



Company Number 01649776

CACI Limited

Report and Financial Statements - 30 June 2023

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CACI Limited
Corporate directory
For the year ended 30 June 2023



Directors	G R Bradford (Chief Executive) S A Sadler M S Khaira T Weir
Company secretary	S A Sadler
Registered office	CACI House Kensington Village Avonmore Road London W14 8TS
Independent Auditor	PricewaterhouseCoopers LLC 1 Embankment Place London WC2N 6RH
Bankers	National Westminster Bank plc South Kensington Station 18 Cromwell Place London SW7 2LB

CACI Limited
Strategic report
For the year ended 30 June 2023



The directors present their strategic report on the Company for the year ended 30 June 2023.

Business Review

CACI Limited (CACI) is part of an international technology services group. The ultimate parent undertaking is CACI International Inc., which is a public company incorporated in Delaware, USA, and whose shares are quoted on the US NYSE. CACI Limited is the largest operating subsidiary of the group outside the USA and represents the group's interests in Europe. The Company provides data, software products, consulting services, and systems development and integration to commercial and government organisations in the UK, Europe and elsewhere in the world.

We are pleased with our financial performance in the year to June 2023. Turnover grew by 8% to £143.7m (2022 - £132.6m) and operating income by 13% to £27.8m (2022 - £24.5m).

The company's net income increased by 14.2% to £22.6m (2022 - £19.8m), despite the increase in the corporation tax rate from 19% to 25% in April 2023. This increase was primarily achieved through a focus on operational performance and greater higher-margin product sales.

The Company's key financial performance indicators during the year were as follows: -

	2023 £'000s	2022 £'000s	Change %
Turnover	143,693	132,638	8.3%
Operating profit	27,777	24,513	13.3%
Profit for the financial year	22,638	19,826	14.2%
Shareholders' funds	146,925	124,288	18.2%
Current assets as % of current liabilities	206%	198%	4.0%
Average number of employees	1,020	935	9.1%

The increase in shareholders' funds reflects the profitability of the company for the year, and the absence of a dividend payment in 2023 (2022 - £9.5m).

Principal risks and uncertainties

The directors review risks and uncertainties as part of the monthly management review process. The principal risks facing the Company can be grouped as competitive risks, technical risks and operational risks:

Competitive risks

We operate in the local and central government markets. Our ability to win contracts against stiff competition in the highly structured tendering and procurement environment is critical to our success.

Recruiting and retaining quality staff will continue to be a key challenge to ensure our future growth & success.

Technical risks

We provide data and associated software products to many of our clients. The volume and complexity of the analysis and processing of this data calls for stringent technical quality controls to ensure that the data provided to clients and upon which they make critical business decisions is of the highest quality. We also carry the risks around the physical control and management of the data on behalf of our clients.

The GDPR (General Data Protection Regulation) legislation, which came into force in May 2018, has introduced additional compliance costs into the business, which could affect our future profit margins. The legislation is also slowing down the sales process, as customers seek additional contractual protections. This may impact our margins if this continues into the future.

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Operational risks

A significant number of our client contracts are on a fixed price basis and careful performance monitoring is essential to bringing these jobs in on time and within budget while meeting the customers' expectations.

The current rate of UK inflation creates uncertainty moving forwards. We are experiencing significant increases in certain costs eg utilities. Also wage inflation is increasing our costs to recruit and retain staff. We are regularly reviewing our staff compensation to ensure that we remain competitive.

Brexit has had little impact on our business as the majority of our customers and projects are within the UK. However, we continue to monitor the potential impact of Brexit to CACI, particularly to the strength of the UK economy, and how this may impact government spending.

The IR35 legislation on the taxation of disguised employment was implemented during 2021. CACI works with a large number of contractors and has actively evolved its relationship with these contractors to comply with the new legislation. IR35 may impact CACI's ability to recruit appropriate technical resources in the future.

Section 172(1) statement

Directors' statement of compliance with duty to promote the success of the Company

Under section 172 of the Companies Act 2006, the Directors have a duty to promote the success of the Company, in the long-term, for the benefit of the shareholders as a whole, having regard to a range of other stakeholders and interests.

During the year ended 30 June 2023, the directors, both individually and as a board, consider that they have acted in a way that they believe would meet these requirements, and in doing so have had regard to:

- the likely consequences of any decision in the long-term,
- the interests of the Company's employees,
- the need to foster the Company's business relationships with customers, suppliers and others,
- the impact of the Company's operations on the community and the environment,
- the desirability of the Company maintaining a reputation for high standards of business conduct and ethics,
- the need to act fairly as between members of the Company.

The directors have met these requirements as follows:

Decision making

Annually, the directors review the performance of the Company and identify its strategic goals for the coming year. A financial plan is established and agreed with the Company's parent company, CACI International Inc..

All investment and operating decisions are then made within the framework of the financial plan, with the aim of ensuring the Company meets both its financial and non-financial targets. Performance against the strategic goals and financial plan is reviewed on a monthly and quarterly basis.

In developing the long-term plans, we have considered the impact of long-term investment and other spending decisions on the Company's future results, and the interests of the employees and other stakeholders.

Employees

Employee engagement is a key focus of the directors of the Company, ensuring employees are actively connected to the Company's goals and targets.

The employees are connected to the Company's activities and performance through the Company's email and intranet, leadership calls, and business updates and briefings. The directors have also focused on managing the physical and mental wellbeing of the Company's employees through the pandemic, whilst endeavouring to provide the best possible service to our customers. This has resulted in changes to our working practices, with staff now working a mixture of office based and remote.

Additionally, many staff are bonused on achieving defined profit levels within their Business Unit or Division. Profit targets and actual performance against those targets are regularly notified to staff ensuring they are aware of, and tied to, the Company's goals.

Further details of the Company's employee engagement activities are detailed in the Directors' report.

Customers, suppliers and others

The directors recognise that fostering business relationships with all stakeholders is essential to the Company's success. The Company has close relationships with its customers, suppliers and industry partners, which help us create cost-effective products, services and solutions.

The Company constantly researches markets needs through regular communications with existing and potential customers, and consequently provides continually evolving products and services.

Environment

CACI actively strives for the best possible environmental practices, such as the promotion of recycling and minimisation of waste, and ensures that the disposal of waste products is done in a safe manner to minimise any possible pollution.

The Company has a target of reducing its overall utilities consumption by 1-2% per year by monitoring its usage and employing the latest technologies. Where appropriate, energy management systems are installed to minimise our energy consumption.

In managing the impact of CACI's operations on the wider community and the environment, the Company has a defined Environment Policy, which is reviewed and updated periodically.

Business conduct

CACI recognises the importance of maintaining a reputation for high standards of business conduct, in earning and maintaining stakeholder trust.

The Company maintains a Code of Ethics which is intended to promote honesty, integrity, good judgment, and ethical behaviour, by helping all staff understand what is meant by ethical behaviour and fraud awareness in the context of their employment. All staff are required to confirm their acceptance of the policy on an annual basis.

Adherence to the Company's policies reduces the risk of compliance failure and supports the Company in recruiting and retaining high calibre employees.

