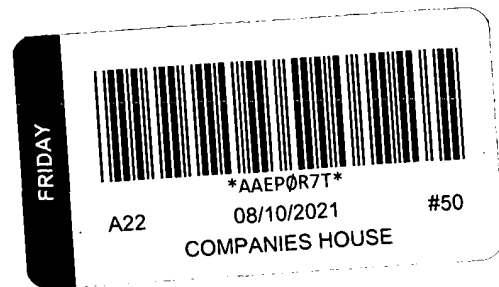


**INTY LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020**



**INTY LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	M Dean (appointed 1 July 2019) S Jones (appointed 8 January 2021) T Aboualam (resigned 1 July 2019) M Doukanish (resigned 1 July 2019) C Joseph (resigned 1 July 2019) G Lyons (appointed 1 July 2019, resigned 8 January 2021) M Morgan (appointed 1 July 2019, resigned 28 February 2020) O Sawirish (resigned 1 July 2019)
<b>Company secretary</b>	M Dean
<b>Registered number</b>	03438922
<b>Registered office</b>	170 Aztec West Bristol BS32 4TN
<b>Independent auditors</b>	Grant Thornton UK LLP Chartered Accountants & Senior Statutory Auditor Seacourt Tower Botley Oxford OX2 0JJ

**INTY LIMITED**

**CONTENTS**

	Page
<b>Strategic Report</b>	1 - 6
<b>Directors' Report</b>	7 - 9
<b>Independent Auditors' Report</b>	10 - 13
<b>Statement of Comprehensive Income</b>	14
<b>Statement of Financial Position</b>	15
<b>Statement of Changes in Equity</b>	16
<b>Notes to the Financial Statements</b>	17 - 40

## INTY LIMITED

### STRATEGIC REPORT FOR THE PERIOD ENDED 30 JUNE 2020

#### Introduction

intY Limited is a global organization providing Cloud based applications and Software as a Service solution from a single marketplace, CASCADE. The services are delivered to customers largely through 'the channel' to commercial organizations of varying sizes by channel partners across Europe, with CASCADE providing a single 'one stop shop' for the order, provision and billing. With strong expertise in the activation and support of cloud applications, intY Limited continues to offer value add to channel partners by offering 3rd party support as a service.

intY Limited was founded in 1997 and has been involved in delivering IT applications on a subscription basis via channel partners for many years and boasts success as a Microsoft Syndication and CSP Partner, Symantec European Channel Distributor along with many other partnerships with other leading Cloud service providers.

#### Business review

The company-generated revenue for the 18 months ended 30 June 2020 of £44,129,000 (12 months ended 31 December 2018: £17,884,000) and a loss after taxation for the 18 months ended 30 June 2020 of £(461,000) (profit after taxation for the 12 months ended 31 December 2018: £351,000). The decrease in profit is predominantly due to investment in staff and the CASCADE platform. The Statement of Comprehensive Income is set out on page 14.

#### Principal risks and uncertainties

In common with all businesses, the Company could be affected by risks and uncertainties that may have a material adverse effect on its business operations and achieving its strategic objectives including its business model, future performance, solvency, liquidity and/or reputation. These risks could cause actual results to differ materially from forecasts or historic results. Accepting that risk is an inherent part of doing business, the Company is mindful of the interdependencies of some risks.

Where possible, the Company seeks to mitigate risks through its internal controls and insurance, but this can only provide reasonable assurance and not absolute assurance against material losses.

The following are the principal risks and uncertainties, potential impacts and mitigations that are relevant to the Company as a provider of software products and associated services at this time. They do not comprise all of the risks associated with the Company and are not set out in priority order. Additional risks not presently known to management, or currently deemed to be less material, may also have an adverse effect on the Company.

The Company believes that the risks and uncertainties described below are the ones that may have the most significant impact on the future operations of the Company.

#### Go-To-Market ("GTM") models

For the Company to succeed in meeting revenue and growth targets, it requires successful GTM models across the full Product Portfolio, with effective strategies and plans to exploit all routes to market, including direct and channel/partner led sales. In addition, the Company must focus the sales force on targeted customer segments and ensure appropriate responses to the market dynamics related to changes in customer buying behaviours. Effective GTM models may be more successful if accompanied by compelling brand awareness programmes. The Company is dependent upon the effectiveness of its sales force and distribution channels to drive sales.

Poor design and/or execution of GTM plans may limit the success of the Company by targeting the wrong customers through the wrong channels and positioning the wrong product or solution offerings, reducing the value that customers receive from the Company.

There are continual reviews of the GTM function to improve overall productivity and predictability of performance. There has been good progress in the development of the Group's customer and partner propositions in the period.

The Company has great depth of capability and experience to help its customers address some of the most

## INTY LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2020

complex challenges they face and to best enable the Company's customers and exploit this breadth and depth, it is aligning resources and developing compelling propositions across our product offerings.

Sales execution has received considerable attention and improvement measures have focused on improving consistency and improving the organisational structure to support more effective and efficient decision making, greater accountability and a holistic approach to customer success. Further measures are being put in place to improve predictability. Organisational changes have also been made to align marketing and the sales team.

