

Company Registration No. 04555159 (England and Wales)

2BM LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 JUNE 2024



2BM LIMITED

COMPANY INFORMATION

Directors	M A King S P Thomson S R Whatling
Company number	04555159
Registered office	3 City Place Beehive Ring Road London Gatwick Airport Gatwick RH6 0PA
Auditor	RSM UK Audit LLP Chartered Accountants One London Square Cross Lanes Guildford Surrey GU1 1UN

2BM LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2024

The directors present their annual report and financial statements for the period ended 30 June 2024.

Principal activities

On 2 April 2024, Keysource Group Limited acquired the entire share capital of the company.

The principal activity of the company is that of a data centre specialist offering cutting-edge solutions tailored to the unique needs of its clients.

Results and dividends

The results for the period are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

M A King	(Appointed 2 April 2024)
M King	(Resigned 2 April 2024)
S P Thomson	(Appointed 2 April 2024)
S R Whatling	(Appointed 2 April 2024)

Auditor

RSM UK Audit LLP were appointed as auditor to the company during the year and are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

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

2BM LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2024

Going concern

In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the company can continue in operational existence for the foreseeable future being a period of at least 12 months from the date of signing of these financial statements. The directors have considered the company's business activities and the principal risks and uncertainties in the context of the current operating environment.

The group funding facility sits at Keysource Group Limited level. Since covenants are tested at the Keysource Group Limited level, the directors have relied on consolidated modelling of the financial results and cash flows through to June 2026. The covenant tests are tested quarterly on an ongoing basis, which are leverage and debt service cover covenants. The covenants are based on underlying trading, with add backs to EBITDA for non-recurring items. The group is in compliance with its covenant requirements, and is expected to continue to be in compliance for the forecast period.

A base case going concern assessment has been applied on a bottom-up basis using key assumptions for the Keysource Group Limited group, the most important of which include estimates of revenues, operating costs and working capital movements. Sensitivities are applied to the model which are informed by internal and external data sources, including a review of the group's current trading levels, the forward order book and pipeline, and consideration of macroeconomic factors impacting key customers.

As a result of this detailed assessment, including the various scenarios and mitigating actions available to the group, and with reference to its balance sheet and existing committed facilities, whilst acknowledging the inherent uncertainty of the current economic outlook, the Board has concluded that the company is able to meet its obligations when they fall due for a period of at least 12 months from the date of this report. The directors have written confirmation from the directors of Keysource Group Holdings Limited that they will continue to support the company and provide adequate financial resources to the company for a period of not less than 12 months from the date of approval of these financial statements. For these reasons, the company continues to adopt the going concern basis for preparing the financial statements.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Stephen Whatling

S R Whatling

Director

Date: 27/03/25

2BM LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 30 JUNE 2024

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 2BM LIMITED

Opinion

We have audited the financial statements of 2bm Limited (the 'company') for the period ended 30 June 2024 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2024 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Other Matter - Prior period financial statements not audited

The company was exempt from audit in the year ended 31 July 2023 and consequently the corresponding figures are unaudited.

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 company's ability to continue to adopt the going concern basis of accounting included the letter of support from the parent company and discussion with management.

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 2BM LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 2BM LIMITED (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and evaluating advice received from external tax advisors.

We do not consider there to be any significant laws and regulations which have an indirect impact on the financial statements.

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

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

Use of our report

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

Jonathan Da Costa FCCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
One London Square
Cross Lanes
Guildford
Surrey, GU1 1UN

27/03/25

2BM LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2024

	Period ended 30 June 2024 £	Unaudited Year ended 31 July 2023 £
Turnover	7,481,738	6,468,435
Cost of sales	(5,410,864)	(4,563,259)
Gross profit	2,070,874	1,905,176
Administrative expenses	(1,435,869)	(1,438,837)
Operating profit	635,005	466,339
Interest receivable and similar income	112	11,155
Interest payable and similar expenses	(6,884)	(8,584)
Profit before taxation	628,233	468,910
Tax on profit	(170,820)	(109,154)
Profit for the financial period	457,413	359,756

The notes on pages 10 to 18 form part of these financial statements.

2BM LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

	Notes	30 June 2024		Unaudited 31 July 2023	
		£	£	£	£
Fixed assets					
Tangible assets	4		122,497		110,437
Current assets					
Stocks			-		20,000
Debtors	5		2,712,026		2,847,580
Cash at bank and in hand			925,330		825,608
			<u>3,637,356</u>		<u>3,693,188</u>
Creditors: amounts falling due within one year	6		<u>(1,839,028)</u>		<u>(1,921,057)</u>
Net current assets			<u>1,798,328</u>		<u>1,772,131</u>
Total assets less current liabilities			<u>1,920,825</u>		<u>1,882,568</u>
Creditors: amounts falling due after more than one year	7		(29,773)		(40,000)
Provisions for liabilities	8		(20,870)		(11,227)
Net assets			<u>1,870,182</u>		<u>1,831,341</u>
Capital and reserves					
Called up share capital	9		61		100
Share premium account			101,302		-
Capital redemption reserve	9		45		-
Profit and loss reserves			1,768,774		1,831,241
Total equity			<u>1,870,182</u>		<u>1,831,341</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 27/03/25 and are signed on its behalf by:

Stephen Whatling
S R Whatling
Director

The notes on pages 10 to 18 form part of these financial statements.