Strategy

Our strategy remains to profitably grow the Company, both organically and through acquisition, by providing an excellent service to our customers, and being the supplier of choice in our chosen markets.

All members of the Company are considered, and treated fairly, in delivering this strategy.

CACI Limited
Strategic report
For the year ended 30 June 2023



Continued

This report was approved by the board and signed on its behalf.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'S A Sadler', written over a horizontal line.

S A Sadler
Secretary

11 March 2024

The directors present their report and audited financial statements for the year ended 30 June 2023.

Directors

The directors of the company who were in office during the year and up to date of signing the financial statements were as follows:

G R Bradford (Chief Executive)
M S Khaira
S A Sadler
T Weir

Dividends

The directors did not recommend an interim dividend during the year (2022 - £2.21 per share, totalling £9,500,000). The directors do not recommend payment of a final dividend.

Events since the balance sheet date

On 1 November 2023, the Company acquired 100% of the outstanding shares of Cyber-Duck Limited, a digital transformation agency that specialises in user experience (UX), software development and digital optimisation.

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Future prospects of the business

The Company intends to continue operating in the areas of Marketing Solutions and Information Management Systems. The Company expects to continue to grow organically, but also to augment its organic growth through strategic acquisitions.

Research and development

CACI continues to develop new and upgraded software and data products, which are planned for release to the marketplace in the 2024 financial year and beyond.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are described in the Strategic Report.

The financial statements have been prepared on the basis that the Company is a going concern. At 30 June 2023 the Company had cash balances of approximately £50.1m. Our cash forecasts indicate that the Company will generate cash throughout the period reviewed for addressing going concern. The directors, therefore, believe that the going concern basis of accounting is appropriate.

The directors have undertaken reviews of the financial forecasts of the business, in order to assess whether the Company has adequate resources to continue in operational existence for the foreseeable future, and as such can continue to adopt the going concern basis of accounting.

Going Concern (continued)

For assessing going concern, the Directors considered a period to 31 March 2025 against the base case Board of Directors approved budget to June 2024, using the same base assumptions. The Directors also considered a series of severe but plausible downside scenarios compared to the base case budget. The Directors considered reductions in revenue and associated cash receipts of 10%, and 25%, with associated cost savings, and the net impact of these scenarios on the Company's working capital. Following this analysis, the Directors have concluded that the Company has adequate resources to operate as a going concern and therefore continues to adopt the going concern basis in preparing the financial statements.

To assess the level of headroom within the board approved forecast to 31 March 2025, a reverse stress test was performed to see what level of performance deterioration was necessary to challenge liquidity requirements. However, given the mitigating actions that are available and are within management's control such performance deterioration was not considered plausible.

In conclusion, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Financial Risk Management Policy

The Company's business activities expose it to a number of financial risks including credit risk, foreign currency risk and liquidity risk. The Directors consider that the Group has sufficient strength to support the Company if so required.

Credit risk

The Company's principal financial assets are cash and bank balances, and both billed and unbilled trade debtors.

The Company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful debts. An allowance is made where there is an identifiable loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. In order to reduce the risk around the trade debtors, the Company completes credit evaluations on all new customers and periodically reviews all existing customers.

Foreign currency risks

The Company buys and sells goods and services denominated in currencies other than Pounds (GBP). As a consequence, the value of the Company's non-GBP denominated revenues, purchases, liabilities and cash flows can be affected by movements in exchange rates in general and in GBP/USD rates in particular. In order to mitigate this risk, the Company uses foreign exchange forward contracts to hedge these exposures, if significant. The company maintains foreign currency balances to offset any significant currency payables, where possible.

Liquidity risk

The Company maintains regular cash flow forecasts to ensure that the Company has sufficient funds available for ongoing operations and future developments. The Company is part of a significant group, that is quoted on New York stock exchange, and as such has immediate access to funding from our parent if necessary.

Engagement with employees

CACI recognises the importance to its future success of retaining and developing its skilled workforce and has implemented effective human resources strategies delivered by line management to support this objective.

We understand the need for continued training and development of our employees including regular engagement with them to ensure the future success of the Company. We provide a variety of training courses from both within the Company and from external sources to meet the development needs of employees. Active encouragement is given to help employees attain the relevant training and qualifications within their chosen profession to ensure the highest standards are maintained by all.

The Company operates a recruitment policy based on experience and qualifications, and on an equal opportunities basis, without discrimination on account of sex, age, race, ethnicity, religion, disability, marital status or sexual orientation.

CACI gives full consideration to employment applications from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion. Where existing employees become disabled, it is the Company's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

Regular communication occurs to inform all employees of CACI's strategy and progress in its delivery, with the aim of creating awareness with all employees, of the financial and economic factors affecting the performance of the Company and the wider CACI Group.

The Company is committed to encouraging the involvement of all employees in its performance through various financial incentive and employee recognition schemes. The Company has various incentive schemes open to certain employees tailored to deliver both current and longer-term profitability. In addition, the company has share-based incentive schemes open to all employees, designed to encourage participation in the Company's longer-term success.

The directors give consideration to employees' interests when considering the company's long-term plans and strategy as outlined in the s172 statement in the Strategic Report.

CACI Limited
Directors' report
For the year ended 30 June 2023



Streamlined Energy & Carbon Reporting
Methodology

The Streamlined Energy and Carbon Reporting (SECR) requirements were introduced on 1 April 2019, when The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 came into force.

As a large, unquoted organisation, CACI Limited is required to report its energy use and carbon emissions in accordance with these regulations. The data detailed in the table below shows emissions and energy use for which the Company is responsible including gas and electricity usage on our sites and fuel used in vehicles on company business. We have used the UK Government GHG Conversion Factors for Company Reporting 2020 to calculate our energy usage. Any estimates included in our calculations are derived from actual data extrapolated to cover missing periods.

GHG emissions and energy use data for the year ended 30 June:

	2023	2022
	tCO₂e	tCO₂e
Emissions from the combustion of gas (Scope 1)	76	101
Emissions from combustion of fuel for transport purposes (Scope 1)	112	51
Emissions from purchased electricity (Scope 2)	96	121
	<u>284</u>	<u>273</u>
Total gross emissions above	284	273
	2023	2022
Energy Consumption used to calculate emissions / kWh	1,378,035	1,408,204
Intensity Ratio: kgCO ₂ e gross figure per FTE employees	260	289

Energy Efficiency

For the year to June 2023, the Company completed the following energy efficiency projects:

Smart Metering

CACI has introduced smart metering, allowing us to make informed decisions about how best to save money by using less energy. We are also able to see any patterns to the energy usage across our business and take the appropriate action. Operationally it also reduces the number of employee hours needed to physically read meters.

Data Management Improvements

CACI has completed the relocation of our data centre from our head office to an energy efficient Tier 3 operation. The centre uses renewable electricity, follows science-based targets on reducing GHGs and has a robust waste management program.

Energy Efficiency Improvements

CACI is committed to improving our energy efficiency performance and are doing this in several ways: -

- By replacing ageing equipment with new smart technologies
- By investing in state-of-the-art LED office lighting in our offices
- By contracting with a renewable energy supplier for our head office.