#### **Brand reputation**

Our brand has significant commercial value. Erosion of the brand, through either a single event, or series of events, may adversely impact our strong position with customers and ultimately affect our future revenue and profitability.

The management team regularly monitors customer satisfaction through Customer Surveys and contact.

#### **Competition**

Failure to understand the competitive landscape adequately and thereby identify where competitive threats exist may damage the successful sales of the Company's products. If the Company is not able to compete effectively against its competitors, it is likely to lose customers and suffer a decrease in sales, which may result in lost market share and weaker financial performance.

The market in which the company operates is highly competitive. We face direct competition from other indirect service providers. Some competitors have cost structures that are lower than ours or have other competitive advantages such as size.

Our quality of staff, strong reputation, brand awareness, CASCADE platform and market positioning continue to address this risk.

Customer surveys and customer consultation are used to validate product direction – both standalone and in the context of competitors. intY Limited continues to monitor and review intelligence on market threats to focus on offering best in class service to customers. Marketing and product teams monitor a variety of metrics to analyse customer satisfaction relative to industry benchmarks. The Company works closely with its vendors, such as Microsoft, to ensure strong relationships and best practice and that we focus on key requirements.

#### **Employees**

The retention and recruitment of highly skilled and motivated employees, at all levels of the Company, is critical to the success and future growth of the Company. Employees require clear business objectives, and well communicated vision and values, for the Company to achieve alignment and a common sense of corporate purpose among the workforce.

Failure to retain and develop skill sets, particularly in sales and research and development, may hinder the Company's sales and development plans. Weak organisational alignment and inadequate incentivisation may lead to poor performance and instability. It could also have an adverse impact on the realisation of strategic plans.

The Company concentrating on developing the most appropriate culture, aligned to driving productive management behaviours focused on delivering business priorities, is critical. Leading by example from the top is a key driver.

The Company has policies in place to help ensure that it is able to attract and retain employees of a high calibre with the required skills.

#### **Pandemic**

The global coronavirus pandemic involving the spread of Covid-19 presents a number of different risks to the business. The spread is rapid and the global economic outlook uncertain.

## INTY LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2020

The risks of adverse health and safety, operational and financial impacts arising from the pandemic and the associated governmental responses could be significant.

The safety of our employees and those in our care is our first priority and is at the forefront of our response to the pandemic. We quickly mobilised all staff to work from home and cancelled all business travel. No staff were furloughed. Mental and physical health was prioritised with regular contact to support wellbeing. Social initiatives were implemented to combat isolation and boost morale. Flexibility and staff autonomy was promoted and training made available on managing teams remotely with support and guidance from HR.

We are working diligently supporting our employees who are all working from home. We actively include our staff in any decision making and supply regular updates. We are responding dynamically to the rapidly changing situation that the Coronavirus pandemic has created and following all Government guidelines. We are planning for the potential change in future working practices including updating our 'remote working policy' and preparing our offices for any 'post-pandemic' return.

We provide essential services for our customers and the continuation of these services is a key priority. We are working closely with customers to understand their actions in response to the pandemic. We have also taken advantage of the VAT Deferral scheme.

Currently we have not been significantly affected. We will continue with our current focused management approach to protect the company and its key stakeholders until the impact of Covid-19 abates. Our priorities remain the health and safety of our staff, customer service, financial discipline and business continuity.

#### **IT Systems and business information**

The Company's operations, as with most businesses, are dependent on maintaining and protecting the integrity and security of the IT systems and management of information. In particular we are dependent on our CASCADE platform.

Disruption to the IT systems could adversely affect business and Company operations in a variety of ways, which may result in an adverse impact on business operations, revenues, customer relations, supplier relations, and reputational damage.

To maintain the required control environment the Company relies upon automated, semi-automated and manual controls together with a combination of preventative and detective controls.

The Company continues to invest in its CASCADE platform to ensure stability and that it meets the current and future requirements of its customers. Disaster recovery and business continuity plans are in place to mitigate these risks to the extent feasible and are regularly reviewed.

The Company is also investing in Business Intelligence to improve our working practices and quality of management information.

#### **Cyber security**

There could be a data security breach (Company data or customer data) involving personal, commercial or product data, either directly from the Company or a third party. This could occur as a result of a malicious or criminal act, or an inadvertent system error.

This could result in data loss, which could harm client and customer relationships, compliance and/or perception of the effectiveness of the Group's services.

The Company works continually to counter the risk posed by the current and emerging cyber security threat landscape.

Technology and training programmes to protect the performance, security and availability of the Company's IT systems are supported by the Group's specialists. Group-wide cyber policies and processes are in place. The threat posture is continually reviewed and managed.

## INTY LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2020

#### Legal and regulatory compliance

Compliance with national and regional laws and regulations is essential to successful business operations.

The Company may be involved in legal and other proceedings from time to time, and as a result may face damage to its reputation or legal liability.

The Group has a variety of customer contracts in a variety of Sectors.

Failure to comply could result in civil or criminal sanctions (i.e. personal liability for directors), as well as possible claims, legal proceedings, fines, loss of revenue and reputational damage.

