

buyingTeam Limited

Annual Report and Financial Statements

Year Ended

31 December 2021

Company Number 06029614

FRIDAY



ABDNAD5H

A08

30/09/2022

#75

COMPANIES HOUSE

buyingTeam Limited

Report and financial statements for the year ended 31 December 2021

Contents

Page:

1	Strategic report
3	Directors' report
4	Directors' responsibilities statement
5	Independent auditor's report
9	Statement of comprehensive income
10	Balance sheet
11	Statement of changes in equity
12	Notes forming part of the financial statements

Directors

G Evans
M Eatough (Resigned 31 May 2022)
M Garstka (Appointed 31 May 2022)
G Smout (Appointed 31 May 2022)

Company secretary

D Marr

Registered office

107 Cheapside, London, EC2V 6DN

Company number

06029614

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

buyingTeam Limited

Strategic report for the year ended 31 December 2021

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2021.

Results and dividends

The statement of comprehensive income is set out on page 9 and shows the profit for the year.

The directors recommended and paid a dividend of £ 9.1m (2020 - £2m) during the year.

Principal activities, review of the business and future developments

The principal activity of the company continued to be that of the provision of procurement consultancy and outsourcing services.

The company's results for the year, reflecting a profit on ordinary activities after taxation of £4.0m (2020 - £1.2m), including an impairment of intercompany debt of £704k (2020: £1.6m), are considered by the directors to be a satisfactory performance, and a sound platform on which to build in 2022. A review of the company's business during the year and information relating to its financial and other instruments are given in the consolidated financial statements of the holding company, Byzantine Topco Limited.

The revenue from the provision of consultancy and outsourcing services amounted to £25.9m (2020 - £20.2m) with overheads comprised principally of administrative expenses of £9.1m (2020 - £7.5m), including directors' remuneration and a write-off of intercompany debt. The company had cash at bank of £5.2m (2020 - £5.1m) at the year end.

No change in the nature of the company's activities is anticipated in the foreseeable future.

Key performance indicators

Gross profit margin

Gross profit margin measures the profit achieved on sales after taking account of the direct costs incurred in generating fees. This is calculated by dividing the gross profit for the year by company turnover.

The company achieved a gross profit margin for the year of 43% (2020 - 36%). This reflected a higher volume of business with higher margins than the prior year. The level achieved is deemed within an acceptable range.

Operating profit margin

Operating profit margin measures the profit achieved on the company's activities after taking account of the total operating costs incurred, before finance costs and taxation. This is calculated by dividing operating profit by company turnover.

The company achieved an operating profit margin for the year of 14% (2020 - 8%).

The directors are satisfied with the company's progress against its key performance indicators in 2021.

Foreign exchange risk

The group to which the company belongs earns significant revenues in US dollars from customers in the United States. This exposes the group to foreign exchange risk. This risk is mitigated by the natural hedge created by significant operating costs denominated in US dollars.

buyingTeam Limited

Strategic report for the year ended 31 December 2021 (*continued*)

Principal risks and uncertainties

Interest rate risk

The nature of the company's activities and the basis of funding are such that the company has significant liquid resources. The risk of interest fluctuation is not significant to the business.

Reputational risk

The company is exposed to the risk that poor quality services may have a detrimental effect on the reputation of the company. In order to manage this risk, the company has robust quality control processes in place, to ensure that all services meet the required standards of quality. This process is monitored by the board of directors and corrective action is taken where required.

Credit risk

The company delivers services to its customers on credit, and as a result is exposed to credit risk. The company's customers almost exclusively comprise major international corporations of good credit standing mostly based in the UK and the USA, and the company's historical credit loss experience is negligible. In addition, the company has robust credit control processes in place to ensure that credit risk is kept to a minimum. These processes are monitored by the board of directors and corrective action is taken where required.

Going concern

The Company meets its day-to-day working capital requirements through ongoing operating cash flows and working capital management. The Company's forecasts and projections take account of possible changes in trading performance and show that the Company will be able to meet its obligations, and liabilities, as they fall due. Additionally, a letter of support has been obtained from the parent company. Further details are provided in note 1 to the financial statements.