Business relationships

In accordance with the Companies (Miscellaneous Reporting) Regulations 2018 disclosure is required with respect to how the directors have had regard to the need to foster the company's business relationships with suppliers, customers and others, and the effect of that regard, including on the principal decisions taken by the company during the financial year. This disclosure is provided within the s172 statement in the Strategic Report.

CACI Limited
Directors' report
For the year ended 30 June 2023



Disclosure of information to the independent 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, being information needed by the independent auditor in connection with preparing its report, of which the independent auditor is unaware. Having made enquiries of fellow directors and the Company's independent auditor, the directors have taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the independent auditor is aware of that information

Independent Auditors

PricewaterhouseCoopers LLP were appointed as independent auditors.

The financial statements on pages 14 to 39 were approved by the Board of Directors on 11 March 2024 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'S A Sadler', written over a horizontal line.

S A Sadler
Secretary

11 March 2024

CACI Limited
Directors' responsibilities statement
For the year ended 30 June 2023



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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

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

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' Confirmations

In the case of each director in office at the date the directors' report is approved:

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

Independent auditors' report to the members of CACI Limited

Report on the audit of the financial statements

Opinion

In our opinion, CACI Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: Statement of changes in equity and Balance sheet as at 30 June 2023; Statement of comprehensive income for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 30 June 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to Companies Act 2006 and UK Corporation tax, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fraudulent financial reporting, specifically the posting of inappropriate journal entries to manipulate financial results and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and those charged with governance, including consideration of any known or suspected instances of non-compliance with laws, regulations and fraud;
- Addressing the risk of management override of internal controls, including testing of journal entries (in particular, journal entries posted with an unusual account combination);
- Challenging assumptions made by management in determining their judgements and accounting estimates; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

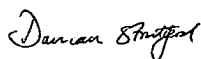
Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Duncan Stratford (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
11 March 2024

CACI Limited
Statement of comprehensive income
For the year ended 30 June 2023



	Note	2023 £	2022 £
Turnover	4	143,693,228	132,637,997
Cost of sales	5	<u>(56,199,198)</u>	<u>(54,442,506)</u>
Gross profit		<u>87,494,030</u>	<u>78,195,491</u>
Other operating income	6	10,000	17,440
Administrative expenses	5	<u>(59,726,911)</u>	<u>(53,700,412)</u>
Operating profit	7	27,777,119	24,512,519
Interest receivable	11	645,821	43,274
Interest payable	12	<u>(232,810)</u>	<u>(359,135)</u>
Profit before income tax expense		28,190,130	24,196,658
Income tax expense	13	<u>(5,552,547)</u>	<u>(4,370,629)</u>
Profit after income tax expense for the year		22,637,583	19,826,029
Other comprehensive income for the year, net of tax		<u> </u>	<u> </u>
Total comprehensive income for the year		<u>22,637,583</u>	<u>19,826,029</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes

CACI Limited
Statement of changes in equity
For the year ended 30 June 2023



	Share capital £	Share premium £	Retained earnings £	Total equity £
Balance at 1 July 2021	4,307,400	17,641,600	92,012,820	113,961,820
Profit after income tax expense for the year	-	-	19,826,029	19,826,029
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	19,826,029	19,826,029
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments	-	-	1,045,576	1,045,576
Share-based payment parent recharge	-	-	(1,045,576)	(1,045,576)
Dividends paid (note 31)	-	-	(9,500,000)	(9,500,000)
Balance at 30 June 2022	<u>4,307,400</u>	<u>17,641,600</u>	<u>102,338,849</u>	<u>124,287,849</u>

	Share capital £	Share premium £	Retained earnings £	Total equity £
Balance at 1 July 2022	4,307,400	17,641,600	102,338,849	124,287,849
Profit after income tax expense for the year	-	-	22,637,583	22,637,583
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	22,637,583	22,637,583
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments	-	-	1,242,930	1,242,930
Share-based payment parent recharge	-	-	(1,242,930)	(1,242,930)
Balance at 30 June 2023	<u>4,307,400</u>	<u>17,641,600</u>	<u>124,976,432</u>	<u>146,925,432</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

CACI Limited
Balance sheet
As at 30 June 2023

CACI

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	14	94,771,972	82,053,658
Tangible assets	15	2,323,624	2,160,320
Right-of-use assets	16	4,530,966	5,455,098
Investments in subsidiary undertakings	17	7,233	7,233
Contract assets	20	4,711,684	3,296,759
Deferred tax	13	21,127	44,609
Total fixed assets		106,366,606	93,017,677
Current assets			
Debtors	19	21,635,990	19,755,008
Contract assets	20	13,569,802	14,139,893
Corporation tax refund due	13	287,655	-
Prepayments	21	3,940,655	3,387,589
Cash at bank and in hand	22	50,094,819	39,492,478
Total current assets		89,528,921	76,774,968
Current liabilities			
Trade creditors		1,505,549	2,751,670
Contract liabilities	23	12,721,618	11,867,677
Lease liabilities	24	1,243,897	1,357,857
Corporation tax	13	-	2,020,814
Other creditors	26	22,920,191	20,189,666
Amounts owed to group companies	27	5,295,193	657,708
Total current liabilities		43,686,448	38,845,392
Net current assets		45,842,473	37,929,576
Total assets less current liabilities		152,209,079	130,947,253
Non-current liabilities			
Lease liabilities	24	4,146,885	5,505,705
Provision for liabilities	28	1,136,762	1,153,699
Total non-current liabilities		5,283,647	6,659,404
Net assets		146,925,432	124,287,849
Equity			
Called up share capital	29	4,307,400	4,307,400
Share premium account	30	17,641,600	17,641,600
Retained earnings		124,976,432	102,338,849
Total equity		146,925,432	124,287,849

G R Bradford
 Director

11 March 2024

S A Sadler
 Director

The above balance sheet should be read in conjunction with the accompanying notes

CACI Limited
Notes to the financial statements
For the year ended 30 June 2023



1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of CACI Limited (the Company) for the year ended 30 June 2023 were authorised for issue by the board of directors on 11 March 2024 and the balance sheet was signed on the board's behalf by G R Bradford and S A Sadler. CACI Limited is incorporated and domiciled in England and Wales. The Company is a private company limited by shares.

These financial statements have been prepared in accordance with the Companies Act 2006.

The financial statements have been prepared under the historic cost convention.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101) and in accordance with applicable accounting standards. The Company has used a true and fair view override in respect of the non-amortisation of goodwill.

The Company's financial statements are presented in Sterling.

The Company has taken advantage of the exemption under s401 of the Companies Act 2006 not to prepare group financial statements as they are prepared by its ultimate parent undertaking CACI International Inc., which is incorporated within the United States of America. Group financial statements for CACI International Inc. group are available from the address detailed in note 34.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

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

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are described in the Strategic Report.

The financial statements have been prepared on the basis that the Company is a going concern. At 30 June 2023 the Company had cash balances of approximately £50.1m. Our cash forecasts indicate that the Company will generate cash throughout the year reviewed for addressing going concern. The directors, therefore, believe that the going concern basis of accounting is appropriate.

The directors have undertaken reviews of the financial forecasts of the business, in order to assess whether the Company has adequate resources to continue in operational existence for the foreseeable future, and as such can continue to adopt the going concern basis of accounting.

