indicators of impairment in the carrying value of fixed asset investments on an annual basis. The carrying value of investments as at 31 December 2022 was £158,744,362 (2021: £136,016,362).

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was nil (2021: nil),

4 Director's remuneration

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

5 Operating loss

	2022	2021
	£	£
Operating loss for the year is stated after charging/(crediting):		
Other administrative expenses	79	89
Exchange losses	7,129,058	2,000,156

6 Auditor's remuneration

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

7 Finance costs

	2022	2021
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest payable to group undertakings	4,848,284	2,576,771

8 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	-	-
Total UK current tax	-	-
Foreign taxes and reliefs	-	-
	-	-

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

	2022	2021
	£	£
Loss before taxation	(11,977,421)	(4,577,016)
Expected tax credit based on a corporation tax rate of 19.00% (2021: 19.00%)	(2,275,710)	(869,633)
Effect of expenses not deductible in determining taxable profit	1,029,530	869,633
Group relief	1,246,180	-
Taxation charge for the year	-	-

Factors that may affect future tax charges
In the budget on 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021 and therefore deferred tax has been calculated at 25% (2021: 19%).

9 Investments

	Non-current 2022 £	2021 £
Investments in subsidiaries	158,744,362	136,016,362

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

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

Additions in year relate to a rationalisation project to streamline the combined Group entities resulting in a number of legacy White Clarke Group Limited holding companies being dissolved. Subsequently a distribution in species occurred to transfer the original investment balance recognised in White Clark Group Holdings Limited, representing its interest in Solifi (UK) Limited to Solifi Group (UK) Limited.

Movements in non-current investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2022	136,016,362
Additions	22,728,000
At 31 December 2022	158,744,362
Carrying amount	
At 31 December 2022	158,744,362
At 31 December 2021	136,016,362

10 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Ownership interest (%) Direct	Indirect	Nature of business
WC Midco Limited*	1	100	-	Holding company
White Clarke Group Holdings Limited*	1	100	-	Holding company
Solifi (UK) Limited	1	100	-	Consultancy to asset finance industries
WC Topco Limited*	1	100	-	Holding company
WC Midco 2 Limited*	1	100	-	Holding company
Beijing White Clarke Group Software System Co. Ltd	2	-	100	IT Consultancy
Solifi Germany GmbH	3	-	100	IT Consultancy
Solifi Austria GmbH	4	-	100	IT Consultancy
Solifi Australia Holdings Pty Limited	5	100	-	Holding company
Solifi Pty Limited	5	-	100	Leasing and asset finance industries
Bureau Services Australia Pty Ltd*	5	-	100	Leasing and asset finance industries
Decision Systems Australia Pty. Ltd*	5	-	100	Holding company
WCGAP Holdings Pty Limited*	5	-	100	Holding company
White Clarke Asia Pacific Pty Ltd*	5	-	100	Leasing and asset finance industries
WC Bidco Limited*	1	100	-	Holding company
International Decision Systems Limited*	6	100	-	IT Consultancy

1. 10 Queen Street Place, London, United Kingdom, EC4R 1AG
2. 1615, 13th floor, Building 602, Wangjing Yuan, Chaoyang District
3. Herbert-Weichmann-Str. 56, D-22085 Hamburg
4. Bäckerstraße 1/13, 1010 Wien, Wien, Austria
5. Suite 27.02B, Level 27, 1 O'Connell Street, Sydney, NSW 2000
6. 8 Devonshire House, Aviary Court, Basingstoke, Hampshire, United Kingdom, RG24 8PE

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

*These subsidiaries are in the process of being liquidated at year end.

11 Trade and other payables

	Non-current 2022 £	2021 £
Amounts owed to fellow group undertakings	112,444,992	100,419,666

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

12 Share capital

Ordinary share capital	**2022 Number**	**2021 Number**	**2022 £**	**2021 £**
Issued and fully paid				
Ordinary shares of 10p each	94,606,186	94,606,186	9,460,619	9,460,619

During the year, 100% of the share capital of the company was transferred to IDS Group III Limited at their nominal value of £9,460,619.

During the prior year the company issued 378,473,420 ordinary shares for consideration of £37,742,846. The shares issued have a nominal value of 10p per share and a share premium of £33,968,561 has been recognised, as can be seen in note 13.

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

13 Share premium account

	2022 £	2021 £
At the beginning of the year	128,092,236	94,123,675
Issue of new shares	-	33,968,561
At the end of the year	128,092,236	128,092,236

The excess of consideration received for shares issued above their nominal value net of transaction costs is shown as share premium.

14 Reserves

Profit and loss reserve
Cumulative profit and loss net of distributions to owners.

Other reserves
Other reserves comprises a distribution in species to transfer the original investment balance recognised in White Clark Group Holdings Limited, representing its interest in Solifi (UK) Limited to Solifi Group (UK) Limited.

15 Contingent liabilities

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

16 Related party transactions

The company is exempt from disclosing related party transactions with other companies that are wholly owned within the group.

There are no other related party transactions in the current or prior year.

17 Controlling party

The company's immediate parent company is IDS Group III Limited, a company incorporated in the United Kingdom located at White Clarke House Woodlands Business Park, Breckland, Linford Wood, Milton Keynes, MK14 6FG

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

IDS Group Inc. is the only holding company for which group financial statements are prepared and of which the company is a member. Consolidated accounts are available from its registered office, TractorWorks Building, 800 Washington Avenue North, Suite 901, Minneapolis, MN 55401, USA.