Approval

This strategic report was approved on behalf of the Board on 28 September 2022.



G Evans
Director
Date: 28 September 2022

buyingTeam Limited

Directors' report for the year ended 31 December 2021

The directors present their report together with the audited financial statements for the year ended 31 December 2021.

Directors

The directors of the company during the year and after the year-end were:

G Evans
M Eatough (Resigned 31 May 2022)
M Garstka (Appointed 31 May 2022)
G Smout (Appointed 31 May 2022)

Going concern

The Directors of the company have completed a review of the Company's and wider Group's working capital requirements, forecasts and projections, taking account of reasonably possible changes in trading performance. This shows that the company has adequate resources to continue in operational existence for the foreseeable future. The budgets and cash flow projections reflect the strength of the business group and strategy both in the short and long-term demonstrating that the Company will be able to meet its obligations and liabilities as they fall due.

The Directors have also reviewed the impact of Covid-19 on the Group and its cash position. They consider the Group to be in a strong position now and for the foreseeable future. The Group has a strong cash position and is expected to generate net profits for the next 12 months, generating additional positive cash flows. Further details surrounding this are provided in note 1 to the financial statements.

Considering the above the Directors of the company continue to adopt the going concern basis of accounting in preparing the financial statements.

Events after the reporting date

On 31 May 2022, Byzantine Topco Limited, the ultimate parent entity was acquired by Bain Byzantine Holdings, LLC, a company incorporated in Delaware, United States of America. As a result, the ultimate parent company is now Bain & Company Partners L.P. Byzantine Topco Limited remains the immediate parent company.

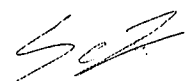
There are no further events after the reporting date that require disclosure.

Auditors

All the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

On behalf of the Board



G Evans
Director
Date: 28 September 2022

buyingTeam Limited

Directors' responsibilities statement for the year ended 31 December 2021

The directors are responsible for preparing the strategic report, the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

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

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

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

buyingTeam Limited

Independent auditor's report for the year ended 31 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUYINGTEAM LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of buyingTeam Limited ("the Company") for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 *Reduced Disclosure Framework*, *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

buyingTeam Limited

Independent auditor's report (*continued*) for the year ended 31 December 2021

Other information

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

Other Companies Act 2006 reporting

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

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Directors' report.

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

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

Responsibilities of Directors

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

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

buyingTeam Limited

Independent auditor's report (*continued*) for the year ended 31 December 2021

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.

Extent to which the audit was 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:

- Enquiring of management and obtaining and reviewing supporting documentation relating to the Company's policies and procedures relating to:
 - compliance with laws and regulations and whether they were aware of any instances of non-compliance or any actual or potential litigation and claims; and
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud.
- Discussion within the engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud;
- Obtaining an understanding of the legal and regulatory frameworks the company operates in, focusing on those laws and regulations that had a direct effect on the financial statements and operations of the Company;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;
- 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 and reviewing correspondence with HMRC, if any; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments such as evaluating entries posted with unusual account combinations to Revenue, journals posted by specific users, rounded off journals, large material journals. This includes evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Further, the Company is also subject to various laws and regulations where the consequences of Non-compliance could have a material effect on amounts and disclosures in the Financial Statements, for instance through imposition of fines or litigation etc. Auditing standards limit the required audit procedure to identify non-compliance with these laws and regulations to enquiry of the Directors and the Management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify any actual or suspected non-compliance

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

buyingTeam Limited

Independent auditor's report (*continued*) for the year ended 31 December 2021

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.

DocuSigned by:



10C9EC8B0DC0441...