For assessing going concern, the Directors considered a period to 31 December 2024 against the base case Board of Directors approved budget to June 2024, that was then extended to March 2025 using the same base assumptions. The Directors also considered a series of severe but plausible downside scenarios compared to the base case budget. The Directors considered reductions in revenue and associated cash receipts of 10%, and 25%, with associated cost savings, and the net impact of these scenarios on the Company's working capital. Following this analysis, the Directors have concluded that the Company has adequate resources to operate as a going concern and therefore continues to adopt the going concern basis in preparing the financial statements.

To assess the level of headroom within the board approved forecast which has been extended to 31 March 2025, a reverse stress test was performed to see what level of performance deterioration was necessary to challenge liquidity requirements. However, given the mitigating actions that are available and are within management's control such performance deterioration was not considered plausible.

In conclusion, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2. Accounting policies (continued)

Basis of preparation

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) The requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share-based Payment, because the share-based payment arrangement concerns the instruments of another group entity;
- (b) The requirements of paragraph 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations.
- (c) The requirements of IFRS 7 Financial Instruments: Disclosures.
- (d) The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement.
- (e) The requirement in paragraph 38 of IAS 1 Presentation in Financial Statements to present comparative information in respect of:
 - i) Paragraph 79(a)(iv) of IAS 1
 - ii) Paragraph 73(e) of IAS 16 Property, Plant and Equipment
 - iii) Paragraph 118(e) of IAS 38 Intangible Assets
 - iv) The requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements
 - v) The requirements of IAS 7 Statement of Cash Flows
 - vi) The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
 - vii) The requirements of paragraph 17 of IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Revenue recognition

Revenue from marketing services and time and materials consulting contracts is recognised on delivery of projects or when services are rendered.

Revenue from licensing of software products, where at the time of delivery there are no undelivered elements essential to the functionality of the delivered software, is recognised on the delivery of the product. Where there are undelivered elements essential to the functionality of the delivered software, revenue is accounted for on a contract accounting basis using the percentage of completion method. Revenue from maintenance support services on software products is recognised over the period of the contract to coincide with the support provided under the contract.

Revenue on long-term contracts is recognised as the work is carried out if the outcome can be assessed with reasonable certainty. The profit is calculated to reflect the proportion of the work carried out at the year end, by recording revenue and related costs as contract activity progresses. Full provision is made for losses on all contracts at the point at which they are first foreseen.

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

2. Accounting policies (continued)

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

There are no obligations in contracts with customers for returns, refunds and similar obligations or warranties and related obligations.

Government grants

Government grants are recognised in the income statement over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exception:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or taxable profit or loss.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on the tax rates and laws enacted or substantively enacted at the balance sheet date. The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

Cash at bank and in hand

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity date of three months or less.

Trade and other debtors

Trade debtors, which generally have 30-90 day payment terms, are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision for impairment is made through profit or loss when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Contract assets

Contract assets are initially recognised for revenue earned from services. Upon completion of services and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

Contract assets predominantly relate to software licences where revenue recognition occurs when the solution is transferred to the customer, but invoicing occurs over the contract life.

The contract asset balance for work completed but not invoiced on completion of a performance obligation, unwinds over the contract term. Contract assets are transferred to debtors when the right to consideration becomes unconditional, or conditional only on the passage of time.

2. Accounting policies (continued)

Derivative financial instruments

The international nature of certain of the Company's contracts means that it is exposed to volatility in currency exchange rates. In order to protect itself against currency fluctuations, the Company's policy is to hedge all material transactional exposures. Derivative financial instruments are recognised at fair value at the balance sheet date. Gains or losses on derivative financial instruments are recognised in the income statement for the financial year.

Financial assets

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Company's assessment at the end of each financial year as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on fixed assets calculated on the straight-line method in order to write off the cost of these assets over their estimated useful lives at the following rates:

Leasehold improvements	Up to a maximum of 10 years or the life of the lease, whichever is lower
Fixtures and Fittings	Between three and ten years
Plant and machinery	Between three and five years

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable, and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

An item of tangible fixed assets is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from the derecognition of the asset is included in the income statement in the financial year of derecognition.

2. Accounting policies (continued)

Intangible fixed assets

Goodwill is initially measured at cost being the excess of the aggregate of the acquisition-date fair value of the consideration transferred and the amount recognised for the non-controlling interest (and where the business combination is achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree) over the net identifiable amounts of the assets acquired and the liabilities assumed in exchange for the business combination.

Goodwill arising on acquisition is capitalised and classified as an asset on the balance sheet. The carrying value of goodwill is reassessed during the months following acquisition and up until the end of the first full financial year following acquisition and adjusted for accordingly. Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired as part of a business are capitalised separately from goodwill if their fair value can be measured reliably on initial recognition.

The UK Companies Act requires goodwill to be reduced by provisions for depreciation on a systematic basis over a period chosen by the directors, its useful economic life. However, under IFRS 3 Business Combinations goodwill is not amortised. Consequently, the Company does not amortise goodwill, but reviews it for impairment on an annual basis or whenever there are indicators of impairment. The Company is therefore invoking a 'true and fair view override' to overcome the prohibition on the non-amortisation of goodwill in the Companies Act. Had the Company amortised goodwill, a period of 15 years would have been chosen as the useful life of goodwill. The profit for the year would have been £5,249,851 (2022: £5,490,706) lower had goodwill been amortised in the year.

The costs of acquiring third party software, demographic data and other intangible assets and the costs of developing major new software products are capitalised when incurred subject to meeting specific criteria. These costs are amortised over the licence period or the anticipated period of benefit on a straight-line basis up to a maximum of ten years. Intangible assets acquired on acquisition are amortised proportionate to planned revenues over ten years or over the anticipated period of benefit, if less. Revenue as a basis for amortisation of intangibles is a rebuttable presumption under IAS38. However, revenue generated is directly correlated to the consumption of economic benefits for the customer relationships and so the amortisation of the customer relationships intangible is based on anticipated revenue from those relationships.

Software development expenditure is recognised as an intangible asset when the Company can demonstrate the technical feasibility of completing the intangible asset so that it will be available for sale or use, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset available for use. It is amortised evenly over the period of expected future benefit. During the period of development, it is tested annually for impairment.

Right-of-use assets

The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received and any initial direct costs incurred.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

2. Accounting policies (continued)

Fixed asset investments

When subsidiaries are purchased, the goodwill and other assets arising on the acquisition are hived up into the acquiring company, CACI Limited.

Investments are stated at cost less provision for any impairment in value.

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

Right-of-use assets are part of the Company's assessment of impairment. The principles and procedures that apply to impairment of other non-financial assets apply equally to right-of-use assets.

Contract liabilities

Contract liabilities represent the Company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Company has transferred the goods or services to the customer.