The Company has in place policies and procedures to mitigate these risks. The Company has access to the Group's legal team, enhanced by specialist external advisors as required, to aid monitoring and review compliance.

#### Internal controls over financial reporting

Internal controls over financial reporting may not prevent or detect an error, fraud, financial misstatement or other financial loss, leading to a material misstatement in the Group's financial statements.

Failure to discover and address any material weaknesses or deficiencies in the Group's internal controls over financial reporting could result in material misstatement in the Company's financial statements and impair the Company's ability to comply with applicable financial reporting requirements and related regulatory filings on a timely basis.

The Company regularly reviews and where required, updates its internal controls.

The Company is committed to ensuring on-going compliance with anti-bribery and corruption, data protection and market abuse and insider dealing laws and has in place a Code of Conduct with supporting training materials. Mandatory Code of Conduct training was rolled out and completed by all employees.

The Group maintains processes and policies to ensure it is compliant with data protection requirements imposed by data protection and privacy laws, including GDPR.

#### Financial Risks

The main financial risks faced by the Company relate to fluctuations in foreign exchange rates, the risk of default by counterparties to financial transactions and the availability of funds to meet business needs. The management of these risks is set out below.

#### Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations leading to a financial loss for the Company. Credit risk arises from cash and cash equivalents, Trade and other receivables (excluding prepayments), Derivative financial instruments, Loans and advances to customers and banks, financial assets at fair value through other comprehensive income and Short-term investments.

The Company does not hold financial assets (other than Trade and other receivables).

#### Liquidity Risk

The Company finances its liquidity position and its operations by maintaining a prudent level of cash to meet liquidity needs as they arise. The Company is also supported by its owners if required.

To maintain a smooth debt Liquidity risk is continuously monitored by short-term and long-term cash flow forecasts.

## INTY LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2020

#### Foreign Exchange Risk

The Company is exposed to foreign exchange risk principally via:

Transactional exposure that arises from the cost of purchases for resale, where those purchases are denominated in a currency other than the functional currency of the purchasing company.

Transactions with non-UK Group companies in currencies other than in the Company's functional currency. The Company's owners operate currency hedging and will offer support if required.

#### Key supplier risk

We are dependent on suppliers for continued operations. The failure of a key supplier to deliver contractual obligations may cause significant disruption to our operation. Supplier relationships are key to our operations. The Company maintains close contact and monitors any potential risk.

#### Key performance indicators

The financial performance and position of the company are in line with the directors' expectations. Those that specifically relate to the company are as follows:

Financial - The company considers revenue, operating profit, operating margin and net cash flow from operating activities to be its principal financial key performance indicators.

Non-financial - Health and safety, energy efficiency, emissions, use of recycled products and waste managed are principal areas of focus for the company.

#### Going concern

In determining the appropriate basis of preparation of the financial statements for the period ended 30 June 2020, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future.

The Board has concluded that it is appropriate to adopt the going concern basis having considered forecasts prepared by the Company up to 30 June 2023, a period of at least 12 months from the date of signing these financial statements. These considerations included the outlook of cloud-based SaaS products, the Company's liquidity position and the risk mitigation options that are within the control of the Directors, all taking into account the potential impacts of the Coronavirus pandemic and BREXIT.

The financial statements are prepared on a going concern basis notwithstanding that the Company has reported a loss after taxation for the 18 months ended 30 June 2020 of £461,000 (profit after taxation for the 12 months ended 31 December 2018 £351,000). The Company has net current assets of £853,000 (12 months ended 31 December 2018 £1,780,000).

**INTY LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE PERIOD ENDED 30 JUNE 2020**

**Business Outlook and Sensitised Cash Flow Projection**

When assessing going concern, the Directors evaluate whether the Company's cash on hand and cash generated by operations are sufficient to cover day-to-day working capital requirements and that there is no shortfall of liquidity during the going concern period. Working capital can appear low due to the nature of the business where cash collections are automated, month end Trade Debtors are kept low with very rare bad debts, but month end Trade Creditors will be higher due to the utilisation of agreed credit terms.

Other than VAT and inter-company balances the company does not have significant third-party loans which require repayment.

Base and discounted projected cash flow forecasts have been prepared over a three-year period using discount rates of 2.5% and 30%. All of which show positive cashflows over the period. The analysis represents the Company's reasonable estimate of the likely range of impacts of the Coronavirus pandemic and Brexit on the business. This includes the potential for various global or local rolling lockdowns in the jurisdictions which the company operates.

Although the Coronavirus pandemic has added complexity to the business environment, the Company has performed well and the demand for the products and services sold has shown no decline. With the potential change in working practices, it is expected that the demand for cloud-based SaaS products will not diminish and is likely to increase.

Based on current understanding, although there will be some potential administrative changes, BREXIT is not expected to have significant financial consequences on the period of at least 12 months from the date of signing these financial statements.

Following the owners' strategic plans, the Group requires and supports the company's continued investment in its CASCADE platform.