Peter Smithson (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London

Date: 28 September 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

buyingTeam Limited

Statement of comprehensive income for the year ended 31 December 2021

	Note	2021 £'000	2020 £'000
Revenue	3	25,907	20,235
Cost of sales		<u>(14,768)</u>	<u>(12,943)</u>
Gross profit		11,139	7,292
Administrative expenses		<u>(9,065)</u>	<u>(7,501)</u>
Other operating income		<u>1,422</u>	<u>1,843</u>
Operating profit	6	3,496	1,634
Interest receivable and similar income		-	4
Interest payable and similar charges	7	<u>(50)</u>	<u>(81)</u>
Profit on ordinary activities before taxation		3,446	1,557
Taxation on profit	8	<u>526</u>	<u>(391)</u>
Profit for the financial year and total comprehensive income		<u>3,972</u>	<u>1,166</u>

All amounts relate to continuing activities.

All recognised gains and losses are included in the statement of comprehensive income.

The notes on pages 12 to 27 form part of these financial statements.

buyingTeam Limited

Balance sheet at 31 December 2021

Company number 06029614	Note	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed assets					
Intangible assets	9	289		131	
Tangible assets	10	243		276	
Right-of-use assets	15	1,002		1,244	
			1,534		1,651
Current assets					
Debtors	11	5,628		4,396	
Cash at bank and in hand		5,225		5,119	
		10,853		9,515	
Creditors: amounts falling due within one year	12	(11,280)		(4,592)	
Net current assets			(427)		4,923
Total assets less current liabilities			1,107		6,574
Non-current liabilities					
Provisions for liabilities	13		(155)		(151)
Lease liabilities	15		(623)		(966)
Net assets			329		5,457
Capital and reserves					
Share capital	16		-		-
Retained earnings			329		5,457
Shareholders' funds			329		5,457

The financial statements were approved by the Board of Directors and authorised for issue on 28 September 2022.



G Evans
Director

The notes on pages 12 to 27 form part of these financial statements.

buyingTeam Limited

Statement of changes in equity for the year ended 31 December 2021

	Share capital £'000	Retained earnings £'000	Total equity £'000
1 January 2020	-	6,291	6,291
Total comprehensive income for the year	-	1,166	1,166
Dividend declared and paid	-	(2,000)	(2,000)
31 December 2020	-	5,457	5,457
1 January 2021	-	5,457	5,457
Total comprehensive income for the year	-	3,972	3,972
Dividend declared and paid	-	(9,100)	(9,100)
31 December 2021	-	329	329

The capital contribution arose from the waived debt to a fellow group subsidiary.

The notes on pages 12 to 27 form part of these financial statements.

buyingTeam Limited

Notes forming part of the financial statements for the year ended 31 December 2021

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 100 *Application of Financial Reporting Requirements* and Financial Reporting Standard 101 *Reduced Disclosure Framework*. The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

The company is a private company which is limited by shares incorporated in England, with a registered address at 107 Cheapside, London, EC2V 6DN.

The financial statements have been prepared on a historical cost basis. The presentation currency used is sterling.

Disclosure exemptions adopted

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore, these financial statements do not include:

- certain comparative information as otherwise required by UK endorsed IFRS;
- certain disclosures regarding the company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the group headed by Byzantine Topco Limited.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Byzantine Topco Limited. These financial statements do not include certain disclosures in respect of:

- Share based payments;
- Financial instruments (other than certain disclosures required as a result of recording financial instruments at fair value);
- Fair value measurement (other than certain disclosures required as a result of recording financial instruments at fair value); and
- Impairment of assets.

The financial statements of Byzantine Topco Limited can be obtained as described in note 18.

Judgements and key areas of estimation uncertainty

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires the company's directors to exercise judgment in applying the company's accounting policies. Any areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 2.

