Please note that these accounts are a supporting document in relation to the Fleet Midco Limited (Company Number 10136400) filing

Fleet Finco Limited
Annual report and financial statements
Year ended 30 June 2022

Registered number: 10201446

Fleet Finco Limited
Annual report and financial statements
Year ended 30 June 2022

Contents | **Page**

Fleet Finco Limited
Officers and professional advisers

Directors

S J Ashman
M P Burkley

Secretary

S J Ashman

Registered Office

Lacon House
84 Theobald's Road
London
WC1X 8NL

Bankers

National Westminster Bank Plc
Natwest Corporate Banking
PO Box 959
250 Bishopsgate
London
E1 6AJ

Solicitors

MacFarlanes LLP
20 Cursitor Street
London
EC4A 1LT

Auditor

Deloitte LLP
Abbots House
Abbey Street
Reading
RG1 3BD

Fleet Finco Limited
Strategic report

Introduction

The directors present the Company's strategic report for the year ended 30 June 2022. The Company was incorporated on 26 May 2016 and is registered in England and Wales with the registered number 10201446. The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

Principal activities

The principal activities of the Company and its subsidiary undertakings (together "the Group" or "Argus") is publishing news, price information and analysis on a wide range of global energy and commodity markets. The Group also reports on transportation, hosts industry conferences and provides consulting studies.

Guiding Principles - Section 172 statement

It is the Company's policy to abide by all laws and regulations in the markets where it does business and to manage its business to achieve superior returns for its shareholders; offer rewarding careers for its employees; build mutually beneficial relationships with its customers; and, hold constructive engagement in the communities where it operates. The Company has a comprehensive set of written policies to help ensure compliance with these standards. Further information on the Company's efforts on environmental, social, community and human right matters as well as our anti-bribery and anti-corruption controls are outlined in more detail in the Directors' report.

The Board acts to promote the success of the Group for the benefit of its members as a whole. A summary of key aspects of the Board's engagement to achieve these ends is outlined below:

Stakeholders	**Board's engagement**
Shareholders	Review and approval of strategy; annual budgets; five-year plans; major capital expenditures and investments; major acquisitions or divestitures; capital structure; and, oversight of actual operating and financial results
Employees	Oversight of management succession and development; diversity; employee morale; and, review and approval of employee compensation and incentive plans
Customers and suppliers	Oversight of the performance of key products and markets; product quality; customer retention and new customer acquisition; and, compliance with industry standards
Environment and community	Oversight of offices' local engagement; carbon footprint; and, review and approval of charitable contributions

The Board considers the outcomes of the above stakeholder engagement and makes decisions that are in the long term interests of its members. Examples of decisions made during the year are provided in further sections below in the Strategic Report. The Company is governed directly by its principal shareholders who are represented on the board of directors, which also includes independent non-executive directors. Employees and former employees who own interests in the Company have specified contract rights and a representative that must approve any alterations to such rights. The board reviews and approves the Company's policies and monitors compliance through periodic management reports and the internal audit functions. These activities are assisted by three board committees, all of which are chaired by independent non-executive directors: Audit and Risk Committee; People Committee; and, Global Compliance Committee.

Guiding Principles - Section 172 statement (continued)

The Group holds frequent business and operations updates from the CEO and regional leaders for the employees in person and through newsletters providing the latest information about performance including progress against the Group's financial targets. In the United Kingdom, this is reflected through the Company's continued accreditation under the "Investors in People" scheme. Staff are also consulted on a periodic basis through a global staff engagement survey.

Activities this Year

As described below, the Group performed well in its principal activities in 2022. The year was marked by the conflict in Ukraine, the impact of which the Group continues to take steps to minimise.

The effects of the invasion of Ukraine by Russia has had a huge impact locally, and its effects are also being felt globally. The Group has taken steps to minimise this impact whilst also ensuring that it complies with relevant sanctions placed on Russian individuals and entities. This is discussed further on page 5.

The Group purchased Oleochem Analytics S.L. ("Oleochem") and invested in Vakt Holdings Limited ("Vakt") in the year. Oleochem is a market research and intelligence company that offers market commentary and analytics to the global oleochemical and pinechemical markets and the purchase will allow the Group to establish ourselves in a growing sector. Vakt is working on the development and licencing of a secure, blockchain-based digital platform.

Business review and key performance indicators

The key performance indicators for the Group are turnover and operating profit before depreciation, amortisation and adjusting items. Group turnover for the year was £254.7 million (2021: £228.7 million), gross profit was £163.0 million (2021: £140.7 million) and operating profit before depreciation, amortisation and exceptional items was £107.1 million (2021: £93.1 million), giving an operating profit margin before depreciation, amortisation, impairment and adjusting items of 42.1% (2021: 40.7%).

Depreciation and amortisation for the year amounted to £26.9 million (2021: £26.0 million). There was an impairment loss of £76.5 million, the details of which are below. Financing costs for the year amounted to £102.4 million (2021: £17.4 million). The increase in financing costs was due to a foreign exchange loss on the translation of a bank loan of £50.2 million (2021: profit of £45.0 million. The loss after tax for the year was £97.8 million (2021: gain of £49.5 million).

Cash generated from operating activities during the year amounted to £125.4 million (2021: £107.9 million). The Group ended the year with cash of £69.0 million (2021: £37.1 million).

The Russian invasion of Ukraine has affected the Group globally, but in particular in the CIS region. Following the invasion, Argus ceased trading with sanctioned individuals and entities, which has resulted in a slowdown of revenue generation in Russia. Given the importance of access to independent journalism and news sources, as well as the importance of commodity-related information for the global commodities markets, the Group considers it important to maintain a presence in the region and not withdraw completely from Russia.

As a result of the uncertainty brought about by the war, the Group has determined that it is appropriate to fully impair goodwill and intangible assets allocated to the CIS region. The pre-tax impairment recognised in the year in respect of this is £76.5 million, which has had a large impact on the operating loss in the year.

Business review and key performance indicators (continued)

Fleet Finco Limited is committed to continuing to invest in the Argus business and during the period has increased expenditure on new technology, product innovation and global editorial and business development resources.

The Group's continuing success is based on its clients' need for proprietary commodity market prices, fundamentals data and the high-quality market analysis that it publishes. Growth is driven by both improvements to existing publications, the launch of new products to meet its clients' changing requirements and business combinations with other entities where considered appropriate. Increasing usage by existing customers is a major source of growth and consequently we become increasingly embedded in our customers processes. The continuing diversification, including the growth of the natural gas, chemicals, fertilizers and metals sectors has seen Argus continue to increase revenues.

A large part of the Group's success is its global reach among "blue chip" clients operating across various industries, financial institutions and government agencies. Argus has over 6,500 clients in almost 140 countries, served by a global sales force and customer support function.

Argus provides products and services, which have long useful lives for many reasons. These reasons include the long term and essential nature of global commodity markets, the importance of industry-respected benchmarks, which are core to our customer's operations, and the high quality brand that Argus' professionalism has built up over many decades. The Argus business has existed for over 50 years and our top four products have an average life of over 30 years and our top ten products almost 25 years. Successful benchmarks are embedded in commodity price reporting with a long useful economic life. The Company considers that intangible assets have similar long lives of 10 to 25 years and beyond.

Argus' primary focus is the quality and consistency of its commodity market coverage. Argus has a continuing programme of developing its global compliance and controls systems with the objective of producing the most robust commodity market price assessments. Argus' policy framework in this regard includes its global compliance policy, editorial code of conduct, ethics policy, market reporting manual and business continuity plan that ensures the uninterrupted production of its reports even when all offices are shut.

Argus' compliance programme includes a rolling series of internal audits of price assessments to ensure compliance with published methodologies and policies. In line with IOSCO's Principles for Oil Price Reporting Agencies, Argus operates an annual external assurance review of all its commodity benchmarks to demonstrate that it is meeting its commitments. Argus has a formal complaints handling procedure to address any instances of dissatisfaction by customers. It also has a whistle-blower facility to ensure that all staff have the opportunity, anonymously, to alert the Group of any concerns and risks.

The Group's strategy is to invest in new technology and global editorial resources, in order to build a robust and efficient business that can deliver growth through the provision of innovative products and solutions for customers involved in the global commodities sector. As of 30 June 2022, the Group employs a workforce of 1,167 employees; this is an increase of 142 employees since 30 June 2021.

Around half of the Group's staff are journalists, who report on global commodity markets. Added to this number is a global network of local "stringers" who write for the group's various publications. Argus has an on-the-ground presence in 50 countries around the world, including 27 regional offices. Over the next year, Argus expects to continue to grow and add the necessary resources required to meet customer demands for its critical information.

Principal risks and uncertainties

The six main areas of business risk relate to copyright, currency, talent, geopolitics, regulation and inflation.

Copyright

The creation of proprietary information is at the heart of the Group's business, and management is focused on protecting the Group's intellectual property against infringement. The Group works with its clients to achieve the appropriate licensing of its intellectual property and our technology team continues to explore and implement content protection solutions.

Currency

The bank loan held by the Group is denominated in US Dollars, with the rest of its debt and equity being in British Pound Sterling as at 30 June 2022. This means that the Group is liable to currency exchange movements on its balance sheet. The bulk of the Group's revenue is in US Dollars, with British Pound Sterling and Euros also making up a large proportion of revenue. This income split provides a diversity of currency exposure and a natural hedge to currency risk. Funds held in these currencies are required to meet the operational demands of the Group's business. In addition the Group uses financial instruments to hedge any additional currency risk. The functional currency and the presentation currency of the Company, its immediate parent and some of its subsidiaries changed to US Dollars effective 1 July 2022. The presentation currency of the Group also changed on that date. This is discussed further on page 7.

Talent

The failure to attract, retain and d

evelop staff, including adapting to new skill sets required to run the business, has been identified as a principal risk for the Group. The Group strives to provide a supportive environment that enables employees to work collaboratively. The Group also places great importance on developing its employees and their capabilities through mentoring and training programmes as well as through performance management processes.

Geopolitics

Like all international businesses, the Group faces geopolitical risk. The Group has offices in many countries and also sells to countries where companies can have sanctions applied. Argus has well-resourced integral legal and compliance functions and also has know your customer and vendor monitoring and controls in place. In terms of office locations, management continues to monitor developments on the ground and ensure that the Group's contingency planning is reviewed on a regular basis, and that proper controls are in place.

Following the invasion of Ukraine by Russia, the group has written off £76 million of goodwill and intangible assets as a result of the uncertainty brought about by the conflict. The Group has made contingencies in its forecasts for a significant reduction of business in Russia and Belarus, and continues to plan for a range of eventualities. Argus believes that it is in a good position to manage the risk in the regions whilst continuing to meet its growth targets and comply with all sanctions imposed.

Regulation

The Group places great importance on its internal processes, procedures and quality standards and continues to add resources in the area of compliance. It has a rolling internal compliance programme to check that its editorial staff adhere to appropriate reporting methodologies and other internal and external codes of conduct. The Group has an active regulatory engagement programme in order to keep abreast of and help shape relevant public policy developments around the globe. The Group undertakes advocacy on public policy issues, principally to promote best practice in the reporting of wholesale commodity markets. The Group is committed to transparency in its own operations including through publishing its submissions and responses to public regulatory consultations. The Group believes that it has in place the appropriate level of procedures for the current environment.

Principal risks and uncertainties (continued)

Inflation

A global impact of the war in Ukraine has been the effect that it has had on inflation rates globally. This will impact clients and employees. The Group will continue to work collaboratively on subscription renewals and the cost of living to protect its margins, earnings growth and cash generation whilst maintaining the long-term goodwill and productivity of our customers and employees. The Group believes that it is well positioned to cope with the effects on salaries and energy costs by high inflation in the short term, and management will continue to monitor and predict the trend of inflation and adjust budgets accordingly. The long-term target rate of inflation remains low in regions that the Group operates in and the market consensus still is that inflation will return to a sustainable level.

Longer term viability statement

As outlined in the Strategic Report and Section 172 Statement, the directors are focused on promoting the long term success of the Group for the benefit of its stakeholders as a whole. The Group's long term viability is assessed based on the Group's strategy, principal risks and uncertainties it faces, and the relevant risks in the markets the Group operates in. The directors have, therefore, assessed the prospects of the Group's viability over the five-year period from 1 July 2022. This period is consistent with the Group's established business planning and forecasting processes and cycle, which is subject to review and approval by the Board.