In the event that the Company's cash on hand and cash generated by operations should become insufficient to cover day-to-day working capital requirements or meet its liabilities as they fall due, the owners have confirmed their intention to support the company financially for at least 12 months from the date of the approval of these financial statements.

Letters of support from the owners have been obtained confirming this position.

Based on the above, the Directors expect that the Company will continue in operational existence and expects to have sufficient assets to meet its third-party obligations as the fall due for at least the next twelve months after the date of the approval of these financial statements. As a result, the Directors continue to adopt the assumption of going concern basis of accounting in preparing the Company's financial statements for the period ended 30 June 2020.

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



**S Jones**  
Director

Date: 6/10/2021

## INTY LIMITED

### DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2020

The directors present their report and the financial statements for the period ended 30 June 2020.

#### Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

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

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

#### Principal activity

The company's principal activity in the period was the supply of cloud applications and services to customers via both direct and reseller channels using its intellectual property, CASCADE, for the seamless provisioning, billing and self-service management of those cloud applications and services. Third party services also made a contribution to growth.

#### Results and dividends

The loss for the period, after taxation, amounted to £461,000 (2018 - profit £351,000).

No dividends were proposed in the current or the prior period.

#### Directors

The directors who served during the period were:

M Dean (appointed 1 July 2019)  
T Aboualam (resigned 1 July 2019)  
M Doukanish (resigned 1 July 2019)  
C Joseph (resigned 1 July 2019)  
G Lyons (appointed 1 July 2019, resigned 8 January 2021)  
M Morgan (appointed 1 July 2019, resigned 28 February 2020)  
O Sawirish (resigned 1 July 2019)

## INTY LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2020

#### Future developments

In the coming months, we will continue to manage the impact of COVID-19 and Brexit. The Company will continue to invest in its platform; CASCADE and expand its offerings by on-boarding new services and vendors. We will be building on our already strong relationships with vendors and the level of service we provide to our customers. To support this, intY Limited will continue to invest in its staff and business intelligence.

#### Financial instruments

The company's principal financial instruments comprise cash, trade creditors, trade debtors, and loans with group companies and finance lease agreements. These form the company's day-to-day trading balances.

#### Company's policy for payment of creditors

It is the company's policy to pay suppliers in accordance with agreed terms. At the period end, there were 30 days (2018:37 days) purchases in trade payables.

#### Research and development activities

The company continues to develop products in the cloud computing market and has capitalised £652,000 in 18 months to 30 June 2020 (12 months to 31 December 2018: £430,000) in respect of internally developed solutions that are expected to generate future incomes.

The company capitalises expenditure on development activities where it meets the requirements of UK accounting standards for capitalisation.

#### Matters covered in the strategic report

In accordance with S414C (11) of the Companies Act 2006 the directors have opted to include information regarding financial risk management and objectives in the Strategic Report.

#### Disclosure of information to auditors

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### Post balance sheet events

There are no post balance sheet events which impact the company.

#### Auditors

The auditors, Grant Thornton UK LLP were appointed during the year to fill a casual vacancy and will be proposed for reappointment in line with section 485 of the Companies Act 2006.

**INTY LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE PERIOD ENDED 30 JUNE 2020**

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



S Jones  
Director

Date: 6/10/2021

## INTY LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTY LIMITED

#### Opinion

We have audited the financial statements of IntY Limited (the 'Company') for the period ended 30 June 2020, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2020 and its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### The impact of uncertainties arising from the UK exiting the European Union on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with a course of action such as Brexit.

## INTY LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTY LIMITED (CONTINUED)

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the directors' conclusions, we considered the risks associated with the company's business, including effects arising from Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

#### Other information

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

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

#### Opinion on other matters prescribed by the Companies Act 2006

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

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

## INTY LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTY LIMITED (CONTINUED)

#### **Matter on which we are required to report under the Companies Act 2006**

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

#### **Matters on which we are required to report by exception**

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

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

#### **Responsibilities of directors for the financial statements**

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

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

#### **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 Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

#### **Use of our report**

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

**INTY LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTY LIMITED (CONTINUED)**

*Grant Thornton UK LLP*

Mark Bishop FCA (Senior Statutory Auditor)

for and on behalf of

**Grant Thornton UK LLP**

Chartered Accountants & Senior Statutory Auditor

Seacourt Tower

Botley

Oxford

OX2 0JJ

Date: 6/10/2021

## INTY LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 JUNE 2020

	Note	18 months ended 30 June 2020 £000	Year ended 31 December 2018 £000
Turnover	4	44,129	17,884
Cost of sales		(37,721)	(13,853)
<b>Gross profit</b>		<b>6,408</b>	4,031
Administrative expenses		(7,066)	(3,681)
<b>Operating (loss)/profit</b>	5	<b>(658)</b>	350
Interest receivable and similar income	9	75	129
Interest payable and expenses	10	(1)	(10)
<b>(Loss)/profit before tax</b>		<b>(584)</b>	469
Tax on (loss)/profit	11	123	(118)
<b>(Loss)/profit for the financial period</b>		<b>(461)</b>	351

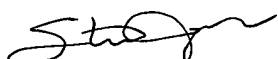
There was no other comprehensive income for 2020 (2018:£000NIL).