Going concern

The Directors of the company have completed a review of the Company's and wider Group's working capital requirements, forecasts and projections, taking account of reasonably possible changes in trading performance. This shows that the company has adequate resources to continue in operational existence for the foreseeable future. The budgets and cash flow projections reflect the strength of the business group and strategy both in the short and long-term demonstrating that the Company will be able to meet its obligations and liabilities as they fall due.

buyingTeam Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (*continued*)

1 Accounting policies (*continued*)

Going concern (continued)

The Directors have also reviewed the impact of Covid-19 on the Group and its cash position. They consider the Group to be in a strong position now and for the foreseeable future. The Group has a strong cash position and is expected to generate net profits for the next 12 months, generating additional positive cash flows. Further details surrounding this are provided in note 1 to the financial statements.

The company has utilised the exemptions provided under FRS 101 and has not presented a cash flow statement. A consolidation cash flow statement has been presented in the group accounts of the ultimate parent undertaking. The group's cash flow statement is projected to be at a sufficient level to allow the group, and the companies within the Group, to meet their obligations, and liabilities, as they fall due. Considering the cash position and availability of parental support the Directors of the company continue to adopt the going concern basis of accounting in preparing the financial statements.

Revenue

IFRS 15 - Revenue from contracts with customers

The company's revenue recognition policy is based on the principle of transfer of services (performance obligations) to customers. Revenue is recognised on the satisfaction of these contractual performance obligations using a five-step approach, consisting of:

- identification of the contract with the customer
- identification of all performance obligations in that contract
- determination of the transaction price
- allocation of the transaction price to the performance obligations
- recognition of revenue as the performance obligations are fulfilled

The customer contracts are broken down into distinct services in order to identify the separate performance obligations within. Services are considered distinct if they are separately identifiable in the context of the contract. The company occasionally has a performance fee element to these contracts. The performance fees are not considered as separate performance obligations under IFRS 15, as neither the customer nor the company will be able to benefit from this separately. This element is as a result combined with the service element of the contract with the customer.

Transaction prices are the amounts of consideration the company expects to be entitled to in exchange for the transfer of the performance obligations agreed within the contracts, exclusive of VAT or any applicable sales taxes.

The transaction prices are allocated to these contractual performance obligations based on the pricing within the contract. This is based on the fair value allocated to each performance obligation.

buyingTeam Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Revenue (continued)

Revenue is recognised over time, due to the customer simultaneously receiving and consuming the benefits of the contractual performance obligation within the contract. Revenue is only recognised when the contractual performance obligations have been satisfied.

Other operating income

Other operating income consists of income not directly related to procurement consultancy and outsourcing services and mainly comprises management charges to other group companies. This also includes amounts for sub-leasing the company's property.

Dividends

Equity dividends are recognised when they become legally payable. This is deemed to occur when the dividends are declared and approved by the directors.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	-	33% straight line
Fixtures, fittings and equipment	-	25% straight line
Leasehold improvements	-	over the life of the lease

Intangible assets

Computer software and software development costs represent purchases of computer software and the subsequent expenditure to upgrade or enhance the software, so that its service potential is increased. Computer software and software development costs are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer software	-	33% straight line
Development cost	-	25% straight line

Where subsequent expenditure to the computer software does not result in upgrades or enhancements to the software, it is recognised in the statement of comprehensive income in the period that it is incurred.

Amortisation is included within administrative expenses per the statement of comprehensive income.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred.

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

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing can be deducted. The deferred tax balance has not been discounted.

buyingTeam Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (*continued*)

1 Accounting policies (*continued*)

Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the statement of comprehensive income in the year they are payable.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to statement of comprehensive income.

Other Income

The other income received during the year is all relating to group recharge between the company and its subsidiaries.

Leases

The implementation of IFRS 16 replaced the existing guidance in IAS 17: Leases. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and the company adopted the new standard with effect from 1 January 2019.

Prior to the 2019 financial year, the group classified its leases either as finance leases or operating leases. Payments made under operating leases were charged to profit or loss on a straight-line basis over the period of the lease.

IFRS 16 changes the previous guidance in IAS 17 and requires lessees to recognise a lease liability that reflects the net present value of future lease payments and a corresponding "right-of-use asset" in all lease contracts, although lessees may elect not to recognise lease liabilities and right-of-use assets in respect of short-term leases or leases of assets of low value.