The five-year plan considers the Group's operating profit before depreciation and amortisation, capital expenditure, cash flows, funds from operations and net debt. The key financial ratios are net debt to operating profit before depreciation and amortisation, and funds from operations to net debt. Over the forecast years the Group incorporates stress tests to simulate the potential impacts of exposure to the principal risks and uncertainties, including the potential impacts of an economic downturn and the potential impacts of political instability in various regions.

These scenarios included:

- The effect of unfavourable changes to significant foreign exchange rates on the Group's operating profit before depreciation and amortisation as a result of its global operations;
- The impact of a general economic downturn;
- A decrease in revenues due to adverse geopolitical developments; and
- An increase in costs associated with regulatory compliance and adverse geopolitical developments.

The scenarios were assessed taking into account current risk appetite and any mitigating actions the Group could take, as required, in response to the potential realisation of any of the stressed scenarios.

In addition, while the Group is in a net liability position, its liabilities are the bank loans and liabilities against related parties including its shareholders. The shareholder loans will not be due in the five years from 30 June 2022 and they provide the Group with the option to defer payments, if necessary.

Based on the results of the related analysis, individually as well as combined, the Group remains viable. There is sufficient headroom in the financing facilities and the strong cash generation of the Group leads to a sufficient liquidity position at all times. Therefore, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the five-year period of this assessment.

Change in reporting currency

The functional currency and the presentation currency of the Company, its immediate parent and some of its subsidiaries changed to US Dollars effective 1 July 2022. The presentation currency of the Group also changed on that date. These changes will significantly reduce the volatility of the Group's earnings due to foreign exchange movements, in particular due to translation of foreign currency balances.The Group believes that these changes are necessary because the shareholder loan notes, preference shares and equity in the immediate parent were converted from British Pound Sterling to US Dollars on 1 July 2022.

Future developments

The Group will continue to refine its business model and is increasing its market share in a competitive sector of the information industry. The Group had to rethink certain parts of its business and find new ways to deliver value to our customers following the Covid-19 pandemic. Nonetheless, the Group's revenue and operating profit have remained resilient and operating cash flows remain strong and predictable. The Group has an experienced management team, skilled staff and a robust capital structure. The Group is positive about the year ahead and is confident that the increasing importance of its information for entities involved in the global commodities sector will help to generate significant opportunities for continued revenue and profit growth in the years ahead.

The Group continues to strengthen the senior management team who will focus on capturing the significant opportunities that lie ahead. The Group is also evaluating possible new office openings in countries where there is the potential to generate significant new business for the Group.

Approval

This report was approved by the board of directors and signed on its behalf by:

S J Ashman

Director
30 September 2022

Fleet Finco Limited
Directors' report

The directors present their financial report on the affairs of the Group, together with the financial statements and auditor's report, for the year ended 30 June 2022.

Dividends

There were no dividends paid on the ordinary shares in the year (2021: Nil) and the directors did not propose the payment of a dividend for the year ended 30 June 2022 (2021: Nil).

Directors

The current directors and the changes during the period to the date of signing are detailed below.

S J Ashman

M P Burkley

Directors' indemnity insurance

The Company provides, to the extent permitted by law, an indemnity to all directors and officers of the company and its subsidiaries in respect of claims against them arising in respect of the conduct of the business of the Group. The Company has also purchased directors' and officers' insurance cover against certain legal liabilities and costs for claims in connection with any act or omission by such.

Donations

During the year, the Group made charitable donations of £213,662 (2021: £246,195).

Going concern

The Group has a robust capital structure, comprising ordinary and shareholder preference share capital, shareholder loan notes with a remaining term of eight years and senior bank debt with a remaining term of four years and four months. In addition, the Group has access to a revolving credit facility of up to £50m. The Group has a strong business model with the majority of its revenue being derived from subscriptions, with a historically high renewal rate. The Group continues to generate strong operating profit and strong positive operating cashflows. The directors have reviewed the budget for the year to 30 June 2023 and the forecast for the following four years thereafter, and have concluded that the Group can continue to generate operating profits and sustain appropriate liquidity even in the event of a significant downturn in trading, particularly in Russia. The shareholder loan notes and shareholder preference shares are held by the ordinary shareholders and the coupon is only payable in cash at the discretion of the Company. The directors have therefore concluded that it is appropriate to adopt the "going concern" basis when preparing the Company's and the Group's statutory accounts

Environmental, employee, social, community and human right matters

The Group has a policy of actively recycling as much material as possible and of using environmentally sustainable service providers. For example, in London, the Group employs cleaners who only use eco-friendly products and pay their staff a London Living Wage. All our main offices operate recycling schemes which comply with local requirements. The Group encourages cycling and in London it operates the Cycle to Work scheme. The Group also provides cycle storage facilities within its head office building.

The Group has a zero tolerance approach to acts of bribery and corruption. To manage bribery and corruption risks, the Group operates within a risk management framework which sets high-level policies and standards across all markets. These policies and standards apply to all Group directors and employees, regions, and operations, and it is the responsibility of local management to ensure that their business operates in line with them. The Group operates a risk-based training and awareness framework to ensure employees and others acting on the Group's behalf know what is expected of them and how they should manage bribery and corruption risks. To ensure that anti-bribery and anti-corruption controls are operating effectively we assess compliance oversight and annual attestation to compliance with the relevant regulations.

Environmental, employee, social, community and human right matters (continued)

At a Group level, the Global Compliance Officer provides the Board's Global Compliance Committee with regular reporting on sanctions and financial crime matters, including the Group's anti-bribery and anti-corruption programme.

As a journalistic enterprise, the Group has a strong culture of openness, especially in internal communications. This is reflected through the frequent "town hall" business and operations updates from the CEO providing the latest information about performance including progress against the Group's financial targets. All staff take part in these "town hall" events. A staff newsletter, "Argus Offline", contains news and information provided by staff across the globe about matters affecting them. Staff are encouraged to get involved by submitting articles and ideas about what to include in the newsletter.

The Group strives to provide a supportive environment where managers and employees work collaboratively to meet deadlines and to serve its clients. In the United Kingdom, this is reflected through the company's continued accreditation under the "Investors in People" scheme, which recognises the use of good internal staff communication and training programmes to attain the Group's goals. The Group places great importance on developing its employees and their capabilities through mentoring and training programmes as well as through the annual appraisal process. The appraisal form includes a section asking employees for their suggestions on how to develop and improve the business. Staff are also consulted on an annual basis through a global staff engagement survey. The company also sponsors a number of work-social groups which run professional and welfare based events; Argus Connect (for younger professionals), Argus Parents, Argus WIN (Women's Initiative Network), Black Lives Matter and IDEA (Inclusion, Diversion, Equity and Awareness) in the Americas. During the financial year, the Group established a Global Diversity Committee to help coordinate and advance the goals of these groups.

The Group is an equal opportunities employer and recruits without reference to gender, age, ethnicity, disability, sexual orientation, religion or belief. The Group is proud that its workforce is so diverse and, without exception, it seeks to fulfil its obligations under all anti-discrimination laws. Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development, and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Streamlined Energy Carbon Reporting (SECR)

As of 2019-20, UK law requires the Group to report certain greenhouse gas (GHG) emissions from UK operations under the SECR (see table below).

The Group calculated GHG emissions through application of DEFRA's UK Government GHG Conversion Factors for Company Reporting (2021 and 2022) using the following reporting standards:

- The Greenhouse Gas Protocol – Corporate Accounting and Reporting Standard (WBCSD & WRI, 2004)
- The Greenhouse Gas Protocol - Scope 2 guidance, amendment to the GHG Protocol Corporate Standard (WBCSD & WRI, 2015)
- The Greenhouse Gas Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard (WBCSD & WRI, 2011)

Streamlined Energy Carbon Reporting (SECR) (continued)

GHG emissions and energy use data for the period from 1 July 2021 to 30 June 2022 and for the period 1 July 2020 to 30 June 2021

	2021/22 UK	2020/21 UK
Energy consumption used to calculate emissions (MWhs)	1,110	1,307
Emissions from combustion of gas tCO2e (Scope 1)	164.30	211.59
Emissions from combustion of fuel for transport purposes tCO2e (Scope 1)	—	—
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel tCO2e (Scope 3)	—	—
Emissions from purchased electricity tCO2e (Scope 2, location-based)	—	—
Total gross CO2e based on above (tCO2e)	164.30	211.59
Intensity ratio: Total gross tCO2e /£m Annual turnover in the UK	1.62	2.13

Energy efficiency action

The table above shows zero emissions as all electricity consumed within the period is 100% renewable and REGO backed.

While staff continue to work partly in the offices and partly remotely, less computers and other electrical equipment are running which increases the amount of heat added to the building generated from mains gas consumption.

While the Covid-19 situation continues the heat wheel that takes heat from extract and recirculates it in to the building remains shut off, this also results in more mains gas being required to heat the building.

At the same time, building management have reintroduced timings to switch off plant and HAVC during out-of-hours periods resulting in reduced consumption.

Financial risks and management

Principal financial risks and management are discussed in the Strategic Report on page 5 and other financial risks such as credit, interest and liquidity risk are discussed in note 34.

Future developments and events after the balance sheet date

Future developments are discussed in the Strategic Report on page 6.

Events after the balance sheet date are disclosed in note 35 to the financial statements.

Fleet Finco Limited
Directors' report (continued)

Auditor

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

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.
- This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approval

This report was approved by the board of directors on its behalf by:

S J Ashman

Director
30 September 2022

Fleet Finco Limited
Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group financial statements in accordance with International accounting standards in conformity with the requirements of the Companies Act 2006 and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". 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 parent company financial statements, the directors are required to:

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

In preparing the group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FLEET FINCO LIMITED

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of Fleet Finco Limited (the 'parent company') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2022 and of the group's loss for the year then ended;

- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);

- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and

- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 37.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and United Kingdom adopted international accounting standards and IFRSs as issued by the IASB. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

2. 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 group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the group and parent company for the year are disclosed in note 9 to the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: • the recoverability of the carrying value of goodwill and intangible assets; and • going concern in light of significant value of debt finance held. Within this report, key audit matters are identified as follows: Newly identified Increased level of risk *Similar level of risk* Decreased level of risk
Materiality	The materiality that we used for the group financial statements was £3.5m which was determined on the basis of 3.3% of operating profit before depreciation. impairment, amortisation and adjusting items.
Scoping	The two main trading entities in the group were subject to a full scope audit and this provided coverage of 75% of group's revenue and 75% of the group's operating profit before depreciation, impairment amortisation and adjusting items.
Significant changes in our approach	The recoverability of the carrying value of goodwill and intangible assets key audit matter in 2021 was focused on the growth rates used in CIS (Commonwealth of Independent States) due to the lower headroom in this CGU. In the current year, the full value of intangibles and goodwill attributed to the CIS CGU has been written off therefore our key audit matter was focused on the over-impairment of the goodwill and intangibles in CIS.

4. 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.

Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting is discussed in section 5.2.

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 group's and parent 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.