The notes on pages 17 to 40 form part of these financial statements.

**INTY LIMITED**  
**REGISTERED NUMBER: 03438922**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

	Note	30 June 2020 £000	31 December 2018 £000
<b>Non-current assets</b>			
Intangible assets	12	864	686
Tangible assets	13	746	190
		<u>1,610</u>	<u>876</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	14	6,694	4,150
Cash and cash equivalents	15	2,278	1,510
		<u>8,972</u>	<u>5,660</u>
Creditors: amounts falling due within one year	16	(8,119)	(3,880)
		<u>853</u>	<u>1,780</u>
<b>Net current assets</b>		<u>853</u>	<u>1,780</u>
<b>Total assets less current liabilities</b>		<u>2,463</u>	<u>2,656</u>
Creditors: amounts falling due after more than one year	17	(265)	(10)
		<u>2,198</u>	<u>2,646</u>
<b>Provisions for liabilities</b>			
Deferred taxation	20	(13)	-
		<u>2,185</u>	<u>2,646</u>
<b>Net assets</b>		<u><u>2,185</u></u>	<u><u>2,646</u></u>
<b>Capital and reserves</b>			
Called up share capital	21	43	43
Share premium account	22	1,773	1,773
Profit and loss account	22	369	830
		<u>2,185</u>	<u>2,646</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**S Jones**  
Director

Date: 6/10/2021

The notes on pages 17 to 40 form part of these financial statements.

## INTY LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 JUNE 2020

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
<b>At 1 January 2018</b>	43	1,773	479	2,295
Profit for the year	-	-	351	351
<b>At 1 January 2019</b>	43	1,773	830	2,646
Loss for the period	-	-	(461)	(461)
<b>At 30 June 2020</b>	43	1,773	369	2,185

The notes on pages 17 to 40 form part of these financial statements.

## INTY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

#### 1. General information

The company is a private company limited by shares and is incorporated and domiciled in England and Wales. Its registered office and principal place of business is 170 Aztec West, Bristol, BS32 4TN.

The principal activity of the company is the supply of cloud applications and services to customers via both direct and reseller channel using its intellectual property, CASCADE, for the seamless provisioning, billing and self service management of those cloud applications and services.

The financial statements are prepared for a period of 18 months from the 1 January 2019 to 30 June 2020 following the extension of the company's year end to bring it in line with the ultimate parent company. As a result the comparatives are not entirely comparable as they present a 12 month period.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

## INTY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

#### 2. Accounting policies (continued)

##### 2.2 Financial reporting standard 101 - reduced disclosure exemptions

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

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in 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
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

##### 2.3 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of a non-EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

**INTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020**

**2. Accounting policies (continued)**

**2.4 Going concern**

In determining the appropriate basis of preparation of the financial statements for the period ended 30 June 2020, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future.

The Board has concluded that it is appropriate to adopt the going concern basis having considered forecasts prepared by the Company up to 30 June 2023, a period of at least 12 months from the date of signing these financial statements. These considerations included the outlook of cloud-based SaaS products, the Company's liquidity position and the risk mitigation options that are within the control of the Directors, all taking into account the potential impacts of the Coronavirus pandemic and BREXIT.

The financial statements are prepared on a going concern basis notwithstanding that the Company has reported a loss after taxation for the 18 months ended 30 June 2020 of £461,000 (profit after taxation for the 12 months ended 31 December 2018 £351,000). The Company has net current assets of £853,000 (12 months ended 31 December 2018 £1,780,000).

**Business Outlook and Sensitised Cash Flow Projection**

When assessing going concern, the Directors evaluate whether the Company's cash on hand and cash generated by operations are sufficient to cover day-to-day working capital requirements and that there is no shortfall of liquidity during the going concern period. Working capital can appear low due to the nature of the business where cash collections are automated, month end Trade Debtors are kept low with very rare bad debts, but month end Trade Creditors will be higher due to the utilisation of agreed credit terms.

Other than VAT and inter-company balances the company does not have significant third-party loans which require repayment.

Base and discounted projected cash flow forecasts have been prepared over a three-year period using discount rates of 2.5% and 30%. All of which show positive cashflows over the period. The analysis represents the Company's reasonable estimate of the likely range of impacts of the Coronavirus pandemic and Brexit on the business. This includes the potential for various global or local rolling lockdowns in the jurisdictions which the company operates.

Although the Coronavirus pandemic has added complexity to the business environment, the Company has performed well and the demand for the products and services sold has shown no decline. With the potential change in working practices, it is expected that the demand for cloud-based SaaS products will not diminish and is likely to increase.

Based on current understanding, although there will be some potential administrative changes, BREXIT is not expected to have significant financial consequences on the period of at least 12 months from the date of signing these financial statements.

In the event that the Company's cash on hand and cash generated by operations should become insufficient to cover day-to-day working capital requirements or meet its liabilities as they fall due, the owners have confirmed their intention to support the company financially for at least 12 months from the date of the approval of these financial statements.

Letters of support from the owners have been obtained confirming this position.

**INTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020**

**2. Accounting policies (continued)**

**2.4 Going concern (continued)**

Based on the above, the Directors expect that the Company will continue in operational existence and expects to have sufficient assets to meet its third-party obligations as the fall due for at least the next twelve months after the date of the approval of these financial statements. As a result, the Directors continue to adopt the assumption of going concern basis of accounting in preparing the Company's financial statements for the period ended 30 June 2020.

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020

## 2. Accounting policies (continued)

## 2.5 Impact of new international reporting standards, amendments and interpretations

## IFRS 16

The Company has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019.

On transition to IFRS 16, the Company elected to apply the following practical expedients:

- for leases previously classified as operating leases under IAS 17 -
- the Company has applied a single discount rate to a portfolio of leases with similar characteristics.
- the Company has applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of remaining lease term at the date of application.

For leases that were classified as finance leases under IAS 17, the carrying amount of the right-of-use asset and the lease liability at 1 January 2019 are determined at the carrying amount of the lease asset and lease liability under IAS 17 immediately before that date.

The following tables summarise the impacts of adopting new reporting standards on the Company's financial statements.

## Statement of Financial Position (extract)

	31 December 2018 As originally presented £000	IFRS 16 £000	1 January 2019 Adjusted balance £000
<b>Non-current assets</b>			
Intangible assets	686	-	686
Tangible assets	190	487	677
	<u>876</u>	<u>487</u>	<u>1,363</u>
<b>Current assets</b>			
Debtors	4,150	-	4,150
Cash and cash equivalents	1,510	-	1,510
	<u>5,660</u>	<u>-</u>	<u>5,660</u>
<b>Total current assets</b>	<u>5,660</u>	<u>-</u>	<u>5,660</u>
Creditors: amounts falling due within one year	(3,880)	(113)	(3,993)
	<u>1,780</u>	<u>374</u>	<u>2,154</u>
<b>Total assets less current liabilities</b>	<u>1,780</u>	<u>374</u>	<u>2,154</u>
Creditors: amounts falling due after more than one year	(10)	(374)	(384)
	<u>2,646</u>	<u>-</u>	<u>2,646</u>
<b>Net assets</b>	<u><u>2,646</u></u>	<u><u>-</u></u>	<u><u>2,646</u></u>

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020

## 2. Accounting policies (continued)

Impact of new international reporting standards, amendments and interpretations  
2.5 (continued)

## Statement of Financial Position (extract) (continued)

	31 December 2018 As originally presented £000	IFRS 16 £000	1 January 2019 Adjusted balance £000
<b>Capital and reserves</b>			
Called up share capital	43	-	43
Share premium account	1,773	-	1,773
Profit and loss account	830	-	830
	<u>2,646</u>	<u>-</u>	<u>2,646</u>

## 2.6 Foreign currency translation

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

## 2.7 Revenue

Revenue is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts. Profit is recognised on bespoke customer project work, if the final outcome can be assessed with reasonable certainty by including turnover and related costs as the project activity progresses. Revenue and profit for license products are recognised on a straight line basis over the life of the contract.

**INTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020**

**2. Accounting policies (continued)**

**2.8 Leases**

**The Company as a lessee**

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

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

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;

The lease liability is included in 'Creditors' on the Statement of Financial Position.

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

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

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

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

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

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

The right-of-use assets are included in the 'Tangible Assets' line in the Statement of Financial Position.

## INTY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

#### 2. Accounting policies (continued)

##### 2.8 Leases (continued)

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 2.15.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

##### 2.9 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which is 3 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

##### 2.10 Interest income

Interest income is recognised in profit or loss using the effective interest method.

##### 2.11 Finance costs

*Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.*

##### 2.12 Pensions

###### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020**2. Accounting policies (continued)****2.13 Current and deferred taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2.14 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The estimated useful lives range as follows:

Computer software	-	3	years
Development expenditure	-	3	years

**2.15 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

## INTY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

#### 2. Accounting policies (continued)

##### 2.15 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Long-term leasehold property	-	over the life of the lease
Fixtures and fittings	-	3 years
Computer equipment	-	3 years
Right-to-use assets	-	over the life of the lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

##### 2.16 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.17 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.18 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

##### 2.19 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

## INTY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

#### 2. Accounting policies (continued)

##### 2.20 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

##### **Financial assets**

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

##### **Debt instruments at amortised cost**

Debt instruments are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling the financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

##### **Impairment of financial assets**

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised or at FVOCI. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

##### **Financial liabilities**

##### **At amortised cost**

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make 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 outcome could differ from those estimates. The following estimates have the most significant effect on amounts recognised in the financial statements.

**Turnover**

Following detailed quantification of the company's contracts and the turnover derived from them, the directors are satisfied that turnover is recognised when, and to the extent that, the company obtains the right to consideration, which is derived on a contract-by-contract basis from an assessment of the fair value of the goods or services provided as at the reporting date as a proportion of the total fair value of each contract.