The company has elected not to recognise right-of-use assets and lease liabilities in respect of certain leases of office equipment of low value or of short term. The lease payments associated with these leases is recognised as an expense on a straight-line basis over the lease term.

IFRS 16 also changes the definition of a "lease" and the manner of assessing whether a contract contains a lease. At inception of a contract, the company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The company recognises a right-of-use asset and a corresponding lease liability at the lease commencement date. The lease liability is initially measured at the present value of the following lease payments:

- fixed payments;
- variable payments that are based on index or rate;
- the exercise price of any extension or purchase option if reasonably certain to be exercised; and
- penalties for terminating the lease, if relevant.

The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. The company has used its incremental borrowing rate as the discount rate.

The right-of-use assets are depreciated over the period of the lease term, or, if earlier, the useful life of the asset, using the straight-line method. The lease term includes periods covered by an option to extend, if the company is reasonably certain to exercise that option. In addition, the right-of-use assets may during the lease term be reduced by impairment losses, if any, or adjusted for certain re-measurements of the lease liability.

buyingTeam Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (*continued*)

1 Accounting policies (*continued*)

Impact of IFRS 16

Under IAS 17 the company did not recognise related assets or liabilities, but instead disclosed the total amount of commitments under operating leases calculated on a straight-line basis over the respective lease terms. The new standard requires the company to recognise interest on its lease liabilities and amortisation of its right-of-use assets, instead of recognising lease payments as part of operating costs. Accordingly, this change has decreased operating profit in the year to 31 December 2021 by £0.15m.

Further details of the practical expedients used by the group in adopting IFRS 16 Leases are set out in Note 15.

Financial assets

IFRS 9 Financial Instruments is effective for annual periods beginning on or after 1 January 2020 and has been applied in the financial statements in respect of the current year. The adoption of this standard has had no significant impact on the statement of financial position and equity.

The company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The company has not classified any of its financial assets as held to maturity.

Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within cost of sales in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

From time to time, the company elects to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the statement of comprehensive income (operating profit).

The company's loans and receivables comprise trade and other receivables and cash and cash equivalents in the balance sheet.

Cash and cash equivalents includes cash in hand, deposits held on call with banks and other short term highly liquid investments with original maturities of three months or less.

buyingTeam Limited

Notes forming part of the financial statements for the year ended 31 December 2021 *(continued)*

1 Accounting policies *(continued)*

Grants

Grants relating to expenditure on tangible fixed assets and employee costs are credited to the statement of comprehensive income at the same rate as the depreciation on the assets and to the staff costs to which the grant relates. The deferred element of the grant is included in creditors as deferred income. Grants of a revenue nature are credited to the statement of comprehensive income in the period to which they relate.

Government Grants

Grants are accounted for under the accruals model as permitted by IAS 20. Grants of a revenue nature are recognised in "other operating income" within profit or loss in the same period as the related expenditure. This includes the Government Coronavirus Job Retention Scheme ("furlough claim") which was utilised in 2020.

Financial liabilities

The company classifies its financial liabilities into one category which is outlined below.

Other financial liabilities

Other financial liabilities include the following items:

Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest method.

buyingTeam Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (*continued*)