Lease liabilities

A lease liability is recognised at the transition date (1 July 2019) for existing leases and at the commencement date for leases started after the transition date. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the financial year in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Foreign currencies

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2. Accounting policies (continued)

Leasing and hire purchase commitments

Rentals payable under operating leases are charged to the income statement on a straight-line basis over the lease term. Lease incentives are recognised over the lease term on a straight-line basis. Leasing agreements, which transfer to the Company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright; the assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit on a straight-line basis to achieve a constant rate of interest on the balance outstanding. Assets held under finance leases are depreciated over the shorter of the lease term and the useful life of equivalent owned assets.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

Deferred and contingent consideration

Where the consideration for an acquisition includes amounts that are contingent on future performance, these amounts are included in the cost of the acquisition to the extent that they are probable and can be measured reliably. Where a monetary liability related to deferred consideration is payable, the fair value of the future liability is discounted to its present value.

If the events on which consideration is contingent do not occur or are not expected to occur, the cost of the acquisition is adjusted. If and when additional amounts of contingent consideration become probable or payable, they are also treated as an adjustment to the cost of the acquisition.

Share-based payments

The cost of equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period. Fair value is determined using an appropriate pricing model.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

Where a new award is designated as replacing a cancelled award, the cost based on the original award terms continues to be recognised over the original vesting period. An expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification.

Contribution to pensions

The Company contributes an amount as selected by each employee from their total benefits package for the year, to the group personal pension scheme or the company money purchase plan with Aviva, or other personal pension schemes. Payments to the schemes are charged to the statement of comprehensive income as they fall due.

3. Critical accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Development costs

Development costs are capitalised in accordance with the accounting policy given above. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

3. Critical accounting judgements, estimates and assumptions (continued)

Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease. Therefore it uses the parent company incremental borrowing rate (IBR) to measure lease liabilities.

The parent company has calculated its IBR based on the borrowing rate within its most current debt facility plus the yield on a Treasury Bill for a comparable period. The parent company calculates the IBR at the beginning of the respective quarter. This IBR will be applied to any new or modified leasing arrangements entered into within the quarter. The parent company will interpolate the IBR when a lease term is in between two periods.

Expected credit losses

The company recognises lifetime expected credit losses (ECL) for trade receivables, which are estimated using a provision matrix by reference to past default experience of the debtors, adjusted for factors that are specific to the receivables.

Taxation

Management judgement is required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are included in note 13.

Purchase price allocations

Purchase prices related to business combinations are allocated to the underlying acquired assets and liabilities based on their estimated fair value at the time of acquisition. The determination of fair value requires management to make assumptions, estimates and judgements regarding future events. The allocation process is inherently subjective and impacts the amounts assigned to individually identifiable assets and liabilities. As a result, the purchase price allocation impacts reported assets and liabilities and future net earnings due to the impact on future depreciation and amortisation expense.

Revenue recognition

Revenue recognition on certain contracts is based on estimated percentage of completion.

4. Turnover

All turnover derives from contracts with customers. Turnover and operating profit arise from the principal activities described in the Strategic Report.

Turnover is predominantly with clients based in the UK.

	2023	2022
	£	£
Allocation of revenue between performance obligations		
Licences	23,104,639	19,774,544
Support & Maintenance	9,469,163	7,483,573
Services - Time & Materials	56,851,315	54,204,050
Services - Fixed Price	<u>54,268,111</u>	<u>51,175,830</u>
	<u>143,693,228</u>	<u>132,637,997</u>

Turnover from continuing operations was £143,963,228 (2022 - £132,637,997) of which £889,671 related to acquisitions (2022 - £nil).

Operating profit from continuing operations was £27,777,119 (2022 - £24,512,519) of which £173,645 related to acquisitions (2022 - £nil)

Revenue from marketing services and time and materials consulting contracts is recognised on delivery of projects or when services are rendered.

4. Turnover (continued)

Revenue from licensing of software products, where at the time of delivery there are no undelivered elements essential to the functionality of the delivered software, is recognised on the delivery of the product. Where there are undelivered elements essential to the functionality of the delivered software, revenue is accounted for on a contract accounting basis using the percentage of completion method. Revenue from maintenance support services on software products is recognised over the period of the contract to coincide with the support provided under the contract.

Revenue on long-term contracts is recognised as the work is carried out if the outcome can be assessed with reasonable certainty. The profit is calculated to reflect the proportion of the work carried out at the year end, by recording revenue and related costs as contract activity progresses. Full provision is made for losses on all contracts at the point at which they are first foreseen.

5. Operating expenses

Operating expenses comprise cost of sales of £56,199,198 (2022 - £54,442,506) less other operating income of £10,000 (2022 - £17,440), and administrative expenses of £59,726,911 (2022 - £53,700,412). Net operating expenses from continuing operations were £115,916,109 (2022 - £108,125,478) of which £716,026 related to acquisitions (2022 - £nil).

6. Other operating income

	2023 £	2022 £
Derivative related income not qualifying as hedges	-	17,174
Sundry income	10,000	266
Other operating income	<u>10,000</u>	<u>17,440</u>

7. Operating profit

This has been arrived at after charging/(crediting):

	2023 £	2022 £
Research & development costs expensed	6,564,418	3,659,818
Amortisation of capitalised development costs	570,430	623,447
Total research & development costs	<u>7,134,848</u>	<u>4,283,265</u>

	2023	2022
Independent auditors remuneration		
- audit of the financial statements	180,000	165,000
Depreciation of owned assets	1,008,607	986,694
Depreciation of right-of-use assets	928,334	1,090,798
Asset abandonment	-	257,456
Amortisation of intangible assets	1,554,009	1,647,551
Rentals under operating leases - land & buildings	(442,345)	(105,560)
Rentals under operating leases - equipment	10,286	16,883
Foreign exchange gain	(40,881)	(45,799)
Loss/(gain) on disposal of fixed assets	15,023	(18,047)
Share-based payments charge	1,242,930	1,045,576

8. Lease expenses

The following are the amounts recognised in the statement of comprehensive income:

	2023	2022
	£	£
Depreciation expense of right-of-use assets	928,334	1,090,798
Interest expense on lease liabilities	206,703	284,761
Expense relating to short-term leases	65,986	30,117
Expense relating to leases of low-value assets	2,084	4,689
	<u>1,203,107</u>	<u>1,410,365</u>

The Company had total cash outflows for leases of £1,304,948 in 2023 (£1,677,570 in 2022).

9. Staff Costs

The average number of employees during the year was as follows:

	2023	2022
Average number of employees	<u>1,020</u>	<u>935</u>

The employee benefits expense during the year was as follows:

	2023	2022
	£	£
Wages and salaries	69,974,175	63,204,875
Social security costs	8,867,673	8,214,685
Other pension costs	2,555,574	2,221,422
Total employee benefits expense	<u>81,397,422</u>	<u>73,640,982</u>

10. Directors' emoluments

Details of directors' remuneration is set out below:

	2023	2022
Number of directors accruing benefits under pension schemes in respect of qualifying services	4	4
Number of directors receiving shares under a long-term incentive scheme	4	4
	2023	2022
	£	£
Aggregate emoluments in respect of qualifying services	2,637,727	2,939,091
Aggregate gains made by directors on the exercise of Restricted Stock Units (RSUs)	1,248,459	1,403,682
Aggregate amounts of contributions to pension schemes in respect of qualifying services	12,700	11,611

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10. Directors' emoluments (continued)

	2023	2022
	£	£
The amounts in respect of the highest paid director are as follows:		
Emoluments (including gain on exercise of RSUs)	1,881,380	2,007,001
Pension contributions made during the year	<u>2,000</u>	<u>1,333</u>
	<u><u>1,883,380</u></u>	<u><u>2,008,334</u></u>

The highest paid director received or was due to receive shares under an LTIS in respect of qualifying services.