**Capitalisation of research and development costs**

In line with IAS38, It is company policy to capitalise and amortise development expenditure for the production of new or substantially improved internal-use software. Such expenditure is amortised over the period which the directors expect to obtain economic benefits. Costs incurred for implementation activities during the preliminary and post-implementation phases of a project are expensed as incurred, while costs incurred during the application development phase are capitalized. Costs incurred to upgrade or enhance existing software are capitalized if the changes result in additional functionality. This policy includes judgments regarding the initial recognition of the asset based upon expected future net revenues and when software or 'module' is released or becomes ready for its intended use. It also includes estimations regarding the useful life of the intangible asset and period of amortisation.

**4. Turnover**

The whole of the turnover is attributable to the principal activity of the business which is disclosed in note 1 to the financial statements.

Analysis of turnover by country of destination:

	<b>18 months ended 30 June 2020 £000</b>	Year ended 31 December 2018 £000
United Kingdom	<b>41,607</b>	16,554
Rest of Europe	<b>2,522</b>	1,330
	<b>44,129</b>	17,884

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020

## 5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	<b>18 months ended 30 June 2020 £000</b>	Year ended 31 December 2018 £000
Research & development charged as an expense	-	15
Depreciation of tangible fixed assets	228	63
Amortisation of intangible assets, including goodwill	664	393
Operating leases	183	122
Defined contribution pension cost	157	56
	<u>          </u>	<u>          </u>

## 6. Auditors' remuneration

	<b>18 months ended 30 June 2020 £000</b>	Year ended 31 December 2018 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	36	25
	<u>          </u>	<u>          </u>
<b>Fees payable to the Company's auditor and its associates in respect of:</b>		
Taxation compliance services	-	5
All other services	-	4
	<u>          </u>	<u>          </u>
	<u>          </u>	<u>          </u>

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020

## 7. Employees

Staff costs, including directors' remuneration, were as follows:

	<b>18 months ended 30 June 2020 £000</b>	Year ended 31 December 2018 £000
Wages and salaries	4,801	2,490
Social security costs	575	277
Cost of defined contribution scheme	157	56
	<u>5,533</u>	<u>2,823</u>

The average monthly number of employees, including the directors, during the period was as follows:

	<b>18 months ended 30 June 2020 No.</b>	Year ended 31 December 2018 No.
Administrative	50	43
Sales	17	14
	<u>67</u>	<u>57</u>

## 8. Directors' remuneration

	<b>18 months ended 30 June 2020 £000</b>	Year ended 31 December 2018 £000
Directors' emoluments	131	221
	<u>131</u>	<u>221</u>

During the period retirement benefits were accruing to 1 director (2018 - 1) in respect of defined contribution pension schemes.

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020

## 9. Interest receivable

	18 months ended 30 June 2020 £000	Year ended 31 December 2018 £000
Interest receivable from group companies	75	127
Other interest receivable	-	2
	<u>75</u>	<u>129</u>

## 10. Interest payable and similar expenses

	18 months ended 30 June 2020 £000	Year ended 31 December 2018 £000
Loans from group undertakings	1	10
	<u>1</u>	<u>10</u>

## 11. Taxation

	18 months ended 30 June 2020 £000	Year ended 31 December 2018 £000
<b>Corporation tax</b>		
Current tax on profits for the year	(175)	118
Adjustments in respect of previous periods	39	-
	<u>(136)</u>	<u>118</u>
<b>Total current tax</b>	<u>(136)</u>	<u>118</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	13	-
<b>Total deferred tax</b>	<u>13</u>	<u>-</u>
<b>Taxation on (loss)/profit on ordinary activities</b>	<u>(123)</u>	<u>118</u>

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020

## 11. Taxation (continued)

## Factors affecting tax charge for the period/year

The tax assessed for the period/year is lower than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	18 months ended 30 June 2020 £000	Year ended 31 December 2018 £000
(Loss)/profit on ordinary activities before tax	(584)	468
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	(111)	89
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	10	14
Capital allowances for period/year in excess of depreciation	10	5
Deferred tax not previously provided	(34)	-
Adjustments to tax charge in respect of prior periods	39	10
Non-taxable income	(37)	-
<b>Total tax charge for the period/year</b>	<b>(123)</b>	<b>118</b>

## Factors that may affect future tax charges

Deferred tax is provided at 19%, the rate substantively enacted at the balance sheet date.

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020

## 12. Intangible assets

	Customer relationships £000	Development expenditure £000	Computer software £000	Total £000
<b>Cost</b>				
At 1 January 2019	-	2,344	80	2,424
Additions - external	191	651	-	842
At 30 June 2020	191	2,995	80	3,266
<b>Amortisation</b>				
At 1 January 2019	-	1,671	67	1,738
Charge for the period on owned assets	-	652	12	664
At 30 June 2020	-	2,323	79	2,402
<b>Net book value</b>				
At 30 June 2020	191	672	1	864
At 31 December 2018	-	673	13	686