2 Critical accounting estimates and judgements

The company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. In preparing these financial statements the directors have made the following estimates and assumptions that had a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- (a) *Recoverability of amounts owed by group undertakings* - Provisions for the expected credit loss to be recognised against the carrying value of amounts owed by group undertakings are made based on management's estimate of the prospect of recovering the amounts due, which includes considering the solvency of the counterparty and its future outlook, based on budgets and forecast prepared by management.
- (b) *Provisions for expected credit losses against trade receivables* - Judgements are required in setting the expected credit loss provision required under IFRS 9 to be recognised against the carrying value of trade receivables, after taking into account ageing of debts, collection history, and other relevant information in relation to expected future cash flows from customers.
- (c) *Leases* - The recognition of leases in line with IFRS 16 requires judgement around the interest rate used to derive the discount rate used to calculate the present value of future cash flows.
- (d) *Service contracts* - Service contracts can span more than one month and can therefore be in progress at period end. The company's accounting policies for these projects require revenue and costs to be allocated to individual accounting periods and the consequent recognition at period end of contract assets or liabilities for projects still in progress. Management apply judgement in estimating the total revenue and total costs expected on each project. Such estimates are revised as a project progresses to reflect the current status of the project and the latest information available to management. The service teams regularly review contract progress to ensure the latest estimates are appropriate. Contract assets and liabilities are reflected as accrued income or deferred income in note 11 and 12 respectively.
- (e) *Dilapidations* - The provision for dilapidations represents costs to return the leasehold premises to the original state in the event offices are vacated. The obligation, being of uncertain timing or amount at the statement of financial position date, is provided for on a best-estimate basis. At each reporting date, the Company reviews the outstanding dilapidation provisions and assesses the need for their inclusion in the financial statements.

Among the factors considered in making decisions on provisions are the nature of claims, the opinions or views of professional advisors, experience on similar cases and any decision of the Company's management as to how it will respond to the claim.

buyingTeam Limited

Notes forming part of the financial statements
for the year ended 31 December 2021 (*continued*)

3 Revenue

The total revenue of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

2021			
	Business Process Outsourcing	Consultancy	Total
Geographical area	£'000	£'000	£'000
UK and Europe	482	25,142	25,624
United States	-	283	283
	<u>482</u>	<u>25,425</u>	<u>25,907</u>
2020			
	Business Process Outsourcing	Consultancy	Total
Geographical area	£'000	£'000	£'000
UK and Europe	273	17,479	17,752
United States	-	2,483	2,483
	<u>273</u>	<u>19,962</u>	<u>20,235</u>

Contract Balances

Contract assets and contracts liabilities are included within "Debtors" and "Creditors" respectively on the face of the statement of financial position. They arise because cumulative payments received from customers at each balance sheet date do not necessarily equal the amount of revenue recognised on the contracts.

	Contract Assets £'000	Contract Liabilities £'000
At 1 January 2021	968	159
Transfers in the period from contract assets to trade receivables	(968)	-
Revenue recognised ahead of cash (or rights to cash)	1,147	-
Transfers in the period from contract liabilities to revenue	-	(159)
Cash (or rights to cash) received in advance of revenue recognition	-	350
	<u>1,147</u>	<u>350</u>
At 31 December 2021	1,147	350

As the company's contracts are for the delivery of services within the next 12 months, the company has applied the exemption in paragraph 120(a) of IFRS 15, and therefore has not disclosed the amount of revenue that will be recognised in future periods.

buyingTeam Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

4 Employees	2021	2020
	£'000	£'000
Staff costs consist of:		
Wages and salaries	11,677	8,152
Social security costs	1,745	844
Other pension costs	605	352
	14,027	9,348
The average number of employees, including directors, during the year was:	Number	Number
Consulting and support	156	79
5 Directors	2021	2020
	£'000	£'000
Emoluments for qualifying services	856	971
Employer pension contributions	20	22
Emoluments disclosed above include the following amounts paid to the highest paid director:		
Emoluments for qualifying services	448	475
6 Operating profit	2021	2020
	£'000	£'000
This has been arrived at after charging/(crediting):		
Amortisation of intangible assets (note 9)	57	7
Depreciation of tangible assets (note 10)	142	155
Loss/(Gain) on foreign exchange transactions	35	(71)
Impairment of Intercompany debt	704	1,557
Auditors' remuneration:		
- audit	53	48
- non-audit	14	13
7 Interest payable and similar charges	2021	2020
	£'000	£'000
Interest on lease liabilities	50	59
Other interest	-	22

buyingTeam Limited

Notes forming part of the financial statements
for the year ended 31 December 2021 (*continued*)