2BM LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2024

	Share capital	Share premium account	Capital redemption reserve	Profit and loss reserves	Total
Notes	£	£	£	£	£
Balance at 1 August 2022 (unaudited)	100	-	-	1,540,985	1,541,085
Year ended 31 July 2023:					
Profit and total comprehensive income for the year (unaudited)	-	-	-	359,756	359,756
Transactions with owners:					
Dividends (unaudited)	-	-	-	(69,500)	(69,500)
Balance at 31 July 2023 (unaudited)	100	-	-	1,831,241	1,831,341
Period ended 30 June 2024:					
Profit and total comprehensive income for the period	-	-	-	457,413	457,413
Transactions with owners:					
Issue of share capital	9	6	101,302	-	101,308
Own shares acquired	-	-	-	(519,880)	(519,880)
Redemption of shares	9	(45)	-	45	-
Balance at 30 June 2024	61	101,302	45	1,768,774	1,870,182

The notes on pages 10 to 18 form part of these financial statements.

2BM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

1 Accounting policies

Company information

2bm Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 3 City Place, Beehive Ring Road, London Gatwick Airport, Gatwick, RH6 0PA.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

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

Going concern

In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the company can continue in operational existence for the foreseeable future being a period of at least 12 months from the date of signing of these financial statements. The directors have considered the Company's business activities and the principal risks and uncertainties in the context of the current operating environment.

The funding facility sits at Keysource Group Limited level and the company is an obligor to this, and the main trading entity under the financing arrangements. However, as there are costs and debt service at Keysource Group Limited level, and covenants are tested at the Keysource Group Limited level, the directors have relied on consolidated modelling of the financial results and cash flows through to June 2026. The first covenant tests are tested quarterly on an ongoing basis, which are leverage and debt service cover covenants. The covenants are based on underlying trading, with add backs to EBITDA for non-recurring items. The group is in compliance with its covenant requirements, and is expected to continue to be in compliance for the forecast period.

A base case going concern assessment has been applied on a bottom-up basis using key assumptions for the group, the most important of which include estimates of revenues, operating costs and working capital movements. Sensitivities are applied to the model which are informed by internal and external data sources, including a review of the Group's current trading levels, the forward order book and pipeline, and consideration of macroeconomic factors impacting key customers.

As a result of this detailed assessment, including the various scenarios and mitigating actions available to the Group, and with reference to its balance sheet and existing committed facilities, whilst acknowledging the inherent uncertainty of the current economic outlook, the Board has concluded that the company is able to meet its obligations when they fall due for a period of at least 12 months from the date of this report. For this reason, the company continues to adopt the going concern basis for preparing the company financial statements.

Reporting period

The accounts for the current period cover a period from 1 August 2023 to 30 June 2024. The reporting period has been shortened to align the company's year end with that of its new ultimate parent, Keysource Group Holdings Limited, following the acquisition of the company. Therefore, the comparative amounts presented in the financial statements, including related notes, are not entirely comparable with the amounts presented in the current period to 30 June 2024.

2BM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2024

1 Accounting policies (Continued)

Turnover

Revenue represents amounts receivable in relation to the provision of property and other services, which are net of trade discounts, VAT and other sales-related taxes.

Provision of property services and other services

For the provision of property and other services the performance obligations are satisfied over time. Where the outcome of a contract can be measured reliably contract revenue and costs are recognised by reference to the value of work done at the balance sheet date. Where the outcome of a contract cannot be reliably estimated contract costs are recognised as an expense when incurred and revenue is only recognised to the extent of the contract costs incurred that it is probable will be recoverable. In both cases any expected contract loss is recognised immediately.

The company uses the percentage-of-completion method in accounting for its fixed price contracts to deliver property services as this best represents the amount which the company has the right to invoice. Use of the percentage of completion method requires the company to estimate the services performed to date as a proportion of the total services to be performed which requires management judgement. Where the outcome of a contract cannot be reliably estimated, contract costs are recognised as an expense when incurred and revenue is only recognised to the extent of the contract costs incurred that it is probable will be recoverable.

Amounts recoverable on contracts which are included in trade receivables represent the costs incurred on those contracts plus recognised profits less the sum of recognised losses and progress billings. Where progress billings exceed costs incurred plus recognised profits (less recognised losses) the balance is included in as and deferred income in other creditors.