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. The recoverability of the carrying value of goodwill and intangible assets

Key audit matter description	At the year end the carrying value of goodwill and intangible assets was £907.5m (2021: £1,000m) comprising goodwill of £614.2m (2021: £666.1m) and intangibles £293.3m (2021: £336.2m). Goodwill arose from acquisitions in the prior years and one acquisition in the current year and is allocated to the four cash generating units (CGUs) of the group. Intangible assets of the group predominantly relate to subscriber customer relationships and brand assets acquired as part of business combinations. In accordance with IAS 36, goodwill is required to be tested at least annually for impairment. The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value in use (VIU) calculated as the present value of the future cash flows expected to be derived from an asset or cash generating unit. The group has used the VIU method to calculate the recoverable amount. Assessing the value in use of goodwill and intangibles assets requires an estimation of key assumptions such as long term growth rates, discount rates, and growth in short term cash flows. These are the key assumptions used in determining whether goodwill and intangible assets are impaired. During the current year the full value of goodwill and intangibles in the CIS CGU has been written off due to the level of uncertainty in the region and the group's ongoing review of the business. Therefore, in the current year our key audit matter relates to the over-impairment of the goodwill and intangible balance in the CIS CGU. Further detail of goodwill and intangibles assets are disclosed in notes 15 and 16 in the financial statements. Notes 3 and 4 in the financial statements disclose the accounting policies and refer to carrying value of goodwill and intangibles being a critical accounting judgement.
How the scope of our audit responded to the key audit matter	We challenged the group's impairment review for goodwill and intangible assets using a range of audit procedures. The audit procedures performed included the following: • obtaining an understanding of the basis of preparation of the forecasts and impairment review, and relevant controls within the impairment review process;

	• challenged the assessment that the goodwill and intangible value in CIS be fully written off by reviewing the group's business plan and through our attendance at audit and risk committee meetings; • assessing the ongoing appropriateness of management's allocation of goodwill and intangible assets to the cash generating units identified; • assessing the appropriateness and challenging the reasonableness of the underlying business plans with regards to growth targets against recent actual performance; • assessing and challenging the cash flow forecasts used within the impairment model based on our understanding of the business, external industry information, external factors including climate change and through making enquiries of management; • involving our valuation specialists in assessing whether the discount rates and long term growth rates are within a reasonable range; • developing an independent expectation of the recoverable amount of each cash generating unit; • assessing the reasonableness of sensitivities applied by the group and reperforming our sensitivity analysis; and We have also assessed the mechanical accuracy of the impairment model calculations and the disclosure of the reasonable possible changes in key assumptions used.
Key observations	We concur that the key assumptions applied in the impairment model were within the acceptable range. We further concluded that the write off of the full value of goodwill and intangibles in the CIS CGU was appropriate and there was no further impairment in the other CGUs.

5.2. Going concern in light of significant value of debt finance held

Key audit matter description	As at 30 June 2022 the group has total borrowings of £631.8m (2021: £590.1m), comprised of bank loans of £400.9m (2021: £354.6m) and shareholder loan notes of £230.9m (2021: £235.5m). The bank loans have one financial covenant associated with consolidated senior secured net leverage ratio (net debt/EBITDA). The shareholder loan notes accrue interest of 8% annually and are repayable on 30 September 2030. The ability of the group to repay the debt and pay the relevant interest charge is dependent on the current and future trading performance. A deterioration in performance would in turn affect the going concern basis of accounting under which the financial statements have been prepared. The directors have prepared cash flow projections which involve significant judgement over key assumptions such as profit and revenue growth. The directors have also assessed the impact of ongoing uncertainty in Ukraine and the impact of foreign exchange movements on the group's performance and concluded that there is no material impact on the going concern assessment.

	Further details are included within the strategic report, directors' report, note 3, and note 22 of these financial statements.
How the scope of our audit responded to the key audit matter	We evaluated the directors' assessment of the going concern basis of accounting and challenged the key assumptions by performing the following procedures: • obtaining an understanding of the basis of preparation of the forecasts and relevant controls within the going concern process; • challenged underlying data and key assumptions contained in the forecast used for directors' going concern assessment by inspecting relevant supporting documentation, including the ongoing impact of Ukraine crisis; • performed an evaluation of historical performance of the group against latest cash flow projections used by the directors for going concern review; • checked the consistency of projections against the Board approved forecast and the forecast used in assessing the recoverability of goodwill and intangible assets; • assessed and re-performed the calculation of the covenant compliance ratio; • assessed the latest post year-end performance of the group to compare actual trends against forecasts; and • tested the integrity of the cash flow projections model, and tested the accuracy and completeness of the underlying data and formulae used. We evaluated the appropriateness of disclosures made in these financial statements in respect of the group's ability to continue as a going concern.
Key observations	We are satisfied that the financial statements are prepared using the going concern basis of accounting and we are satisfied that the related disclosures in the financial statements are appropriate.

6. Our application of materiality

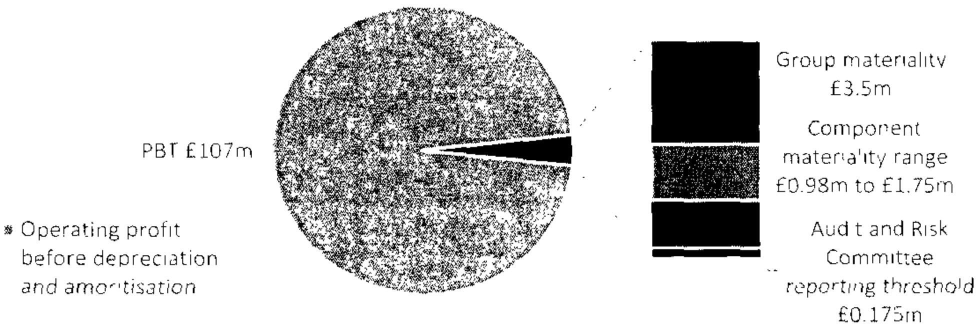
6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent company financial statements
Materiality	£3.5m (2021: £3.5m)	£1.75m (2021: £1.75m)

Basis for determining materiality	We have determined materiality to be £3.5m which represents 3.3% of operating profit before depreciation impairment, amortisation and adjusting items. This benchmark is consistent with the prior year.	5% of expenses, capped at 50% of group materiality. Our selection of the benchmark has remained consistent with prior year.
Rationale for the benchmark applied	Operating profit before depreciation, impairment, amortisation and adjusting items is the key measure used by management in monitoring the group's performance and in communication to its shareholders.	Our chosen benchmark reflects the nature of the entity as parent company does not trade and has large value of preference shares attracting significant interest costs. Thus, expenses are deemed to be a key performance indicator of entity's performance.



6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent company financial statements
Performance materiality	70% (2021: 70%) of group materiality	70% (2021: 70%) of parent company materiality
Basis and rationale for determining performance materiality	In determining performance materiality, we considered factors including our risk assessment, our assessment of the group's overall control environment, and our past experience of the audit, which has indicated a low number of corrected and uncorrected misstatements identified in prior periods	

6.3. Error reporting threshold

We agreed with the Audit and Risk Committee that we would report to the Committee all audit differences in excess of £175k (2021: £175k), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit and Risk Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1. Identification and scoping of components

There has been no significant change in the structure of the group in the current or prior year. Our group audit was scoped using our knowledge of the business, an understanding of its control environment, including group-wide controls, and assessing the risks of material misstatement at the group level.

Based on our assessment, two trading entities were subject to a full scope audit, two intermediary holding entity was subject to the audit of specified balances while two entities were subject to analytical procedures at the group level. The audit work for the group was performed directly by the group engagement team. The entities in full scope audit represent the principal business units and account for 75% (2021: 77%) of group's revenue and 75% (2021: 80%) of the group's operating profit before deprecation and amortisation for the year ended 30 June 2022.

Our audit work at components level in the group audit scope was executed at a lower component performance materiality ranging from £980k to £1.75m (2021: £1.2m to £1.75m).

8. 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.

9. Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

11. Extent to which 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;

- results of our enquiries of management and the audit and risk committee about their own identification and assessment of the risks of irregularities;

- any matters we identified having obtained and reviewed the group's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;

- the matters discussed among the audit engagement team including relevant internal specialists, including tax, valuations and IT specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to the completess and accuracy of deferred subsription revenue due to the varying period in which subscription revenue is recognised.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, tax legislation (including its components) and sanction regulations.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the *financial statements but compliance with which may be fundamental to the group's ability to operate or to* avoid a material penalty. These included the group's compliance with IOSCO (/International Organization of Securities Commissions) principles.

11.2. Audit response to risks identified

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the audit and risk committee and in-house and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;
- performing substantive testing on subscription revenue by utilising an analytic based approach to recalculate subscription revenue on a whole population basis with additional substantive testing of those contracts where a variance was identified; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

12. Matters on which we are required to report by exception

12.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

12.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

We have nothing to report in respect of this matter.

13. 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.

Antwi Okyere-Darko FCA
For and on behalf of Deloitte LLP
Statutory Auditor
Reading, United Kingdom
30 September 2022

Fleet Finco Limited
Consolidated statement of comprehensive income
For the year ended 30 June 2022

	Note	2022 £'000	2021 £'000
Continuing operations			
Revenue	5	254,688	228,687
Cost of sales		(91,727)	(88,023)
Gross profit		162,961	140,664
Administrative expenses		(55,849)	(47,554)
Operating profit before amortisation, depreciation, impairment and adjusting items		107,112	93,110
Amortisation	16	(18,803)	(18,266)
Depreciation	17 & 18	(8,097)	(7,741)
Impairment		(76,458)	—
Restructuring costs	8	103	(859)
Operating profit/(loss)		3,857	66,244
Finance income	11	596	154
Finance costs	12	(102,352)	(17,441)
Other gains	13	136	578
Profit/(loss) before tax		(97,763)	49,535
Tax charge	14	(6,773)	(19,949)
Profit/(loss) for the year from continuing operations	7	(104,536)	29,586
Items that may be reclassified to the income statement			
Exchange differences on translation of foreign operations	29	(11,621)	14,217
Total comprehensive profit/(loss) for the year		(116,157)	43,804

Fleet Finco Limited
Consolidated balance sheet
As at 30 June 2022

	Note	2022 £'000	2021 £'000
Non-current assets			
Goodwill	15	614,227	664,121
Intangible assets	16	293,270	336,177
Property, plant and equipment	17	12,001	10,672
Right-of-use assets	18	13,435	16,193
Investments	19	10,105	2,746
Deferred tax asset	25	10,058	5,512
		953,096	1,035,422
Current assets			
Trade and other receivables	21	45,325	32,925
Cash and cash equivalents	30	68,971	37,099
Current tax assets	14	5,196	3,440
Derivative financial assets	23	4,721	2,901
		124,213	76,364
Total assets		1,077,309	1,111,786
Current liabilities			
Trade and other payables	26	402,638	381,189
Bank loans	22	4,123	3,609
Shareholder loan notes	22	—	4,580
Lease liability	32	3,771	4,497
Deferred revenue	33	138,387	110,732
Derivative financial liabilities	23	9,129	6,782
		558,048	511,390
Total assets less current liabilities		519,261	600,396
Non-current liabilities			
Bank loans	22	396,817	350,975
Shareholder loan notes	22	230,893	230,893
Provisions	24	574	479
Deferred tax liabilities	25	70,390	78,574
Lease liability	32	13,226	16,097
Deferred revenue	33	474	334
		712,374	677,352
Total liabilities		1,270,422	1,188,742
Net liabilities		(193,113)	(76,956)
Equity			
Share capital	27	4,705	4,705
Share premium account	28	—	—
Translation reserve	29	(6,123)	5,498
Accumulated deficit		(191,695)	(87,159)
Total Equity		(193,113)	(76,956)

The financial statements of Fleet Finco Limited, a company registered in England and Wales (company number: 10201446), were approved by the board of directors on 30 September 2022 and signed on its behalf by:

S J Ashman
Director

Fleet Finco Limited
Company balance sheet
As at 30 June 2022

	Note	2022 £'000	2021 £'000
Non-current assets			
Investments	19	4,705	4,705
Amounts due from related party undertakings	21	645,645	619,320
		650,350	624,025
Current assets			
Trade and other receivables	21	768	764
Cash and cash equivalents	30	8	2
		776	766
Total Assets		651,126	624,791
Current Liabilities			
Trade and other payables	26	394,339	365,073
Shareholder loan notes	22	—	4,580
Current tax liabilities		—	3,473
		394,339	373,126
Total assets less current liabilities		256,787	251,665
Non- current liabilities			
Shareholder loan notes	22	230,893	230,893
Total Liabilities		625,232	604,019
Net assets		25,894	20,772
Equity			
Share capital	27	4,705	4,705
Share premium	28	—	—
Retained earnings		21,189	16,067
Total Equity		25,894	20,772

As permitted by s408 of the Companies Act 2006, no separate profit and loss account is presented in respect of the parent company, Fleet Finco Limited. The profit after tax for the year was £5,122,137 (2021: £5,477,163).