11. Interest receivable

	2023	2022
	£	£
Bank Interest receivable	645,821	12,794
Other interest receivable	<u>-</u>	<u>30,480</u>
	<u><u>645,821</u></u>	<u><u>43,274</u></u>

12. Interest payable

	2023	2022
	£	£
Interest on deferred consideration for acquisitions	-	1,385
Interest on intercompany balances	7,215	44,221
Interest on tax payable	18,892	28,768
Interest on lease liabilities	<u>206,703</u>	<u>284,761</u>
	<u><u>232,810</u></u>	<u><u>359,135</u></u>

13. Income tax expense

	2023	2022
	£	£
<i>Income tax expense</i>		
Current tax	5,997,179	4,592,184
Deferred tax - origination and reversal of temporary differences	(344,777)	(244,126)
Adjustment recognised for prior periods	(73,508)	37,304
Impact of changes in UK corporation tax rates	(26,347)	(14,733)
	<u>5,552,547</u>	<u>4,370,629</u>
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Profit before income tax expense	<u>28,190,130</u>	<u>24,196,658</u>
Tax at the statutory tax rate of 20.5% (2022: 19%)	5,778,977	4,597,365
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Disallowable & non-taxable items	<u>100,879</u>	<u>77,065</u>
	5,879,856	4,674,430
Adjustment recognised for prior periods	(73,508)	37,304
Permanent difference arising from RSUs	(227,454)	(326,372)
Adjustment to deferred tax balances as a result of change in statutory tax rate	<u>(26,347)</u>	<u>(14,733)</u>
Income tax expense	<u>5,552,547</u>	<u>4,370,629</u>
	2023	2022
	£	£
The adjustments recognised for prior periods included above comprise:		
Current tax	(76,542)	33,806
Deferred tax	3,034	3,498
	<u>(73,508)</u>	<u>37,304</u>
	2023	2022
	£	£
Deferred tax		
The deferred tax included in the balance sheet is as follows:		
Decelerated capital allowance	(377,395)	(277,578)
Other timing differences	424,456	369,438
R&D tax relief	<u>(25,934)</u>	<u>(47,251)</u>
	<u>21,127</u>	<u>44,609</u>

13. Income tax expense (continued)

The deferred tax liability arising as a result of other timing differences consists of a deferred tax liability relating to acquired intangibles of £1,085,836 (2022: £916,319), offset by a deferred tax asset of £378,556 (2022: £375,741) relating to provisions, a deferred tax asset of £250,000 (2022: £250,000) relating to acquired losses and a further deferred tax asset of £881,736 (2022: £660,018) relating to share based payments.

	2023 £	2022 £
The deferred tax (credit) included in the income statement is as follows:		
Decelerated capital allowance	78,816	81,375
General provision & pensions	(2,309)	58,200
Share-based payments	(221,718)	(193,973)
R&D tax relief	(17,480)	(16,715)
Changes in rates & laws	(26,347)	(14,733)
Adjustments in respect of prior years	3,034	3,498
Business combinations	<u>(182,086)</u>	<u>(173,014)</u>
	<u>(368,090)</u>	<u>(255,362)</u>

The Finance Bill 2021 announced an increase in the main rate of corporation tax from 19% to 25% from 1 April 2023. This increase in the main rate of corporation tax was substantively enacted in May 2021. The Company has calculated the deferred tax asset of £21,127 at a tax rate of 25%.

	2023 £	2022 £
Corporation tax refund due		
Corporation tax refund due	<u>287,655</u>	<u>-</u>
	2023 £	2022 £
Corporation tax payable		
Corporation tax payable	<u>-</u>	<u>2,020,814</u>

14. Intangible assets

Intangible assets comprise third party software, demographic data, software product and data development costs and ongoing contracts, customer relationships and goodwill arising on acquisitions.

	Acquired Software & Data	Customer Relationships	Developed Software	Goodwill	Total
	£	£	£	£	£
Balance at 1 July 2022	582,521	2,777,750	1,667,021	77,026,366	82,053,658
Additions	27,355	-	788,279	-	815,634
Additions through business combinations (note 18)	1,500	1,564,792	-	11,917,858	13,484,150
Disposals	-	-	(27,461)	-	(27,461)
Amortisation expense	(198,535)	(785,044)	(570,430)	-	(1,554,009)
Balance at 30 June 2023	<u>412,841</u>	<u>3,557,498</u>	<u>1,857,409</u>	<u>88,944,224</u>	<u>94,771,972</u>

Goodwill acquired through business combinations has been allocated to two cash-generating units, which are also operating segments, as follows:

- (a) Marketing Services Division (MSD)
- (b) Information Management Systems (IMS)

These represent the lowest level within the Company at which goodwill is monitored for internal management purposes

The recoverable amount of both units has been determined based on fair value less cost to sell (FVLCS) basis. FVLCS was derived by applying a size adjusted exit multiple from similar market transactions to either the turnover or EBITDA of the unit over the current and budgeted fiscal years. A post-tax discount rate of 12% was used in the impairment test. For both units, the recoverable amount is greater than the carrying value, and, consequently, no impairment is required.

The goodwill allocated to each cash-generating unit is as follows:

	2023 £	2022 £
MSD	12,261,678	12,261,678
IMS	76,682,546	64,764,688
	<u>88,944,224</u>	<u>77,026,366</u>

15. Tangible assets

	Leasehold improvements £	Fixtures and fittings £	Plant and machinery £	Total £
Cost				
At 1 July 2022	1,657,322	186,534	3,089,294	4,933,150
Additions	253,983	71,806	870,426	1,196,215
Adjustment to provision	(49,133)	-	-	(49,133)
Disposals	(214,331)	(26,691)	(1,213,902)	(1,454,924)
At 30 June 2023	<u>1,647,841</u>	<u>231,649</u>	<u>2,745,818</u>	<u>4,625,308</u>
Accumulated depreciation				
At 1 July 2022	1,009,381	24,934	1,738,515	2,772,830
Charge for the year	243,035	57,645	707,927	1,008,607
Adjustment to provision	(49,133)	-	-	(49,133)
Disposals	(214,331)	(23,314)	(1,192,975)	(1,430,620)
At 30 June 2023	<u>988,952</u>	<u>59,265</u>	<u>1,253,467</u>	<u>2,301,684</u>
Net book value				
At 30 June 2022	<u>647,941</u>	<u>161,600</u>	<u>1,350,779</u>	<u>2,160,320</u>
At 30 June 2023	<u>658,889</u>	<u>172,384</u>	<u>1,492,351</u>	<u>2,323,624</u>

16. Right-of-use assets

Right-of-use assets capitalised on the balance sheet are as below:

	2023 £	2022 £
<i>Land and buildings</i>		
As at 1 July	5,455,099	7,809,340
Additions	-	50,040
Depreciation expense	(928,334)	(1,090,798)
Remeasurements	4,201	(1,056,028)
Asset abandonment	-	(257,456)
As at 30 June	<u>4,530,966</u>	<u>5,455,098</u>

17. Investments in subsidiary undertakings

	2023 £	2022 £
Cost/Net book value	<u>7,233</u>	<u>7,233</u>

Details of all companies in which CACI Limited holds a direct or indirect investment as at 30 June 2023 are as follows:

Name of company	Holding	Proportion of voting rights held	Nature of business	Date dissolved
Tomorrow Communications Limited	Ordinary shares	100%	Dissolved	24 January 2023
Purple Secure Systems Limited	Ordinary shares	100%	Dissolved	13 December 2022
Rockshore Limited	Ordinary shares	100%	Dissolved	14 February 2023
Rockshore Group Limited	Ordinary shares	100%	Dissolved	29 August 2023
Rockshore Corporation	Common stock	100%	Dissolved	16 May 2023
Stream:20 Limited	Ordinary shares	100%	Dissolved	29 August 2023
Stream:20 LLC	Common stock	100%	Dissolved	15 February 2024
Spargonet Consulting Limited	Ordinary shares	100%	Dissolved	13 December 2022
Mapmechanics Limited	Ordinary shares	100%	Dissolved	7 February 2023
MooD Enterprises Limited	Ordinary shares	100%	Dissolved	21 November 2023
MooD International Software Limited	Ordinary shares	100%	Dissolved	21 November 2023
Deep3 Software Limited	Ordinary shares	100%	Dissolved	7 November 2023
CACI Services India Private Limited	Ordinary shares	99.99%	Software development	
Bitweave Limited	Ordinary shares	100%	Dormant	

Rockshore Group Limited held a direct investment in Rockshore Limited and Rockshore Corporation. Stream:20 Limited held a direct investment in Stream:20 LLC.

Stream:20 LLC was incorporated in the United States and had a registered address of 5201 Great American Pkwy, Suite 320, Santa Clara, CA95054. Rockshore Corporation was incorporated in the United States and had a registered address of 205 Rockingham Row, Princeton, NJ08540.

CACI Services India Private Limited is incorporated in India and has a registered address of Unit 3B, Third Floor, 6-3-569/2, Vibrant Ford, Rockdale Compound, Somajiguda, Hyderabad, Telangana- 500082.

All other companies are incorporated in the United Kingdom and have a registered address of CACI House, Kensington Village, Avonmore Road, London, W14 8TS.

18. Business combinations

On 2 May 2023, CACI Limited purchased the entire share capital of Bitweave Limited, for total cash consideration of £14,273,561. Since the acquisition date, the acquired business has generated revenue of £889,671 and operating profit of £173,645.

£5,338,026 additional revenue would have been generated had the acquisition occurred at the start of the financial year.

The goodwill balance arising on the acquisition of subsidiary undertakings is reviewed for impairment. The review at 30 June 2023 resulted in no impairment.

CACI Limited
Notes to the financial statements
For the year ended 30 June 2023



18. Business combinations (continued)

The fair value of net assets at the date of acquisition was as follows:

	2023
	Bitweave Limited
	Fair value
	£
Cash at bank	1,911,188
Trade receivables and prepayments	1,113
Work in progress	417,253
Intangible assets	1,566,292
Trade payables	(66,973)
Deferred tax liability	(391,573)
Other provisions	(83,363)
Accruals and deferred income	(998,233)
	<u>2,355,704</u>
Net assets acquired	2,355,704
Goodwill	<u>11,917,857</u>
	<u>14,273,561</u>
Acquisition-date fair value of the total consideration transferred	<u>14,273,561</u>
Representing:	
Cash	13,773,561
Warranty retention	<u>500,000</u>
	<u>14,273,561</u>

19. Debtors

Trade debtors are non-interest bearing and are generally on terms of 30 to 90 days.

	2023	2022
	£	£
Trade debtors	21,488,775	19,895,509
Less: Allowance for expected credit losses	(77,244)	(300,720)
	<u>21,411,531</u>	<u>19,594,789</u>
Other debtors	172,228	20,660
Amounts recoverable from group undertakings	<u>52,231</u>	<u>139,559</u>
	<u>21,635,990</u>	<u>19,755,008</u>

20. Contract assets

Contract assets are initially recognised for revenue earned from services. Upon completion of services and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

20. Contract assets (continued)

	2023	2022
	£	£
Contract assets due in less than one year	13,569,802	14,139,893
Contract assets due after more than one year	<u>4,711,684</u>	<u>3,296,759</u>
	<u><u>18,281,486</u></u>	<u><u>17,436,652</u></u>

Significant changes in contract assets

Contract assets predominantly relate to software licences where revenue recognition occurs when the solution is transferred to the customer, but invoicing occurs over the contract life. Contract assets recognised during the financial year not yet billed totalled £14,528,926 (2022 - £12,976,848).

The contract asset balance for work completed but not invoiced on completion of a performance obligation, unwinds over the contract term. Contract assets are transferred to debtors when the right to consideration becomes unconditional, or conditional only on the passage of time. Contract assets reclassified during the financial year from the opening contract asset balance to debtors totalled £13,684,091 (2022 - £12,386,847).

21. Prepayments

	2023	2022
	£	£
Prepayments	<u>3,940,655</u>	<u>3,387,589</u>

Prepayments includes £322,322 (2022 – £103,895) due after more than one year.

22. Cash at bank and in hand

	2023	2022
	£	£
Cash at bank	<u>50,094,819</u>	<u>39,492,478</u>

The Company has an uncommitted overdraft facility of £500,000 (2021 - £500,000) which expired on 31 December 2022. The facility was renewed for another year in January 2023, and in January 2024. The facility is unsecured and was not utilised in 2023 (or 2022). The margin when drawn is 1.75% above base rate.

23. Contract liabilities

Contract liabilities represent the Company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Company has transferred the goods or services to the customer.

	2023	2022
	£	£
Contract liabilities	<u>12,721,618</u>	<u>11,867,677</u>

Significant changes in contract liabilities

The majority of software and data licences are invoiced annually in advance. Where these licences relate to CACI-hosted solutions, revenue is recognised over the period the service is available to the customer, creating a contract liability.

23. Contract liabilities (continued)

Delivery services are generally invoiced over the delivery period, creating a contract liability for the advanced consideration until the delivery is complete. Where the delivery relates to CACI-hosted solutions, revenue is recognised over the period the service is available to the customer, reducing the contract liability over time.

Where the delivery relates to an on-premise solution, the contract liability is released on delivery completion.

Support and maintenance contracts are usually invoiced annually in advance, creating a contract liability, which is released over the term of the maintenance period, as revenue is recognised.

Revenue recognised in the year of £11,675,979 (2022 - £10,210,257) was included in the opening contract liability.

Revenue billed in advance not recognised as revenue in the year was £12,721,618 (2022 - £11,867,677).