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020

## 13. Tangible assets

	Long-term leasehold property £000	Fixtures and fittings £000	Computer equipment £000	Right-of-use assets £000	Total £000
<b>Cost or valuation</b>					
At 1 January 2019	373	67	347	-	787
Impact of change in accounting policy	-	-	-	487	487
At 1 January 2019 (adjusted balance)	373	67	347	487	1,274
Additions	-	-	309	-	309
At 30 June 2020	373	67	656	487	1,583
<b>Depreciation</b>					
At 1 January 2019	236	31	329	-	596
Charge for the period on owned assets	47	30	49	-	126
Charge for the period on right-of-use assets	-	-	-	115	115
At 30 June 2020	283	61	378	115	837
<b>Net book value</b>					
At 30 June 2020	90	6	278	372	746
At 31 December 2018	137	35	18	-	190

The net book value of owned and leased assets included as "Tangible assets" in the Statement of Financial Position is as follows:

	<b>30 June 2020 £000</b>
Tangible fixed assets owned	374
Right-of-use tangible fixed assets	372
	<u>746</u>

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020

## 13. Tangible assets (continued)

Information about right-of-use assets is summarised below:

**Net book value**

	<b>30 June 2020 £000</b>
Property	372
	<u>372</u>

**Depreciation charge for the period ended**

	<b>30 June 2020 £000</b>
Property	115
	<u>115</u>

**Additions to right-of-use assets**

	<b>30 June 2020 £000</b>
Additions to right-of-use assets on first time adoption of IFRS16	487
	<u>487</u>

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020

## 14. Debtors

	30 June 2020 £000	31 December 2018 £000
Trade debtors	1,624	1,755
Amounts owed by group undertakings	4,238	1,939
Other debtors	175	-
Prepayments and accrued income	657	456
	<u>6,694</u>	<u>4,150</u>

## 15. Cash and cash equivalents

	30 June 2020 £000	31 December 2018 £000
Cash at bank and in hand	2,278	1,510
	<u>2,278</u>	<u>1,510</u>

## 16. Creditors: Amounts falling due within one year

	30 June 2020 £000	31 December 2018 £000
Trade creditors	2,875	1,732
Amounts owed to group undertakings	18	103
Corporation tax	-	103
Other taxation and social security	3,090	1,238
Lease liabilities	113	-
Other creditors	10	23
Accruals and deferred income	2,013	681
	<u>8,119</u>	<u>3,880</u>

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020

## 17. Creditors: Amounts falling due after more than one year

	30 June 2020 £000	31 December 2018 £000
Lease liabilities	265	-
Accruals and deferred income	-	10
	<u>265</u>	<u>10</u>

## 18. Leases

## Company as a lessee

The company leases property from which it operates.

Lease liabilities are due as follows:

	2020 £000
Less than one year	113
Between one year and five years	265
	<u>378</u>

## 19. Financial instruments

	30 June 2020 £000	31 December 2018 £000
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	2,278	1,510
Financial assets that are debt instruments measured at amortised cost	6,104	3,895
	<u>8,382</u>	<u>5,405</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(4,799)	(2,520)

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group companies and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group companies, accruals and other creditors.

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020

## 20. Deferred taxation

	2020 £000
Charged to profit or loss	(13)
<b>At end of year</b>	<b>(13)</b>

The deferred taxation balance is made up as follows:

	30 June 2020 £000	31 December 2018 £000
Accelerated capital allowances	(16)	-
Short term timing differences	3	-
	<u>(13)</u>	<u>-</u>

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020

## 21. Share capital

	30 June 2020 £000	31 December 2018 £000
<b>Allotted, called up and fully paid</b>		
42,849 (2018 - 42,849) Ordinary shares of £1.00 each	43	43

## 22. Reserves

**Share premium account**

This reserve records the amount above the nominal value received for shares issued, less transaction costs.

**Profit and loss account**

The profit and loss account represents cumulative profits available for distribution.

## 23. Business combinations

**Acquisition of Scansource UK Limited Cloud Business Assets****Recognised amounts of identifiable assets acquired and liabilities assumed**

	Book value £000	Fair value adjustments £000	Fair value £000
<b>Fixed Assets</b>			
Intangible	-	191	191
	-	191	191
<b>Total Assets</b>	-	191	191
<b>Total Identifiable net assets</b>	-	191	191
<b>Consideration</b>			£000
Cash			191

## INTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020**23. Business combinations (continued)****Cash outflow on acquisition**

	<b>£000</b>
Purchase consideration settled in cash, as above	<b>191</b>

On 10 April 2020 the Company acquired the assets related to the Cloud Services Business of ScanSource UK Limited for a consideration of £191 thousand.

**24. Pension commitments**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £157 thousand (2018: £56 thousand).

**25. Related party transactions**

The company is exempt from the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more wholly owned members of the group headed by ScanSource Inc.

**26. Post balance sheet events**

On 7 December 2020 the company cancelled the entire share premium balance included at the year end and subsequently declared a dividend of £2,000 thousand.

**27. Controlling party**

The immediate parent undertaking of the company is IntY Holdings Limited, a Company registered in England & Wales.

In the directors' opinion the company's ultimate parent undertaking and controlling party and both the largest and smallest groups of which the company is a member and for which group financial statements are prepared, is ScanSource Inc, which is incorporated in the United States of America. Copies of its group financial statements are available from ScanSource Inc, Greenville, South Carolina, US.