The financial statements of Fleet Finco Limited, registered in England and Wales (company number: 10201446) were approved by the board of directors on 30 September 2022 and signed on behalf by:

S J Ashman

Director

Fleet Finco Limited
Consolidated statement of changes in equity
For the year ended 30 June 2022

	Notes	Share capital	Share premium account	Translation reserve	Accumulated deficit	Total
		£'000	£'000	£'000	£'000	£'000
Balance at 1 July 2020		4,705	—	(8,719)	(116,745)	(120,759)
Profit for the year		—	—	—	29,586	29,586
Other comprehensive profit for the year	29	—	—	14,217	—	14,217
Total comprehensive profit for the year		—	—	14,217	29,586	43,803
Issue of share capital		—	—	—	—	—
Balance at 30 June 2021		4,705	—	5,498	(87,159)	(76,956)
Profit for the year		—	—	—	(104,536)	(104,536)
Other comprehensive profit for the year	29	—	—	(11,621)	—	(11,621)
Total comprehensive profit for the year		—	—	(11,621)	(104,536)	(116,157)
Issue of share capital		—	—	—	—	—
Balance at 30 June 2022		4,705	—	(6,123)	(191,695)	(193,113)

Fleet Finco Limited
Parent company statement of changes in equity
For the year ended 30 June 2022

	Share capital £'000	Retained earnings £'000	Total £'000
Balance at 1 July 2020	4,705	10,590	15,295
Total comprehensive profit for the year	—	5,477	5,477
Balance at 30 June 2021	4,705	16,067	20,772
Total comprehensive profit for the year	—	5,122	5,122
Balance at 30 June 2022	4,705	21,189	25,894

Fleet Finco Limited
Consolidated statement of cash flow
For the year ended 30 June 2022

	Note	2022 £'000	2021 £'000
Cash generated by operations		125,373	107,888
Income taxes paid		(23,093)	(17,941)
Net cash from operating activities	30	102,279	89,947
Investing activities			
Interest received	11	596	154
Purchases of property, plant and equipment	17	(5,238)	(3,763)
Acquisition of subsidiaries	20	(1,442)	(7,433)
Investment paid	19	(7,359)	(2,712)
Net cash acquired on acquisitions	20	30	2,176
Net cash outflow from investing activities		(13,412)	(11,578)
Financing activities			
Repayment of bank loans		(3,839)	(53,704)
Intercompany loan repayments		(8,526)	(7,141)
Interest paid		(38,700)	(36,118)
Deferred consideration paid	20	(2,593)	—
Lease liability payments		(5,405)	(5,635)
Net cash outflow from financing activities		(59,062)	(102,598)
Net increase/(decrease) in cash and cash equivalents		*29,805*	*(24,230)*
Cash and cash equivalents at beginning of year		37,099	59,260
Effect of foreign exchange rate changes		2,067	2,068
Cash and cash equivalents at end of year	30	68,971	37,099

1. General information

Fleet Finco Limited (the Company) is a Company incorporated in the United Kingdom under the Companies Act 2006. The Company is a private Company limited by shares and is registered in England and Wales. The registered office address is given on page 1.

The principal activities of the Company and its subsidiaries (the Group) and the nature of the Group's operations are set out in the Strategic Report on pages 2 to 7.

These financial statements are presented in British Pound Sterling and are rounded to the nearest thousand. Foreign operations are included in accordance with the policies set out in note 3.

2. New standards and IFRIC interpretations not applied

Adoption of new and revised standards

Impact of the initial application of other new and amended IFRS Standards that are effective for the current year

In the current year, the Group has applied the below amendments to IFRS Standards and Interpretations that are effective for an annual period that begins on or after 1 January 2021. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Impact of the initial application of Covid-19 Rent Related Concessions beyond 30 June 2021 - Amendment to IFRS 16

In the prior year, the Group early adopted Covid-19-Related Rent Concessions (Amendment to IFRS 16) that provided practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. This practical expedient was available to rent concessions for which any reduction in lease payments affected payments originally due on or before 30 June 2021.

In March 2021, the Board issued Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16) that extends the practical expedient to apply to reduction in lease payments originally due on or before 30 June 2022.

In the current financial year, the Group has applied the amendment to IFRS 16 (as issued by the Board in May 2021) in advance of its effective date.

The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession applying IFRS 16 as if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change
- Any reduction in lease payments affects only payments originally due on or before 30 June 2022 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2022 and increased lease payments that extend beyond 30 June 2022)
- There is no substantive change to other terms and conditions of the lease

There was no effect on the Group from this amendment.

Fleet Finco Limited
Notes to the financial statements
For the year ended 30 June 2022

2. New standards and IFRIC interpretations not applied (continued)

Adoption of new and revised standards (continued)

Impact of the initial application of other new and amended IFRS Standards that are effective for the current year (continued)

Interest Rate Benchmark Reform amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

In the prior year, the Group adopted the Phase 1 amendments Interest Rate Benchmark Reform - Amendments to IFRS 9/IAS 39 and IFRS 7. These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments are amended as a result of the interest rate benchmark reform. See note 34 for more detail.

New and revised IFRS Standards in issue, but not yet effective

The following IFRS and IFRIC interpretations, which may have an impact on the Group and the Company's financial information, have been issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee (IFRIC). The Company intends to adopt these standards and interpretations when they become effective:

IAS/IFRS standards	**Effective for accounting periods beginning on or after**
IFRS 17 *Insurance Contracts*	1 January 2023
Amendments to IAS 1 *Classification of Liabilities as Current or Non-current*	1 January 2023
Amendments to IFRS 3 *Reference to the Conceptual Framework*	1 January 2022
Amendments to IAS 16 *Property, Plant and Equipment—Proceeds before Intended Use*	1 January 2022
Amendments to IAS 37 *Onerous Contracts – Cost of Fulfilling a Contract*	1 January 2022
Annual Improvements to IFRS Standards 2018-2020 Cycle *Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture*	1 January 2022
Amendments to IAS 1 and IFRS Practice Statement Statement 2 *Disclosure of accounting policies*	1 January 2023
Amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023
Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*	1 January 2023
Initial Application of IFRS 17 and IFRS 9 *Comparative Information*	1 January 2023
Amendments to IAS 1 *Classification of Liabilities as Current or Non-current - Deferral of Effective Date*	1 January 2023
Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Not yet set

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods, although the full assessment is not complete.

3. Significant accounting policies

Basis of accounting

The separate financial statements of the Company are presented as required by the Companies Act 2006. The Company meets the definition of a qualifying entity under FRS 100 Application of Financial *Reporting Requirements issued by the FRC. Accordingly, these financial statements are prepared in* accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payment, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, certain disclosures in respect of revenue from contracts with customers and certain related party transactions.

Where required, equivalent disclosures are given in the consolidated financial statements.

The financial statements have been prepared on the historical cost bases, except for the revaluation of certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The principal accounting policies adopted are the same as those set out in this note to the consolidated financial statements except as noted below.

Investments in subsidiaries, associates and joint ventures are stated at cost less, where appropriate, provisions for impairment.

The Company receives income from its subsidiaries in the form of interest and dividends. Interest is charged on a monthly basis and consequently there is no difference between the timing of payment and the timing of revenue recognition.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). The consolidated financial statements have also been prepared in accordance with international accounting standards in conformity with the requirements of the *Companies Act 2006*.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16.

The principal accounting policies adopted are set out below.

3. Significant accounting policies (continued)

Going concern

The directors have, at the time of approving the financial statements and having reviewed the Company's forecasts and its cash holdings, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Group has a robust capital structure, comprising ordinary and shareholder preference share capital, shareholder loan notes with a remaining term of eight years and senior bank debt with a remaining term of four years and four months. In addition, the Group has access to a revolving credit facility of up to £50m. The Group has a strong business model with the majority of its revenue being derived from subscriptions, with a historically high renewal rate. The Group continues to generate strong operating profit and strong positive operating cashflows. The directors have reviewed the budget for the year to 30 June 2023 and the forecast for the following four years thereafter, and have concluded that the Group can continue to generate operating profits and sustain appropriate liquidity even in the event of a significant downturn in trading, particularly in Russia. The shareholder loan notes and shareholder preference shares are held by the ordinary shareholders and the coupon is only payable in cash at the discretion of the Company. The directors have therefore concluded that it is appropriate to adopt the "going concern" basis when preparing the Company's and the Group's statutory accounts.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 30 June each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

3. Significant accounting policies (continued)

Basis of consolidation (continued)

All assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company. Total comprehensive income of the subsidiaries is attributed to the owners of the Company.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, and the equity interests issued by the Group less liabilities acquired by the Group from the former owner of the acquiree in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with *IAS 12 Income* Taxes and *IAS 19 Employee Benefits* respectively; and
- assets (or disposal groups) that are classified as held for sale in accordance with *IFRS 5 Non-current Assets Held for Sale* are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. If after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

3. Significant accounting policies (continued)

Business combinations (continued)

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3. Significant accounting policies (continued)

Foreign currencies

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which they operate (their functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in British Pound Sterling, which is the functional currency of the Company, and the *presentation currency for the consolidated financial statements.*

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

Recurring revenue from publications is recognised pro-rated in the profit and loss account in accordance with the subscription period to which it relates.

Non-recurring revenue from exchange licensing is recognised in accordance with the period to which the exchange licence agreement relates. In addition, any revenue related to exchange activity is recognised in the period it occurs. Non-recurring revenue from exhibitions and conferences is recognised on the date of the event. Revenue from consulting is recognised over time as the services are provided.

Cost of sales

Cost of sales comprises production costs associated with business development, conference, consulting, editorial, marketing, product development, sales and technology departments.

3. Significant accounting policies (continued)

Dividend and interest revenue

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Borrowing costs

Borrowing costs are recognised initially at fair value, which is proceeds received net of transaction costs incurred. Borrowings are subsequently stated at amortised cost with any difference between the proceeds (net of transaction costs) and the redemption value being recognised on the income statement over the period of the borrowings using the effective interest method. Interest on borrowings is expensed in the consolidated statement of comprehensive income as incurred.

Pensions

The Group operates various defined contribution schemes for the benefit of certain directors and employees. Contributions are charged to the profit and loss account in the year they are payable.

Government assistance

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Adjusting items

Items that are considered material and not related to the underlying performance of the business either because of their size or their nature, are shown as adjusting items to assist the understanding of the Group's underlying performance within their relevant consolidated income statement category and are explained in the notes to the financial statements.

Taxation

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

Current tax

The tax currently payable or receivable is based on the taxable profit or loss for the period. Taxable profit or loss differs from net profit or loss 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 Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3. Significant accounting policies (continued)

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 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 the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting 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 based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Cash and cash equivalents

Cash and cash equivalents as defined for the cash flow statement comprise cash in hand, cash held at bank with immediate access and bank deposits. All are carried on the balance sheet at cost.

3. Significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and assets under construction) less their residual values over their useful lives, using the straight-line method, on the following basis:

Leasehold improvements	10% per annum
Computer equipment	33% per annum
Fixture and fittings	20% per annum
Motor vehicles	20% per annum

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Leases

The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

The lease liability is presented as a separate line in the consolidated balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

3. Significant accounting policies (continued)

Leases (continued)

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated balance sheet.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

3. Significant accounting policies (continued)

Impairment of tangible and intangible assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

3. Significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

If the transaction price differs from fair value at initial recognition, the Group accounts for such differences as follows:

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or is based on a valuation technique that uses only data from observable markets, then the difference is recognised as a gain or loss on initial recognition (i.e. day 1 profit or loss);
- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to profit or loss such that it reaches a value of zero at the time when the entire contract can be valued using active market quotes or verifiable objective market information. Depending on the type of financial instrument, the Group can adopt one of the following policies for the amortisation of day 1 gain or loss:

- calibrate unobservable inputs to the transaction price and recognise the deferred gain or loss as the best estimates of those unobservable inputs change based on observable information; or
- release the day 1 gain or loss in a reasonable fashion based on the facts and circumstances (i.e. using either straight-line or non-linear amortisation).

Financial assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), financial assets 'at fair value through OCI (FVTOCI) and financial assets 'at amortised costs'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss.

Transaction costs directly attributable to the acquisition of financial assets classified as at fair value through profit or loss are recognised immediately in profit or loss.

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as financial assets 'at amortised cost'. They are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate.

3. Significant accounting policies (continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all financial assets 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 Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the value of the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are measured subsequently at FVTPL or at amortised cost using the effective interest method.

Impact of the Interest Rate Benchmark Reform

Details of the derivative and non-derivative financial instruments affected by the interest rate benchmark reform together with a summary of the actions taken by the Group to manage the risks relating to the reform and the accounting impact appear in note 34.

The Group does not apply hedge accounting to its benchmark interest rate exposures.

3. Significant accounting policies (continued)

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derivative financial instruments

The Group enters into a variety of derivative financial contracts to manage its exposure to interest rates, including interest rate swaps and interest rate caps. Further details of derivative financial instruments are disclosed in note 34.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

3. Significant accounting policies (continued)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

4. Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies, which are described in note 3, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts 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.