24. Lease liabilities

Set out below are the carrying amounts of lease liabilities for office buildings and the movements during the financial year:

	2023	2022
	£	£
<i>Land and buildings</i>		
As at 1 July	6,863,562	9,262,359
Additions	-	50,040
Accretion of interest	206,702	284,761
Payments	(1,209,195)	(1,677,570)
Remeasurements	(470,287)	(1,056,028)
As at 30 June	<u>5,390,782</u>	<u>6,863,562</u>
	2023	2022
	£	£
Current	1,243,897	1,357,857
Non-current	4,146,885	5,505,705

Termination options are included in a number of property leases for office buildings. These terms are used to maximise operational flexibility in terms of managing contracts if necessary. Notwithstanding, these are not expected to be used. There are no options to extend beyond the lease term in any of the Company's office leases.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	2023	2022
	£	£
<i>Land and buildings</i>		
Maturity analysis - undiscounted future minimum lease payments		
Within one year	1,277,044	1,305,280
One to five years	3,241,790	3,757,171
More than five years	1,332,433	2,093,823
Total undiscounted future lease payments	<u>5,851,267</u>	<u>7,156,274</u>

25. Lease Commitments

Future minimum rentals payable under non-cancellable operating leases are as follows:

	2023 £	2022 £
<i>Land and buildings</i>		
Committed at the reporting date but not recognised as liabilities, payable		
Within one year	47,617	24,000
One to five years	<u>22,000</u>	<u>—</u>
	<u>69,617</u>	<u>24,000</u>
<i>Equipment</i>		
Within one year	2,805	2,526
One to five years	<u>4,675</u>	<u>6,736</u>
	<u>7,480</u>	<u>9,262</u>

The Company has elected not to recognise a lease liability for short-term leases (leases with an expected term of 12 months or less) or for leases of low value assets.

26. Other creditors

	2023 £	2022 £
Deferred consideration	773,561	
Other creditors including other taxation and social security	7,002,203	5,922,509
Accruals	<u>15,144,427</u>	<u>14,267,157</u>
	<u>22,920,191</u>	<u>20,189,666</u>

The unpaid pension contributions outstanding at the year end, included in accruals are £569,600 (2022 – £481,024).

27. Amounts owed to group companies

	2023 £	2022 £
Amounts owed to group companies	<u>5,295,193</u>	<u>657,708</u>

Included in amounts owed to group undertakings is £244,955 payable to the immediate parent undertaking, CACI NV (2022 – £237,912 payable to the parent undertaking). This is denominated in euro and represents a funding balance on which there are no fixed repayment terms, and which is interest bearing. The net amount of interest payable during the financial year was £8,411 (2022 – £44,221).

28. Provision for liabilities

	2023 £	2022 £
National Insurance on Restricted Stock Units (RSUs)	499,382	452,914
Dilapidations	<u>637,380</u>	<u>700,785</u>
	<u>1,136,762</u>	<u>1,153,699</u>

28. Provision for liabilities (continued)

	NI on RSUs £	Dilapidations £	Total £
Balance at 1 July 2022	452,914	700,785	1,153,699
Created	46,468	-	46,468
Released	-	(63,405)	(63,405)
Utilised	-	-	-
Balance at 30 June 2023	<u>499,382</u>	<u>637,380</u>	<u>1,136,762</u>

Provision has been made for National Insurance Contributions on RSUs awarded since 1 July 1997 under unapproved share option schemes, which are expected to be exercised. The provision has been calculated based on the year-end share price of US\$340.84 (2022 – US\$281.78), and is being allocated over the period from the date of award to the date the employees will become unconditionally entitled to the RSUs.

Provision is made for the Company's obligations in relation to dilapidations clauses on its commercial property operating leases.

29. Called up share capital

	2023 Shares	2022 Shares	2023 £	2022 £
Ordinary shares of £1 each	<u>4,307,400</u>	<u>4,307,400</u>	<u>4,307,400</u>	<u>4,307,400</u>

Ordinary shares

Authorised, issued and fully paid ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

30. Share premium account

	2023 £	2022 £
Share Premium	<u>17,641,600</u>	<u>17,641,600</u>

The Share Premium is the excess of the amount paid for the issued share capital in excess of the nominal value.

31. Dividends

Dividends paid during the financial year were as follows:

	2023 £	2022 £
No dividend for the year ended 30 June 2023 (2022: Interim dividend of £2.21 per ordinary share)	<u>-</u>	<u>9,500,000</u>

32. Share-based payments

Under the terms of its Stock Incentive Plans, CACI International Inc. (CACI) may issue non-qualified stock options, restricted stock, restricted stock units (RSUs) and stock-settled stock appreciation rights (SSARs) to senior key management of the Company. During the periods presented, all grants were made in the form of RSUs.

The cost of the equity instruments is recharged to the Company through the intercompany account with CACI International Inc. based upon the grants issued to scheme members. RSUs vest rateably over a three or four-year period, depending on the year of grant.

In September 2022, the Company made its annual grant to its key employees consisting of Performance RSUs (PRSUs). The final number of such performance-based RSUs which will be considered earned by the participants and eventually vest is based on the achievement of a specified earnings per share (EPS) of CACI for the year ending 30 June 2023 and on the average share price of CACI stock for the 90-day periods ending 30 September 2023, 2024 and 2025 as compared to the average share price for the 90-day period ended 30 September 2022. PRSUs were earned since the specified EPS for the fiscal year ending 30 June 2022 was met. If EPS for the year ending 30 June 2022 exceeds the specified EPS and the average share price of CACI's stock for the 90-day periods ending 30 September 2023, 2024 and 2025 exceeds the average share price of CACI's stock for the 90-day period ended 30 September 2022 by 100 percent or more, then an additional number of RSUs could be earned by participants. In addition to the performance and market conditions, there is a service vesting condition which stipulates that 50 percent of the earned award will vest on 1 October 2025 and 50 percent of the earned award will vest on 1 October 2026, in both cases dependent upon continuing service by the grantee as an employee of the Company, unless the grantee is eligible for earlier vesting upon retirement or certain other events.

All RSUs vest at the market value on the date of the vesting.

The number of RSUs exercised and outstanding in 2023 and 2022, and the Weighted Average Grant-Day Fair Value (WAGDFV) of the RSUs are as follows:

	WAGDFV 2023 No.	WAGDFV 2023 £	WAGDFV 2022 No.	WAGDFV 2022 £
Exercised	7,329	165.22	8,879	115.22
Outstanding at 30 June	19,848	196.86	21,015	174.77
Weighted average remaining life (years)	1.02	-	1.23	-

33. Related party transactions

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

34. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking on 30 June 2023 was CACI NV, a company incorporated in The Netherlands.

On the 28th December 2023 CACI NV changed its name and structure to CACI Holdings BV.

In the opinion of the directors the Company's ultimate parent undertaking and controlling entity is CACI International Inc., a company incorporated in the State of Delaware in the United States of America. CACI International Inc. is the smallest and largest parent undertaking which prepares group financial statements, copies of which are available from 12021 Sunset Hills Road, Reston, VA 20190, USA.

35. Events after the reporting period

On 1 November 2023, the Company acquired 100% of the outstanding shares of Cyber-Duck Limited, a digital transformation agency that specialises in user experience (UX), software development and digital optimisation.

35. Events after the reporting period (continued)

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.