8 Taxation on profit from ordinary activities

	2021 £'000	2020 £'000
<i>Current tax</i>		
UK corporation tax on profits of the year	0	398
Adjustment in respect of previous years	(587)	(3)
Foreign taxation	8	
Current tax charge/(credit)	(579)	395
<i>Deferred tax (note 14)</i>		
Origination and reversal of timing differences	31	3
Adjustment in respect of previous years	29	(1)
Effect of tax rate change on opening balance	(7)	(6)
Total deferred tax charge/(credit)	53	(4)
Tax on profit on ordinary activities	(526)	391
 Reconciliation of tax charge	 2021	 2020
	£'000	£'000
Profit on ordinary activities before tax	3,446	1,557
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19.00% (2020 – 19.00%)	654	296
Effects of:		
Non-deductible expenses	172	350
Share option expense allowable on exercise of options	(1,337)	0
Losses carried back	535	0
Fixed asset differences	1	2
Foreign tax credits	7	
Adjustments to previous periods – current tax	(587)	(3)
Adjustments to previous periods – deferred tax	29	(1)
Change in tax rates – deferred tax	-	(6)
Other tax adjustments	-	(1)
Group relief claimed	-	(246)
Total tax charge/(credit) for year	(526)	391

There are no unrecognised tax losses.

buyingTeam Limited

Notes forming part of the financial statements
for the year ended 31 December 2021 (*continued*)

9 Intangible assets

	Computer software £'000	Development costs £'000	Total £'000
<i>Cost</i>			
At 1 January 2021	321	1,754	2,075
Additions	-	217	217
Disposals	2	-	2
At 31 December 2021	319	1,971	2,290
<i>Accumulated amortisation and impairment</i>			
At 1 January 2021	317	1,627	1,944
Amortisation charge for the year	2	55	57
At 31 December 2021	319	1,682	2,001
<i>Net book value</i>			
At 1 January 2021	4	127	131
At 31 December 2021	-	289	289
	Computer software £'000	Development costs £'000	Total £'000
<i>Cost</i>			
At 1 January 2020	321	1,627	1,948
Additions	-	127	127
At 31 December 2020	321	1,754	2,075
<i>Accumulated amortisation and impairment</i>			
At 1 January 2020	310	1,627	1,937
Amortisation charge for the year	7	-	7
At 31 December 2020	317	1,627	1,944
<i>Net book value</i>			
At 1 January 2020	11	-	11
At 31 December 2020	4	127	131

buyingTeam Limited

Notes forming part of the financial statements
for the year ended 31 December 2021 (*continued*)

10 Tangible assets

2021	Computer equipment £'000	Fixtures, fittings and equipment £'000	Leasehold improvements £'000	Total £'000
<i>Cost</i>				
At 1 January 2021	543	225	1,151	1,919
Additions	95	14	-	109
Disposals	-	-	-	-
At 31 December 2021	638	239	1,151	2,028
<i>Depreciation</i>				
At 1 January 2021	379	206	1,058	1,643
Charge for the year	101	5	36	142
Disposals	-	-	-	-
At 31 December 2021	480	211	1,094	1,785
<i>Net book value</i>				
At 1 January 2021	164	19	93	276
At 31 December 2021	158	28	57	243
2020				
<i>Cost</i>				
At 1 January 2020	812	218	1,104	2,134
Additions	95	7	47	149
Disposals	(364)	-	-	(364)
At 31 December 2020	543	225	1,151	1,919
<i>Depreciation</i>				
At 1 January 2020	662	191	999	1,852
Charge for the year	81	15	59	155
Disposals	(364)	-	-	(364)
At 31 December 2020	379	206	1,058	1,643
<i>Net book value</i>				
At 1 January 2020	150	27	105	282
At 31 December 2020	164	19	93	276

buyingTeam Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (*continued*)

11 Debtors

	2021 £'000	2020 £'000
Trade debtors	2,480	2,023
Amounts owed by parent and fellow subsidiary undertakings	428	1,001
Other debtors	610	36
Prepayments and accrued income	1,378	1,282
Deferred tax asset (see note 14)	-	54
Corporation tax debtor	732	-
	<u>5,628</u>	<u>4,396</u>

All debtors are due within one year.