Critical accounting judgements

Impairment of goodwill and intangible assets in CIS

A critical accounting judgement during the year is the valuation of our business in the CIS. Due to the ongoing conflict, the carrying value of the goodwill and intangibles have been judged to be nil.

An alternative judgement based on our value in use calculation, would have been to continue to recognise £11.6m of intangible assets on the balance sheet. However, given the high level of uncertainty about the future the complete carrying value of the goodwill and intangibles has been written off.

Key sources of estimation uncertainty

There were no key sources of estimation uncertainty during the year.

5. Revenue

	2022 £'000	2021 £'000
Recurring revenue derived from customer contracts	229,272	209,609
Non-recurring revenue derived from customer contracts	25,416	19,078
Total revenue	254,688	228,687
Sales by origin		
United Kingdom	101,343	99,408
Americas	90,140	75,474
Europe	4,825	1,689
Rest of the world	58,380	52,116
Total	254,688	228,687

6. Segmental reporting

The Group has four reportable segments that are defined by geographic area to reflect how the Group's operations are monitored and managed. The reportable segments presented reflect the Group's management and reporting structure as viewed by the Board of Directors, which is considered to be the Group's chief operating decision maker.

2022	Total £'000	Europe £'000	Americas £'000	CIS £'000	Asia £'000
Recurring revenue derived from customer contracts	229,272	76,376	87,296	18,100	47,500
Non-recurring revenue derived from customer contracts	25,416	29,945	2,844	1,170	(8,544)
Revenue	254,688	106,322	90,140	19,270	38,956
Operating profit before amortisation, depreciation and adjusting items	107,112	39,059	45,977	10,466	11,610
Amortisation	(18,803)	(8,548)	(6,657)	(1,312)	(2,286)
Depreciation	(8,097)	(5,680)	(869)	(375)	(1,173)
Impairment	(76,458)	—	—	(76,458)	—
Adjusting items	103	121	—	(8)	(9)
Operating loss	3,857	24,952	38,451	(67,688)	8,142
Investment revenues	596				
Other gains	136				
Finance costs	(102,352)				
Loss before tax	(97,763)				
Tax charge	(6,773)				
Loss for the year from continuing operations	(104,536)				

6. Segmental reporting (continued)

2021	Total £'000	Europe £'000	Americas £'000	CIS £'000	Asia £'000
Recurring revenue derived from customer contracts	209,609	74,838	77,943	17,297	39,531
Non-recurring revenue derived from customer contracts	19,078	26,421	(2,553)	(550)	(4,240)
Revenue	228,687	101,259	75,390	16,747	35,291
Operating profit before amortisation, depreciation and adjusting items	93,110	47,867	26,621	6,433	12,189
Amortisation	(18,266)	(8,304)	(6,466)	(1,275)	(2,221)
Depreciation	(7,741)	(5,170)	(891)	(377)	(1,303)
Adjusting items	(859)	(848)	10	(6)	(15)
Operating profit	66,244	33,545	19,274	4,774	8,651
Investment revenues	154				
Other gains	578				
Finance costs	(17,441)				
Loss before tax	49,535				
Tax charge	(19,949)				
Loss for the year from continuing operations	29,586				

Revenue reported above is generated from external customers, and inter-segment revenue has been eliminated.

The Board does not review assets and liabilities by segment and consequently a balance sheet disclosure has not been included.

7. Loss for the year

	2022	2021
	£'000	£'000
Profit for the year has been arrived at after charging:		
Net foreign exchange (gains)/losses	(12,154)	2,276
Depreciation of property, plant and equipment (see note 17)	3,914	3,374
Depreciation of Right-of-Use assets (see note 18)	4,182	4,367
Loss on disposal of property, plant and equipment	2	36
Short term/ low value lease charge	226	162
Loss allowance recognised on receivables	644	562
Amortisation	18,803	18,266
Impairment	76,458	0
Staff costs (see note 10)	97,290	86,475

8. Adjusting items

The following restructuring income/costs were charged to operating profit:

	2022	2021
	£'000	£'000
Restructuring costs related to the Covid-19 response	—	843
Restructuring (income)/costs	(103)	16
Total restructuring (income)/costs	(103)	859

9. Auditor's remuneration

The analysis of the auditor's remuneration is as follows:

	2022	2021
	£'000	£'000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	100	90
Audit of the Company's subsidiaries	185	155
Total audit fees	285	245
Covenant compliance	17	15
Total non-audit fees	17	15

10. Staff costs

	2022 £'000	2021 £'000
Wages and salaries	83,454	74,109
Social security costs	9,322	8,434
Other pension costs	4,514	3,932
	97,290	86,475

	2022 Number	2021 Number
The average monthly number of employees (including executive directors):		
Editorial	617	563
Sales and marketing	187	178
Management, administration and technical	306	269
	1,110	1,010

Key management personnel remuneration, including directors

	2022 £'000	2021 £'000
Key management personnel remuneration	1,221	1,071
Contributions to defined contribution scheme	8	10
	1,229	1,081

The highest paid director received remuneration of £851k (2021: £769k). This included a bonus payment of £393k (2021: £346k), £4k (2021: £10k) towards pensions as well as benefits in kind of £2k (2021: £39k).

Both directors are a member of the company's defined contribution pension plan.

All employee numbers and costs disclosed above are on a Group basis. There are no (2021: nil) employees employed directly by Fleet Finco Limited.

11. Finance income

	2022 £'000	2021 £'000
Total interest income for financial assets not designated at fair value through profit or loss	596	154

12. Finance costs

	2022 £'000	2021 £'000
Interest on bank overdrafts and loans	16,270	17,681
Interest on shareholder loan notes	18,471	18,471
Interest on related party balances	28,119	30,049
Interest on lease liability	680	777
Adjusting costs related to the refinancing	—	178
Loss/(gain) on bank loan	50,194	(44,964)
Gain on interest hedge	(11,382)	(4,751)
Total finance costs	102,352	17,441

The interest on bank overdrafts and loans arises on the senior secured term loan from a consortium of banks and the revolving credit facility from the same consortium as described in more detail on note 22.

The interest on shareholder loan notes arises on the unsecured A loan notes held by the Group's major shareholders, General Atlantic and Hg Capital. The interest can be settled, at the discretion of the Group, in either cash or "Payment in Kind" ("PIK") notes.

The interest on related party balances arises on charges payable for the period from Fleet Topco Limited, the parent company.

The preference shares have been treated as debt in accordance with IAS 32 (see note 22). As a result, the fixed 8% coupon on the preference shares is recorded as part of finance costs.

The adjusting costs related to the refinancing includes fees incurred as part of the refinancing (see note 22).

The loss (2021: gain) arises on the revaluation of the external bank debt which is denominated in US Dollars.

13. Other gains and losses

	2022 £'000	2021 £'000
Government assistance	138	614
Loss on disposal of fixed assets	(2)	(36)
Other gains	136	578

The Group received funds from the job support scheme in Singapore in the current year. In the prior year the Group took advantage of the UK furlough scheme and received funds from the job support scheme in Singapore.

14. Tax

	2022 £'000	2021 £'000
Current tax		
UK corporation tax on profits for the period	—	6,537
UK corporation tax adjustments in respect of previous periods	5,181	1,195
Overseas tax	13,295	10,227
Overseas tax adjustments in respect of previous periods	594	6
Total current tax charge	19,070	17,964
Deferred tax		
Adjustments to deferred tax in respect of previous periods	(364)	(1,431)
Origination and reversal of timing differences	(11,953)	(2,947)
Effect of changes in tax rates	—	6,362
Other adjustments	20	—
Total deferred tax charge/(credit)	(12,297)	1,985
Tax charge on profit	6,773	19,949

The tax assessed for the period is higher than the standard rate applying in the UK. The differences are explained below:

	2022 £'000	2021 £'000
Profit/(loss) at the standard tax rate 19.00% (2021: 19.00%)	(18,969)	9,412
Effects of:		
Different tax rates of overseas jurisdictions	3,850	2,844
Expenses not deductible for tax purposes	2,351	2,423
Non taxable income	(2,329)	(1,225)
Change in rates	(1,407)	5,617
Deferred tax unrecognised	3,727	1,209
Adjustments to tax charge in respect of previous periods	5,411	(230)
Effect of superdeduction tax relief	(141)	—
Other tax reliefs claimed	(2,071)	(3,157)
Reactivation of disallowed interest under CIR	604	2,495
Goodwill impairment	9,947	—
Other adjustments	(10)	28
Items charged elsewhere (e.g. extraordinary, reserves)	579	533
Group relief surrendered	5,231	—
Total tax charge	6,773	19,949

The standard rate of tax applied to reported profit is 19%.

14. Tax (continued)

	2022 £'000	2021 £'000
Balance sheet disclosure		
UK corporation tax recoverable/(payable)	8,211	8,015
Overseas tax recoverable/(payable)	(3,186)	(4,439)
Deferred tax liability	(70,380)	(78,574)
Deferred tax asset	9,989	5,512
Total	(55,366)	(69,487)

15. Goodwill

	£'000
Cost and carrying amount	
At 1 July 2020	661,612
Addition on acquisition of subsidiaries	2,509
At 30 June 2021	664,121
Addition on acquisition of subsidiaries (Note 20)	2,460
Impairment	(52,354)
At 30 June 2022	614,227

Cash generating units	**Carrying value £'000**
Europe	254,529
America	268,456
CIS	—
Asia	91,242
Total	614,227

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. Due to the ongoing conflict in Ukraine, management determined an external impairment indicator for the CIS region in the year.

Impairment in CIS region

The economic sanctions and legislation imposed after the Russian invasion of Ukraine are forcing more and more companies to leave Russia entirely. To date the Group do not have plans to leave Russia; however, exiting Russia is a possible future scenario which would mean that carrying any goodwill or intangible assets would be inappropriate.

It is also possible that further economic sanctions will be imposed, and Russia will be economically isolated from the rest of the world. If this is the case, then the Group's position in Russia will become untenable, which would lead to a complete impairment of the goodwill and intangibles.

Due to these factors, management considers its best estimate is to write off £52,354k, the full carrying amount of goodwill in the CIS region.

15. Goodwill (continued)

Impairment in other regions

Goodwill has been tested for impairment by comparing the carrying amount of each cash-generating unit (CGU), including goodwill, with the recoverable amount. The recoverable amounts of the CGUs are determined from value-in-use calculations.

The value-in-use is the present value of the cash flows expected to be generated by the CGU over a projection period, together with a terminal value. The projection period is the time period over which future cash flows are predicted. The Company's methodology is to use a projection period of five years. For periods after this five-year period, the methodology applies a long-term growth rate of 2% to derive a terminal value. Cash flow expectations exclude any future cash flows that may arise from restructuring or other enhancements to the cash generating activities of the CGU and reflect management's expectations of the range of economic conditions that may exist over the projection period.

The key assumptions for the value-in-use calculations are as follows:

Profit

Based on the latest forecast for revenue and costs as approved by the Board and taking into consideration past experience and the current economic environment with regard to customer attrition rates and additions to the customer base.

Growth rates

The annual growth for the five year initial period calculated based on historical trading taking into account the current situation is between 10% and 11% for revenue and between 9% and 13% for expenses. The perpetuity growth factor is 2% for Europe, the Americas and Asia.

Discount rates

The post-tax discount rate used to discount the forecast cash flows are: 9.5% for Europe, 9.0% for the Americas and 9.0% for Asia. These rates are based on the risks specific to the relevant CGUs.

Group

The Group's cash generating units (CGUs) all have adequate headroom for their respective size of the business. Budgets comprise forecasts of gross profit, staff costs and overheads based on current and anticipated market conditions that have been considered and approved by the Board.

Management has undertaken a sensitivity analysis taking into consideration the impact on changes to key impairment assumptions arising from a range of possible future trading and economic scenarios. These have been applied across all CGUs. An increase in discount rate of between 6.8% and 7.3% or an underperformance of between 9.65% and 11.15% in net earnings would reduce the headroom to nil.