Revenue generated from short term contracts and other arrangements is recognised on provision of the relevant goods and services to customers when the company has satisfied its obligation to customers.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	15% on reducing balance
Computers	25% on reducing balance
Motor vehicles	20% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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 in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

2BM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2024

1 Accounting policies (Continued)

Recoverable amount is the higher of fair value less costs to sell 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.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Provision is made for obsolete and slow moving items.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

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

2BM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2024

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2BM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2024

1 Accounting policies (Continued)

Foreign exchange

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

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

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

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2024 Number	Unaudited 2023 Number
Total	18	18

3 Directors' remuneration and dividends

	2024 £	Unaudited 2023 £
Remuneration paid to directors	44,082	-

2BM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2024

4 Tangible fixed assets

	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost				
At 1 August 2023 (unaudited)	59,030	48,208	189,209	296,447
Additions	400	1,672	55,881	57,953
Disposals	(34,621)	(31,269)	(48,984)	(114,874)
At 30 June 2024	<u>24,809</u>	<u>18,611</u>	<u>196,106</u>	<u>239,526</u>
Depreciation and impairment				
At 1 August 2023 (unaudited)	47,502	33,595	104,913	186,010
Depreciation charged in the period	1,622	3,666	22,243	27,531
Eliminated in respect of disposals	(32,529)	(28,736)	(35,247)	(96,512)
At 30 June 2024	<u>16,595</u>	<u>8,525</u>	<u>91,909</u>	<u>117,029</u>
Carrying amount				
At 30 June 2024	<u>8,214</u>	<u>10,086</u>	<u>104,197</u>	<u>122,497</u>
At 31 July 2023 (unaudited)	<u>11,528</u>	<u>14,613</u>	<u>84,296</u>	<u>110,437</u>

5 Debtors

	2024 £	Unaudited 2023 £
Amounts falling due within one year:		
Trade debtors	686,029	1,473,404
Amounts owed by group undertakings	1,467,687	-
Other debtors	558,310	1,374,176
	<u>2,712,026</u>	<u>2,847,580</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

2BM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2024

6 Creditors: amounts falling due within one year

	2024	Unaudited 2023
	£	£
Bank loans	-	20,000
Obligations under finance leases	65,878	85,496
Trade creditors	434,280	836,146
Corporation tax	161,177	111,107
Other taxation and social security	86,253	280,313
Other creditors	4,055	4,526
Accruals and deferred income	1,087,385	583,469
	<u>1,839,028</u>	<u>1,921,057</u>

7 Creditors: amounts falling due after more than one year

	2024	Unaudited 2023
	£	£
Bank loans	-	40,000
Obligations under finance leases	29,773	-
	<u>29,773</u>	<u>40,000</u>

Amounts within other creditors consist wholly of finance lease obligations greater than one year.

8 Provisions for liabilities

	2024	Unaudited 2023
	£	£
Deferred tax liabilities	20,870	11,227
	<u>-</u>	<u>-</u>

9 Called up share capital

	2024	Unaudited 2023	2024	Unaudited 2023
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
A Ordinary shares of 1p each	5,620	5,000	56	50
B Ordinary shares of £1 each	-	40	-	40
C Ordinary shares of 1p each	500	500	5	5
D Ordinary shares of £1 each	-	5	-	5
	<u>6,120</u>	<u>5,545</u>	<u>61</u>	<u>100</u>

2BM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2024

9 Called up share capital (Continued)

On 12 February 2024, the company repurchased 40 B Ordinary shares and 5 D Ordinary shares with a nominal value of £1 and £0.01 respectively, for total consideration of £519,880.

On 2 April 2024, 620 A Ordinary shares with a nominal value of £0.01 were issued for total consideration of £101,308.

10 Financial commitments, guarantees and contingent liabilities

The company cross-guaranteed bank debt and loan note to funding facilities held by the parent undertaking. Fixed and floating charges are held over the assets of the company as security on these loans. At 30 June 2024, the amounts outstanding on the facilities subject to the cross-guarantees were £3.98m in respect of the senior bank facilities (2023: £nil) and £8.03m in respect of the secondary-ranked loan notes and accumulated interest (2023: £nil).

11 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	Unaudited 2023
	£	£
Within one year	73,393	-
Between one and five years	210,775	-
	<u>284,168</u>	<u>-</u>

12 Events after the reporting date

On 24 January 2025, an agreement was made for the entire issued share capital of this company's ultimate parent undertaking, Keysource Group Holdings Limited, to be acquired by Salute Mission Critical Advisory UK Ltd, a company incorporated in Scotland. Salute Mission Critical Advisory UK Ltd is a wholly owned subsidiary of Salute Holdings LLC, a company incorporated in the United States of America. The acquisition is expected to be completed in April 2025, subject to regulatory approval, at which point Salute Holdings LLC will be this company's ultimate parent undertaking. On completion the bank debt and loan notes will be repaid.