12 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	156	-
Amounts owed to parent and fellow subsidiary undertakings	5,739	957
Lease liability (see note 15)	547	313
Corporation tax creditor	-	137
Other taxes and social security costs	1,802	1,091
Other creditors	154	144
Accruals and deferred income	2,882	1,950
	<u>11,280</u>	<u>4,592</u>

13 Provisions

	At 1 January 2021 £'000	Released during the year £'000	At 31 December 2021 £'000
Provision for dilapidations of rental properties	151	4	155

Leasehold dilapidations

Leasehold dilapidations relate to the estimated cost of returning a leasehold property to its original state at the end of the lease in accordance with the lease terms. The main uncertainty relates to estimating the cost that will be incurred at the end of the lease.

buyingTeam Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

14 Deferred tax asset

The deferred tax asset (included in debtors, note 11) is made up as follows:

	2021 £'000	2020 £'000
Accelerated capital allowances	(33)	45
Short-term timing differences	21	9
Losses and other deductions	12	-
	-	54

15 Leases

With effect from January 1, 2019, the company adopted IFRS 16 Leases, which specifies how to recognise, measure, present and disclose leases.

On initial application, the company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17: Leases.

In applying IFRS 16 for the first time in the comparative year, the company used the following practical expedients permitted by the standard:

- reliance on previous assessments on whether leases are onerous;
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The company also elected not to reassess whether a contract is or contains a lease at the date of initial application. Instead, for contracts entered into before the application date, the company has relied on its assessment made applying IAS 17 and IFRIC 4 in determining whether an arrangement is or contains a lease.

Right of use assets

	Leased buildings £'000
At 1 January 2021	1,244
Additions	80
Amortisation	(322)
31 December 2021	1,002

buyingTeam Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

15 Leases (continued)

Lease liability	£'000
At 1 January 2021	1,279
Additions	80
Interest expense	50
Lease payments	(239)
31 December 2021	1,170

The maturity of the lease liabilities is as follows:

	Carrying amount £'000	Contractual cash-flow £'000	Less than one year £'000	One to two years £'000	Two to five years £'000
At 31 December 2021	1,170	1,233	576	342	315
At 31 December 2020	1,279	1,384	361	352	671

16 Share capital

	Allotted, called up and fully paid			
	2021 Number	2020 Number	2021 £	2020 £
Ordinary shares of £1 each	100	100	100	100

Reserves

Share capital – Nominal value share capital subscribed for.

Capital contribution – The capital contribution arises from waived debt to a fellow group Subsidiary.

Retained earnings – All other net gains and losses and transaction with the owners not recognised.

17 Related party transactions

The company has taken advantage of the exemption in FRS 101 from the requirement to disclose transactions with group companies on the grounds that the company is a wholly owned group member and consolidated financial statements are prepared by the ultimate parent company.

18 Ultimate parent entity and Controlling party

At the year end the immediate parent company is Byzantine Bidco Limited, a company incorporated in England and Wales.

The ultimate parent company for the period is Byzantine Topco Limited, a company incorporated in England and Wales. The largest and smallest group in which the results of the Company are consolidated is that headed by Byzantine Topco Limited. The financial statements for Byzantine Topco Limited can be obtained from the registered office address shown on the Company Information page.

The controlling party of Byzantine Topco Limited is Matthew Eatough, who has a controlling interest in the ultimate parent company.

buyingTeam Limited

**Notes forming part of the financial statements
for the year ended 31 December 2021 (*continued*)**

19 Events after the reporting date

On 31 May 2022, Byzantine Topco Limited, the ultimate parent entity was acquired by Bain Byzantine Holdings, LLC, a company incorporated in Delaware, United States of America. As a result, the ultimate parent company is now Bain & Company Partners L.P. Byzantine Topco Limited remains the immediate parent company.

There are no further events after the reporting date that require disclosure.