16. Intangible assets

	Subscriber customer relationships	Technology assets	Exchange customer relationships	Brand assets	Conference relationships	Total
Useful economic life	*25 years*	*10 years*	*25 years*	*25 years*	*10 years*	
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cost						
At 1 July 2020	238,819	18,711	18,465	134,948	5,545	416,488
Additions	3,138	935	—	803	—	4,875
At 30 June 2021	241,957	19,646	18,465	135,751	5,545	421,363
Impairment	(16,649)	(63)	(1,251)	(9,168)	(214)	(27,345)
At 30 June 2022	225,308	19,583	17,214	126,583	5,331	394,018
Amortisation						
At 1 July 2020	(35,262)	(6,911)	(2,767)	(20,213)	(1,768)	(66,920)
Charge for the year	(9,664)	(1,960)	(738)	(5,439)	(465)	(18,266)
At 30 June 2021	(44,926)	(8,871)	(3,505)	(25,652)	(2,233)	(85,186)
Charge for the year	(9,841)	(1,977)	(738)	(5,449)	(798)	(18,803)
Impairment	2,002	27	137	1,015	60	3,241
At 30 June 2022	(52,765)	(10,821)	(4,106)	(30,085)	(2,971)	(100,748)
Carrying amount						
At 1 July 2020	203,557	11,800	15,698	114,735	3,777	349,568
At 30 June 2021	197,031	10,775	14,960	110,099	3,312	336,177
At 30 June 2022	172,543	8,762	13,108	96,498	2,360	293,270

As outlined in note 15, the Group has recognised an impairment loss in the CIS region. As with the carrying amount of goodwill, management has deemed it necessary and appropriate to write off the full carrying amount of intangible assets held in the CIS region.

The full carrying amount of intangible assets of £24,104k in the CIS region has been written off through the profit and loss account in the period.

17. *Property, plant and equipment*

	Leasehold improvements	Computer equipment	Fixtures and fittings	Motor vehicles	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 July 2020	3,543	9,450	2,653	36	2,175	17,857
Additions	—	643	105	—	3,015	3,763
Disposals	—	(145)	(55)	—	—	(200)
Transfers	—	2,574	(9)	—	(2,565)	—
Exchange differences	—	(251)	(167)	—	(1)	(418)
At 30 June 2021	3,543	12,272	2,527	36	2,624	21,002
Additions	—	1,072	173	—	3,993	5,238
Disposals	—	(57)	(1)	(15)	—	(72)
Transfers	—	3,703	13	—	(3,733)	(17)
Exchange differences	—	164	361	—	1	526
At 30 June 2022	3,543	17,154	3,073	21	2,885	26,677
Depreciation						
At 1 July 2020	996	4,988	1,606	(9)	—	7,580
Charge for the year	354	2,435	570	14	—	3,374
Disposals	—	(140)	(35)	—	—	(175)
Exchange differences	—	(278)	(171)	—	—	(449)
At 30 June 2021	1,350	7,005	1,971	4	—	10,330
Charge for the year	354	3,013	533	14	—	3,914
Disposals	—	(57)	—	(15)	—	(72)
Exchange differences	—	183	320	—	—	504
At 30 June 2022	1,704	10,144	2,824	3	—	14,676
Carrying amount						
At 1 July 2020	2,548	4,462	1,046	45	2,175	10,276
At 30 June 2021	2,194	5,267	556	32	2,624	10,672
At 30 June 2022	1,839	7,010	249	18	2,885	12,001

Property, plant and equipment are stated at historical cost less depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for intended use. The Group had no contractual commitments for the acquisition of property, plant and equipment at 30 June 2022 (2021: Nil).

18. Right-of-use assets

	£'000
Cost	
At 1 July 2020	23,843
Right-of-use assets recognised	1,711
Exchange differences	—
At 30 June 2021	25,555
Right-of-use assets recognised	1,170
Exchange differences	130
At 30 June 2022	26,854
Depreciation	
At 1 July 2020	4,438
Charge for the year	4,367
Exchange differences	556
At 30 June 2021	9,361
Charge for the year	4,182
Exchange differences	(124)
At 30 June 2022	13,420
Carrying amount	
At 1 July 2020	19,405
At 30 June 2021	16,193
At 30 June 2022	13,435

The Group leases several buildings. The average lease term is 38 months (2021: 30 months).

19. Investments

	Consolidated 2022 £'000	Consolidated 2021 £'000	Company 2022 £'000	Company 2021 £'000
Trading investments carried at fair value				
Shares	10,105	2,746	4,705	4,705

The fixed asset investment in the consolidated Fleet Finco Limited financial statements refers to a 7% equity investment in PT Coal Indonesia and an 18% equity investment in Tallarium Limited.

On 27 May 2022 an investment for 6% of the equity in Vakt Holdings Limited was made. The principle activity of Vakt Holdings Limited is the development and licencing of a secure, blockchain-based digital platform.

19. Investments (continued)

The Company's subsidiaries included in these consolidated financial statements are included below. 100% of the Ordinary Share Capital and voting rights are held in all entities:

Company	Country of incorporation	Company number
Fleet Midco Limited [1]	United Kingdom	10136400
Indirectly held subsidiaries		
Fleet Midco I Limited [1]	United Kingdom	10201437
Fleet Midco II Limited [1]	United Kingdom	10201754
Fleet Bidco Limited [1]	United Kingdom	10136815
Fleet U.S. Bidco Inc. [2]	Delaware, US	6053365
Argus Media Inc. [2]	Delaware, US	2971630
DeWitt & Company Incorporated [2]	Delaware, US	153989600
Argus Benchmark Administration B.V. [8]	Netherlands	859965879
Argus Media Limited [1]	United Kingdom	01642534
Argus Rus Limited [1]	United Kingdom	04221838
Argus Media Brasil Relatórios de Preço de Energia e Commodity Ltda.[3]	Brazil	332.0924922-3 (NIRE)
Argus Media Canada Ltd [4]	Canada	BC1019104
Argus Media South Africa Limited [1]	United Kingdom	10603005
Argus Media Africa Limited [1]	United Kingdom	12489800
Argus Media Australia Pty Ltd [5]	Australia	618642756
Argus Media Singapore Group Pte Ltd [6]	Singapore	201330289W
FMB Consultants Limited [1]	United Kingdom	1588592
FMB Publications Limited [1]	United Kingdom	1739247
Fertilizer + Chemical Consultancy Limited [1]	United Kingdom	4933572
Metal-Pages Limited [1]	United Kingdom	03975911
Argus Metal-Pages (Beijing) Information Technology Co. Limited [11]	China	91110105684352153A
Argus Media Mexico Price Reporting Group, S. de R.L. de C.V. [9]	Mexico	AMM1710125G4
Argus Media Netherlands B.V. [8]	Netherlands	859802255
Argus Media Germany GmbH [7]	Germany	HRB153546
Argus Media Ukraine LLC [13]	Ukraine	43313846
Argus India Price Reporting Services LLP [10]	India	AAR-1080
Integer Research Limited [1]	United Kingdom	04240392
Argus Media France SAS [12]	France	432674380
Agritel International [13]	Ukraine	36591950
Oleochem Analytics S.L. [14]	Spain	B45923430
Argus Media Japan Kabushiki Kaisha [15]	Japan	0100-01-220500

The registered office for these companies are:
[1] Lacon House, 84 Theobald's Road, London, WC1X 8NL, England
[2] 2929 Allen Parkway Suite 700, Houston, Texas, 77019, USA
[3] Cidade de Sao Paulo, Estade de Sao Paulo, na Rua Sao Vicente de Paula, 457, apto 21, Higienopolis, CEP 01229-01, Brazil
[4] 1055 West Georgia Street, 1500 Royal Centre, Vancouver, British Columbia, Canada
[5] Care of CCASA, Level 21, 20 Bond Street, Sydney, NSW 2000, Australia
[6] 50 Raffles Place, #10-01, Singapore Land Tower, Singapore 048623
[7] Kallmorgen Tower Willy-Brandt-Str. 23-25, 20457 Hamburg, Germany
[8] Prins Bernhardplein 200, 1097JB Amsterdam, Netherlands
[9] Pedregal, 24 - Torre Virreyes - Piso 3 - Suite 310, Col. Molina del Rey - Del. Miguel Hidalgo, Ciudad de Mexico CDMX-11040, Mexico
[10] Leo Building, Leo Aries Leo Sagittarius. Kharodi, Malad West, Mumbai 400095, India
[11] Room 1509, No. 24 Jianguomen wai Street, Jingtail Building, Chaoyang District, Beijing, China
[12] 10 Avenue de la Grande Armée, 75017 Paris, France
[13] 30/39 Schekavitskaya Street,Office 30, Kiev, Ukraine
[14] Plaza del Campillo 2, 1D, Granada, Spain
[15] Burex Kyobashi 609, Kyobashi 2-7-14, Chuo-Ku, Tokyo 104-0031

19. Investments (continued)

Finance support

The subsidiary companies listed below are exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A.

Company	**Company number**
Fleet Midco Limited	10136400
Fleet Midco I Limited	10201437
Fleet Midco II Limited	10201754
Fleet Bidco Limited	10136815
Argus Media Limited	01642534
Argus Rus Limited	04221838
Argus Media South Africa Limited	10603005
Integer Research Limited	04240392
Metal-Pages Limited	03975911
Argus Media Africa Limited	12489800

The subsidiary companies listed below are exempt from audit of individual accounts by virtue of Article 403, Book 2 of the Dutch Civil Code.

Company	**Company number**
Argus Media Netherlands B.V.	859802255
Argus Benchmark Administration B.V.	859965879

20. Acquisition of subsidiary

(i) Acquisition Oleochem Analytics S.L.

On 2 August 2021, the Group acquired Oleochem Analytics S.L. ("Oleochem"). Oleochem is incorporated and based in Spain. Oleochem is a market research and intelligence company that offers market commentary and analytics to the global oleochemical and pinechemical markets. The acquisition comprised 100% of the equity share capital of Oleochem. The goodwill arising on this acquisition results from revenue and cost synergies and from assets and benefits that cannot be separately recognised.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Oleochem
	£'000
Tangible assets	2
Trade and other receivables	32
Cash and cash equivalents	30
Trade and other payables	4
Identifiable net assets acquired	61
Goodwill acquired	2,460
Total consideration	2,521
Satisfied by:	
Cash consideration	1,442
Deferred consideration	1,079
Total consideration	2,521
Net cash outflow arising on acquisition	
Initial cash consideration	1,442
Less: net cash acquired	(30)
Net cash outflow arising on acquisitions	1,411

In total, the acquisition of Oleochem contributed an additional £159k of revenue and operating profits of £6k.

20. Acquisition of subsidiary (continued)

(ii) Final payment for Integer Research Limited

On 18 October 2018, the Group acquired Integer Research Limited, a UK-based global provider of market intelligence to fertilizer, industrial chemicals and wire and cable industries. The acquisition comprised 100% of the equity share capital of Integer Research.

On 14 April 2022, deferred consideration of £854k was paid to the former shareholders of Integer Research Limited. On the same date, further contingent consideration was also paid of £831k. This amount was recognised in the profit and loss account for the period.

(iii) Prior year acquisition of Agritel SAS

On 1 July 2020, the Group acquired Agritel SAS and its subsidiaries, SARL Yeswedo, SARL Radiomarket, Agrinext SAS and Agritel International (together 'Agritel'). All entities are incorporated and based in France, with the exception of Agritel International, which is incorporated in Ukraine. Agritel is a specialist provider of information, consulting and forecasting on agricultural and agro-industrial markets. The acquisition comprised 100% of the equity share capital of Agritel SAS. The goodwill arising on this acquisition results from revenue and cost synergies and from assets and benefits that cannot be separately recognised. On 25 December 2020 the subsidiaries SARL Yeswedo, SARL Radiomarket, Agrinext SAS were merged into Agritel SAS. On 1 January 2021 Agritel SAS was renamed to Argus Media France SAS.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Agritel £'000
Identifiable net assets acquired	2,583
Intangible assets acquired	4,875
Goodwill acquired	2,509
Deferred tax liability	(1,621)
Total consideration	8,346

£454k (€500k) of the deferred consideration due to Agritel was paid on 4 January 2021. The remainder of £907k (€1,000k) was paid on 1 July 2021.

Intangible assets acquired represent	£'000	Useful economic life
Subscriber customer relationships	3,138	25
Conference relationships	—	10
Acquired technology and databases	935	10
Brand assets	803	25
Total intangible assets acquired	4,875	

In total, the acquisition of Agritel contributed an additional £3,252k (2021: £2,308k) of revenue and operating losses of £102k (2021: £42k).

21. Trade and other receivables

	Consolidated 2022 £'000	Consolidated 2021 £'000	Company 2022 £'000	Company 2021 £'000
Current assets				
Amount receivable for the sale of goods and services	33,963	24,351	—	—
Loss allowance	(644)	(562)	—	—
	33,319	23,789	—	—
Other debtors	1,829	969	—	—
Prepayments	7,854	6,237	1	3
Accrued income	2,323	1,929	—	—
Amounts due from related party undertakings	—	—	768	761
	45,325	32,925	768	764
Non-current assets				
Amounts due from related party undertakings	—	—	645,645	619,320
	—	—	645,645	619,320

Trade receivables are stated net of credit risk and expected credit losses and trade sales returns.

Trade receivables disclosed above are measured at amortised cost. Trade receivables disclosed above include amounts (see below for aged analysis) which are past due at the reporting date but against which the Group has not recognised a loss allowance because there is an expectation that these amounts are fully receivable.

Amounts due from related party undertakings recognised as a non-current asset represents a loan receivable for £620.8m (2021: £595.4m) with interest receivable of £24.8m (2021: £24.0m) from its subsidiary, Fleet Midco Limited. The interest on this loan is charged at 8% and the amounts due are repayable on demand.

Additionally, amounts due from related party undertakings recognised as a current asset include an intercompany receivable of £0.8m (2021: £0.8m), from its parent company, Fleet Topco Limited, which is also repayable on demand.

21. *Trade and other receivables (continued)*

Amounts receivable from the sale of goods and services can be analysed as follows:

	2022 £'000	2021 £'000
Amounts receivable not past due	28,015	12,570
Amounts receivable past due but not impaired	5,304	11,219
Amounts receivable impaired (gross)	644	562
Less impairment	(644)	(562)
Total	33,319	23,789
Ageing of trade debtors past due but not impaired receivables		
31-60 days	3,651	9,892
61-90 days	678	776
91-120 days	974	551
Total	5,304	11,219
Movement in the allowance for doubtful debts		
Balance at the beginning of the year	562	350
Amounts acquired through acquisition	—	15
Increase in loss allowance	82	197
Balance at the end of the year	644	562

In determining the recoverability of a trade receivable, the Group uses the expected credit loss model as outlined in the significant accounting policies in Note 3.

	2022 £'000	2021 £'000
121+ days	644	562

22. Financial liabilities – Borrowings

	Consolidated 2022 £'000	Consolidated 2021 £'000	Company 2022 £'000	Company 2021 £'000
Secured borrowing at amortised cost				
Bank loans	400,940	354,584	—	—
Shareholder loan notes	230,893	235,473	230,893	235,473
Total	631,833	590,057	230,893	235,473
Amount due for settlement within 12 months				
Bank loans	4,123	3,609	—	—
Shareholder loan notes	—	4,580	—	4,580
Total	4,123	8,189	—	4,580
Amount due for settlement after 12 months				
Bank loans	396,817	350,975	—	—
Shareholder loan notes	230,893	230,893	230,893	230,893
Total	627,710	581,868	230,893	230,893

The directors are of the opinion that the book value of the shareholder loan notes and bank loans approximates to their fair value. Changes in liabilities arising from financing activities represent changes arising from revaluations and from cash flows.

Analysis of borrowings by currency:	Sterling £'000	US dollars £'000	Total £'000
30 June 2022			
Bank loans	—	400,940	400,940
Shareholder loan notes	230,893	—	230,893
Total	230,893	400,940	631,833
30 June 2021			
Bank loans	—	354,584	354,584
Shareholder loan notes	235,473	—	235,473
Total	235,473	354,584	590,057

Bank loans

The term of the senior debt facility is from 7 October 2019 until 30 September 2026 and has a value of $500m.

The interest rates on the senior debt facility are based on the USD LIBOR plus a margin based on the level of Net Senior Leverage. At the period end the applicable margin was 3%, which did not change throughout the period.

The senior debt facility is amortising with 1% ($5m) per annum and is subject to covenant leverage ratio requirements. The Group has complied with these requirements at all times during the year.

In addition, the Group has a revolving credit facility of £50m, none of which was drawn down at the year end.

22. Financial liabilities – Borrowings (continued)

Shareholder loan notes

Shareholder loan notes were issued on 30 September 2016 at an issue price of £366.6m by the Company. This instrument was created and authorised by the issue of unsecured discretionary PIK Notes of nominal amount of £0.01 each.

Interest of 8% will accrue annually up until the settlement date on 30 September 2030. The interest expense for the year has been calculated by applying an effective rate of 8% to the liability component for the year. The difference between the carrying amount of the liability component at the date of issue and the amount reported in the balance sheet at 30 June 2022 represents the effective interest rate less interest paid and principal repaid to that date.

The net proceeds received from the issue of the shareholder loan notes have been recorded as a financial liability as follows:

	Consolidated 2022 £'000	Consolidated 2021 £'000	Company 2022 £'000	Company 2021 £'000
Shareholder loan notes	230,893	230,893	230,893	230,893
Interest accrued	—	4,580	—	4,580
Liability at 30 June	230,893	235,473	230,893	235,473

23. Derivative financial instruments

	2022 £'000	2021 £'000
Total derivatives		
Derivative financial assets	4,721	2,901
Derivative financial liabilities	(9,129)	(6,782)
Net derivative liabilities	(4,408)	(3,882)

The financial assets include the mark-to-market valuation of foreign exchange forwards. The financial liabilities include the mark-to-market valuation of the interest rate swap to hedge the interest exposure on bank loans.

24. Provisions

The Group holds provisions for leasehold properties at 30 June 2022 totalling £574k (2021: £479k). The provision is allocated as:

	2022 £'000	2021 £'000
Dilapidations	574	479
Analysed as follows:		
Current	—	—
Non-current	574	479
Total	574	479
Opening	479	404
Additions during the year	95	75
At 30 June	574	479

25. Deferred tax

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the period.

	Accelerated tax depreciation £'000	Short-term timing differences £'000	Intangibles £'000	Losses £'000	Total £'000
At 1 July 2020	353	3,330	(74,377)	867	(69,827)
(Charge) / credit to profit or loss	15	(439)	(3,017)	25	(3,415)
Adjustments in respect of previous periods	(189)	2,381	(6)	(755)	1,431
Exchange differences	4	(123)	90	(3)	(32)
At 30 June 2021	183	5,149	(78,529)	134	(73,062)
(Charge) / credit to profit or loss	(487)	1,107	8,193	3,140	11,953
Adjustments in respect of previous periods	(40)	413	—	(9)	364
Exchange differences	(4)	421	(4)	—	413
At 30 June 2022	(349)	7,090	(70,340)	3,266	(60,332)

Deferred tax assets and deferred tax liabilities have been recognised in Group subsidiaries on the basis that it is more likely than not that the tax benefit or expense will crystallise in the future.

25. Deferred tax (continued)

The Finance Bill 2021, which was substantively enacted in May 2021, included provisions to increase the rate of UK corporation tax for larger companies to 25%, with effect from 1 April 2023. Deferred taxation has been measured at the substantively enacted tax rates that are expected to apply in the periods in which the respective assets or liabilities are expected to reverse. Accordingly, for all UK entities, a rate of 25% has been applied when calculating deferred tax as at the reporting date.

However, in the September 2022 "Mini Budget" it was announced that the increase to 25% would now not occur and the Corporation Tax Rate would instead be held at 19%. This rate was not substantively enacted at the balance sheet date, and as a result the deferred tax balances as at 30 June 2022 continue to be measured at the hybrid rate noted above. The estimated impact of the reversal of the corporation tax rate increase would be to reduce the deferred tax balance liability by £6.8m and reduce the deferred tax asset by £1.3m.

Deferred tax assets and liabilities are offset where the Group has a legally enforceable right to do so. The following is an analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2022	2021
	£'000	£'000
Deferred tax liabilities	(70,689)	(78,574)
Deferred tax assets	10,356	5,512
Net deferred tax liability	(60,333)	(73,062)

The Company had an unrecognised deferred tax asset at 30 June 2022 of £1,317k (2021: £1,352k), of which £934k (2021: £918k) relates to losses and £383k (2021: £434k) relates to short-term timing differences. These are not recognised due to uncertainty surrounding the future taxable profits and the unwinding of these assets.

26. Trade and other payables

	Consolidated 2022 £'000	Consolidated 2021 £'000	Company 2022 £'000	Company 2021 £'000
Trade payables	4,195	5,854	—	—
Accruals	27,363	23,327	—	—
Social security and other taxes	3,947	3,019	—	—
Other creditors	430	199	—	—
Amounts owed to related party undertakings	366,703	348,790	394,339	365,073
Total	402,639	381,189	394,339	365,073

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 30 days. For most suppliers no interest typically is charged on the trade payables for the first 30 days from the date of the invoice. Thereafter, interest is charged on the outstanding balances at various interest rates. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The directors consider that the carrying amount of trade payables approximates to their fair value.

Amounts owed to related parties includes a loan from the parent company, Fleet Topco Limited, for £363.4m (2021: £344.0m) with interest payable of £14.5m (2021: £13.8m). The interest on this loan is charged at 8% and the amounts due are repayable on demand. Amounts due to Group subsidiaries are £12.0m (2021: £2.9m) to Fleet Midco Limited and £4.4m (2021: £4.4m) to Argus Media Limited. Changes in the amounts owed to related party undertakings represent changes arising from interest capitalisation and from cash flows.

27. Share capital

	Consolidated 2022 £'000	Consolidated 2021 £'000	Company 2022 £'000	Company 2021 £'000
Allocated, called-up and fully-paid				
A Ordinary Shares of £1 each	4,705	4,705	4,705	4,705

During the year and prior year no shares were issued. The Company has 4,704,999 authorised shares in 2022 and 2021.

28. Share premium account

	Consolidated £	Company £
At 1 July 2020	1	1
Premium arising on issue of equity shares	—	—
At 30 June 2021	1	1
Premium arising on issue of equity shares	—	—
At 30 June 2022	1	1

29. Translation reserve

	£'000
At 1 July 2020	(8,719)
Exchange differences on translating the net assets of foreign operations	14,217
At 30 June 2021	5,498
Exchange differences on translating the net assets of foreign operations	(11,621)
At 30 June 2022	(6,123)

30. Notes to the cash flow statement

	2022 £'000	2021 £'000
Operating profit for the year	3,857	66,244
Adjustments for:		
Foreign exchange (loss)/gain	(772)	7,026
Depreciation of property, plant and equipment	8,097	7,741
Amortisation of intangible assets	18,803	18,266
Impairment loss	76,458	0
Operating cash flows before movements in working capital	106,443	99,278
(Increase)/decrease in receivables	(12,400)	4,502
Increase in payables	31,330	4,109
Cash generated by operations	125,373	107,888
Income taxes paid	(23,093)	(17,941)
Net cash from operating activities	102,279	89,947

Cash and cash equivalents	Consolidated 2022 £'000	Consolidated 2021 £'000	Company 2022 £'000	Company 2021 £'000
Cash and cash equivalents	68,971	37,099	8	2

The fair value of cash and cash equivalents approximates to the carrying value. Cash and cash equivalents of £3.9m of the total cash balance have restrictions on remittances to certain countries and may not be available for wider group use.

	2022 £'000	2021 £'000
Cash related movements in borrowings		
Repayment of revolving credit facilities	—	(50,000)
Repayment of other non-current borrowings	(8,419)	(8,544)
Repayment of lease liabilities	(5,405)	(5,635)
Non-cash related movements in borrowings		
Foreign exchange movements	50,194	(44,965)
Change in lease liabilities	1,808	1,881
Other non-cash movements	—	4,580
Increase/(decrease) in borrowings for the year	38,179	(102,683)
Total borrowings - opening	610,651	713,334
Total borrowings - closing	648,830	610,651

31. Contingent liabilities

At the date of signing the accounts there were no contingent liabilities (2021: Nil).

32. Lease liabilities

Maturity analysis:

	2022 £'000	2021 £'000
Within one year	3,771	4,497
Between one and five years	13,166	13,740
Over five years	60	2,357
	16,997	20,594
Analysed as:		
Current	3,771	4,497
Non-current	13,226	16,097
	16,997	20,594

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

33. Deferred revenue

	2022 £'000	2021 £'000
Current within one year	138,387	110,732
Non-current over one year	474	334
Deferred revenue	138,860	111,066

The deferred revenue balance relates to the future delivery of subscriptions, conferences and consulting projects. Deferred revenue has increased due to the timing of contracts and an increase in revenue generated.

34. Financial instruments

Capital risk management

The Company defines capital as the total of the shareholder loans, the preference shares and the equity of the Company. The Company's primary objectives when managing capital are to achieve sustainable growth and ensure that the Company has adequate capital to fund its operations.

The Directors regularly assess and quantify the potential capital requirements of the Company in order to ensure the Company has adequate capital. The process of allocating capital to specific operations and activities is undertaken by senior management.

Categories of financial instruments

The following table provides an analysis of the carrying amounts and fair values of the Group's financial instruments by class and category. The directors believe that the carrying amount of the financial instruments is equal to, or approximately equal to, the fair value.

	Amortised costs		FVtPL		FVtOCI		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Financial assets								
Trade and other receivables	45,325	32,925	—	—	—	—	45,325	32,925
Cash and bank balances	68,971	37,099	—	—	—	—	68,971	37,099
Investments	—	—	—	—	10,105	2,746	10,105	2,746
Derivative financial assets	—	—	4,721	2,901	—	—	4,721	2,901
Total financial assets	114,296	70,024	4,721	2,901	10,105	2,746	129,122	75,671
Financial liabilities								
Trade and other payables	402,638	381,189	—	—	—	—	402,638	381,189
Financial liabilities – Borrowings								
Bank loans	400,940	354,584	—	—	—	—	400,940	354,584
Shareholder loan notes	230,893	235,473	—	—	—	—	230,893	235,473
Derivative financial liabilities	—	—	9,129	6,782	—	—	9,129	6,782
Total financial liabilities	1,034,471	971,247	9,129	6,782	—	—	1,043,599	978,028

Financial risk management objectives

The Group has formal risk management policies and guidelines that set out its overall business strategies, its tolerance of risk and general risk management philosophy, and has established processes to monitor and control its exposure to such risks in a timely manner. The Group reviews its risk management processes regularly to ensure the Group's policy guidelines are adhered to.

The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Group is exposed to credit risk, liquidity risk, foreign currency risk and interest rate risk.

34. Financial instruments (continued)

Credit risk

Credit risk relates to the risk of loss resulting from the non-performance or non-payment by the Group's counterparties related to their contractual obligations with the Group. Risk surrounding counterparty performance and credit could ultimately impact the amount and timing of expected cash flows. The Group had limited credit risk exposure due to the fact that the Group generally sells its services on a prepayment basis.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. An unmatched position of assets and liabilities potentially enhances profitability, but can also increase the risk of losses. The Group manages this risk by closely monitoring its current assets to current liabilities ratio and having adequate amount of credit facilities.

The following tables detail the Group's remaining expected maturity for its derivative and non-derivative financial assets and the contractual maturity for its derivative and non-derivative financial liabilities. The tables are based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to repay.

	1 year or less		1-5 years		Greater than 5 years		Total	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Financial liabilities								
Non-derivative financial liabilities								
Trade and other payables	402,638	381,189	—	—	—	—	402,638	381,189
Bank loans	20,399	14,616	449,845	393,884	—	—	470,244	408,500
Shareholder loan notes	18,471	23,051	73,886	73,886	290,925	304,779	383,282	401,716
Lease liabilities	3,771	4,497	13,166	13,740	60	2,357	16,997	20,594
Derivative financial liabilities								
Derivative financial instruments	9,129	6,782	—	—	—	—	9,129	6,782
	454,408	430,135	536,897	481,510	290,985	307,136	1,282,289	1,218,781

Fleet Finco Limited
Notes to the financial statements
For the year ended 30 June 2022

34. Financial instruments (continued)

Foreign currency risk

The Group's principal foreign-exchange exposure is to the US dollar. The carrying amounts of the Group's US dollar-denominated monetary assets and liabilities as well as the sensitivity of the carrying value of the Group's financial instruments to fluctuations in exchange rates as at 30 June is as follows:

2022	Carrying value £'000	USD Denominated £'000	10% stronger USD £'000	10% weaker USD £'000
Cash and cash equivalents	68,971	41,129	4,570	(3,739)
Trade and other receivables	45,325	30,030	3,337	(2,730)
Derivative financial instruments	(4,408)	4,628	(550)	552
Trade and other payables	(402,638)	(8,253)	(717)	896
Bank loans	(400,940)	(400,940)	(44,549)	36,449
Lease liabilities	(16,997)	(3,216)	(352)	297
	(710,686)	(336,621)	(38,261)	31,724

Interest rate risk

The Group is exposed to interest rate risk as the Group has debt at floating interest rates. The risk is managed by the Group using an interest rate swap. The floating rate debt which is based on US$ LIBOR/GBP SONIA plus an appropriate premium.

Assuming the interest rates were 100 basis points higher/lower and all other variables held constant, the Group's income and equity for the financial year ended 30 June 2022 would increase/decrease by £326k (2021: £270k).

The Group is exposed to the following interest rate benchmarks which are subject to interest rate benchmark reform: GBP LIBOR and USD LIBOR (collectively 'IBORs'). The exposures arise on derivatives and non-derivative financial assets and liabilities (e.g. debt and interest rate hedges).

The Group has closely monitored the market and the output from the various industry working groups managing the transition to new benchmark interest rates. This includes announcements made by LIBOR regulators (including the UK Financial Conduct Authority (FCA) and the US Commodity Futures Trading Commission) regarding the transition from GBP LIBOR to the Sterling Overnight Index Average rate (SONIA) and expected transition from USD LIBOR to the Secured Overnight Financing Rate (SOFR) respectively.

The key risks for the Group arising from the transition are:

- Interest rate basis risk: There are two elements to this risk as outlined below:
  - If the bilateral negotiations with the Group's counterparties are not successfully concluded before the cessation of IBORs, there are significant uncertainties with regard to the interest rate that would apply. This gives rise to additional interest rate risk that was not anticipated when the contracts were entered into and is not captured by our interest rate risk management strategy. The Group is working closely with all counterparties to avoid this from occurring, however if this does arise, the Group may close out or enter into new interest rate swaps to maintain the mix of floating rate and fixed rate debt.

34. Financial instruments (continued)

Interest rate risk (continued)

- Interest rate risk basis may arise if a non-derivative instrument and the derivative instrument held to manage the interest risk on the non-derivative instrument transition to alternative benchmark rates at different times. The Group will monitor this risk and transact additional basis interest rate swaps if required.

- Liquidity risk: There are fundamental differences between IBORs and the various alternative benchmark rates which the Group will be adopting. IBORs are forward looking term rates published for a period (e.g. 3 months) at the beginning of that period and include an inter-bank credit spread, whereas alternative benchmark rates are typically risk free overnight rates published at the end of the overnight period with no embedded credit spread. These differences will result in additional uncertainty regarding floating rate interest payments which will require additional liquidity management. The Group will ensure sufficient liquid resources to accommodate unexpected increases in interest rates.
- Litigation risk: If no agreement is reached to implement the interest rate benchmark reform on existing contracts, (e.g. arising from differing interpretation of existing fallback terms), there is a risk of prolonged disputes with counterparties which could give rise to additional legal and other costs. The Group is working closely with all counterparties to avoid this from occurring.

Progress towards implementation of alternative benchmark interest rates

All newly transacted floating rate financial assets and liabilities are linked to an alternative benchmark rate, such as SONIA or SOFR. The Group has a policy of maintaining an appropriate mix between fixed and floating rate borrowings.

None of the Group's USD LIBOR legacy contracts include adequate and robust fallback clauses for a cessation of the referenced benchmark interest rate. Various working groups in the industry are working on fallback provisions for different instruments and IBORs, which the Group is monitoring closely. The Group is planning to transition the majority of its IBOR-linked contracts to risk free rates through introduction of, or amendments to, fallback clauses into the contracts which will change the basis for determining the interest cash flows from IBOR to RFR at an agreed point in time. The GBP LIBOR fallback provision has been incorporated in 2021 and the USD LIBOR fallback is expected to be implemented during 2022.

Interest rate benchmark transition for non-derivative financial liabilities

Of the \$500m and £50m IBOR-linked non-derivative financial liabilities, the Group transitioned its £50m revolving credit facility to SONIA. No other terms were amended as part of the transition.

For the \$500m USD LIBOR bank debt (maturing in 2026) the Group and the banks have started conversations to transition from USD LIBOR to the Secured Overnight Financing Rate (SOFR) and we expect to complete the transition before the end of the calendar year 2022.

Interest rate benchmark transition for derivative financial liabilities

For the \$325m USD LIBOR interest rate swaps (maturing in 2025 and 2026) the Group and the banks have started conversations to transition from USD LIBOR to the Secured Overnight Financing Rate (SOFR) and we expect to complete the transition before the end of the calendar year 2022

34. Financial instruments (continued)

Determination of fair value

A number of the Group's accounting policies and disclosures required the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to the asset or liability.

(a) Cash and cash equivalents, trade receivables, due to/from related parties, trade and other payables and loans and borrowings: Carrying value approximates fair value due to the liquid nature of the assets and liabilities, as they are due on demand and bear interest at market rates.

(b) Derivative financial assets and derivative financial liabilities

Outstanding interest swap and cap contracts are measured at their fair values using broker quotes as of the reporting date.

Fair value hierarchy

Fair values are primarily determined using quoted market prices or standard pricing models using observable market inputs where available and are presented to reflect the expected gross future cash in/outflows. The Group classifies the fair values of its financial instruments into a three level hierarchy based on the degree of the source and observability of the inputs that are used to derive the fair value of the financial asset or liability as follows:

- Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can assess at the measurement date, or
- Level 2 – Inputs other than quoted inputs included in Level 1 that are observable for the assets or liabilities, either directly or indirectly, or
- Level 3 – Unobservable inputs for the assets or liabilities, requiring the Group to make market-based assumptions.

Level 1 classifications include futures and options that are exchange traded, whereas Level 2 classifications include over the counter options, swaps and caps which derive their fair value primarily from exchange and broker quotes. Level 3 classifications comprise of unquoted investments.

	Level 1		Level 2		Level 3		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Financial assets								
Investments	—	—	—	—	10,105	2,746	10,105	2,746
Derivative financial instruments	—	—	4,721	2,901	—	—	4,721	2,901
Total financial assets	—	—	**4,721**	**2,901**	**10,105**	**2,746**	**14,826**	**5,647**
Financial liabilities								
Derivative financial liabilities	—	—	9,129	6,782	—	—	9,129	6,782
Total financial liabilities	—	—	**9,129**	**6,782**	—	—	**9,129**	**6,782**

35. Events after the balance sheet date

The functional currency and the presentation currency of the Company, its immediate parent and some of its subsidiaries changed to US Dollars effective 1 July 2022. The presentation currency of the Group also changed on that date. These changes will significantly reduce the volatility of the Group's earnings due to foreign exchange movements, in particular due to translation of foreign currency balances.The Group believes that these changes are necessary because the shareholder loan notes, preference shares and equity in the immediate parent were converted from British Pound Sterling to US Dollars on 1 July 2022.

The Group is currently in the process of restating the comparative data for this change.

On 31 August 2021 the Group completed the purchase of Pipe Logix, LLC, a company incorporated in the United States. Pipe Logix, LLC is an oilfield tubular market research company providing reporting, consulting and market research services to the oil industry.

36. Related party transactions

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Transactions between the Group and other related parties are disclosed below.

Royalties of £804k (2021: £789k) were paid to PT Coal Indonesia in the period. The Group held a 7% *investment in PT Coal Indonesia throughout the period.*

37. Ultimate controlling party and parent undertaking

The immediate controlling party and immediate parent is Fleet Topco Limited. The largest and smallest group of which Fleet Finco Limited is a member and for which group financial statements are drawn up is the group headed by Fleet Topco Limited, a company incorporated in Jersey with registered address at Level 1 IFC, 1 Esplanade, St Helier, Jersey JE2 3BX whose financial statements may be obtained from its registered office.

The ultimate controlling party as well as the ultimate parent is Fleet Holdco Limited, a company incorporated in Jersey with registered address at 11-15 Seaton Place, St Helier, Jersey JE4 0QH.