
EXTRINSICA GLOBAL LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

EXTRINSICA GLOBAL LIMITED

COMPANY INFORMATION

Directors

S K Smith
N A Smith (resigned 2 June 2023)
J Knopfler (resigned 2 June 2023)
M Spearing (Non Executive) (resigned 2 June 2023)
W J Hitchins (Non Executive) (resigned 2 June 2023)
A T Smith (resigned 2 June 2023)
T S Smith (resigned 2 June 2023)
G P Idicula
S T Cunningham (appointed 2 June 2023)
L R Dimes (appointed 18 September 2023)
R G Donovan (appointed 2 June 2023, resigned 15 September 2023)

Registered number

07293625

Registered office

3rd Floor
11-21 Paul Street
London
England
EC2A 4JU

Accountants

Donald Reid Limited
Chartered Accountants
Prince Albert House
20 King Street
Maidenhead
Berkshire
SL6 1DT

EXTRINSICA GLOBAL LIMITED

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EXTRINSICA GLOBAL LIMITED

CEO STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

Business Overview

Extrinsica Global (EXG) had another strong year with Financial Year (FY) 23 (Apr 2022 - March 2023) seeing continued growth in Revenue of c.40% (vs. 22% in FY22) with improvements seen in Monthly Recurring Revenue (MRR) as well as Professional Services Revenue (PS). Gross margins remain strong, however faster growth in Azure revenues, has resulted in a minor reduction in gross margin (37% vs. 38% in FY22). FY23 has also seen increased efficiencies secured in both staffing and the wider business, all of which has helped contribute to a continued improvement in performance.

Future Growth Potential

EXG continues to broaden its client base with significant growth seen particularly across enterprise clients, both new and those secured within the previous financial year. EXG remains one of Microsoft UK's top Azure partners in terms of capability, continuing to work closely with Microsoft to help progressive companies, from mid-market to enterprises, embark on and navigate their digital transformation journey. This experience enables EXG to continue to build an excellent track record of success in the design, delivery and management of complex Microsoft Cloud solutions.

EXG re-invests significant resources into staying ahead of its competition in terms of service offerings and value proposition through process innovation, cutting-edge technology and DevOps-based solution deployment automation.

The scale of the opportunity for EXG remains enormous. The Company remains in a prime position to capitalise on businesses' need to partner with an expert Microsoft hyperscale cloud solution partner. As a result, EXG continues to build on its premium market positioning and excellent technical capabilities to continue to scale the business at pace.

Post Balance Sheet Event

On 2 June 2023, the entire issued share capital of Extrinsica Global Holdings Limited, the immediate parent company, was acquired by Iomart Group Plc.

Name Simon Smith

CEO

Date 22 December 2023

EXTRINSICA GLOBAL LIMITED
REGISTERED NUMBER: 07293625

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	4	1,833,627	1,975,958
Tangible assets	5	38,096	113,456
		<u>1,871,723</u>	<u>2,089,414</u>
Current assets			
Debtors: amounts falling due within one year	6	1,138,842	1,040,660
Cash at bank and in hand	7	510,445	342,109
		<u>1,649,287</u>	<u>1,382,769</u>
Creditors: amounts falling due within one year	8	(4,398,366)	(3,811,631)
Net current liabilities		<u>(2,749,079)</u>	<u>(2,428,862)</u>
Total assets less current liabilities		<u>(877,356)</u>	<u>(339,448)</u>
Creditors: amounts falling due after more than one year	9	(506,353)	(823,034)
Net liabilities		<u><u>(1,383,709)</u></u>	<u><u>(1,162,482)</u></u>
Capital and reserves			
Called up share capital	11	308,601	308,601
Capital redemption reserve		25,500	25,500
Profit and loss account		(1,717,810)	(1,496,583)
		<u><u>(1,383,709)</u></u>	<u><u>(1,162,482)</u></u>

EXTRINSICA GLOBAL LIMITED
REGISTERED NUMBER: 07293625

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 December 2023.

S K Smith
Director

The notes on pages 4 to 14 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Extrinsica Global Limited is a private company limited by shares. The company was incorporated in the United Kingdom and is registered in England and Wales. The registration number is 07293625. The registration address is 3rd Floor, 11-21 Paul Street, London, England, EC2A 4JU.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The company has net liabilities of £1,383,709 as at 31 March 2023 (2022: £1,162,482). The directors believe it is appropriate to prepare the financial statements on a going concern basis as the company can be supported by the parent company.

2.3 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 income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.7 Interest income

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

2.8 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.

2.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.10 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 Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Taxation

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 balance sheet 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 balance sheet 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 balance sheet date.

2.12 Research and Development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits in excess of the related costs incurred. They are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Capitalised development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Profit and loss account.

Research costs are written off to the profit and loss account in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.13 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.14 Intangible assets

Patents are held at historical cost less accumulated amortisation. Amortisation is charged on a straight line basis over the assets' useful economic lives.

The policy in respect of capitalised development costs is outlined in note 2.12.

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.

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.

Depreciation is provided on the following basis:

L/Term Leasehold Property	- 20% & 25% straight line
Office equipment	- 33.3% straight line
Computer equipment	- 25% & 33.3% straight line

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.18 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.19 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Company's Balance sheet when the Company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.19 Financial instruments (continued)

impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

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

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

3. Employees

The average monthly number of employees, including directors, during the year was 32 (2022 - 36).

EXTRINSICA GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

4. Intangible assets

	Patents & Development costs £
Cost	
At 1 April 2022	3,749,477
Additions	348,631
	<hr/>
At 31 March 2023	4,098,108
	<hr/>
Amortisation	
At 1 April 2022	1,773,519
Charge for the year on owned assets	490,962
	<hr/>
At 31 March 2023	2,264,481
	<hr/>
Net book value	
At 31 March 2023	<hr/> <u>1,833,627</u>
At 31 March 2022	<hr/> <u>1,975,958</u>

EXTRINSICA GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. Tangible fixed assets

	L/Term Leasehold Property £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2022	209,659	9,707	140,115	359,481
Additions	-	9,842	16,720	26,562
Disposals	(190,659)	(1,593)	-	(192,252)
At 31 March 2023	19,000	17,956	156,835	193,791
Depreciation				
At 1 April 2022	121,053	9,345	115,627	246,025
Charge for the year on owned assets	16,511	2,394	16,430	35,335
Charge for the year on financed assets	-	-	870	870
Disposals	(124,941)	(1,594)	-	(126,535)
At 31 March 2023	12,623	10,145	132,927	155,695
Net book value				
At 31 March 2023	6,377	7,811	23,908	38,096
At 31 March 2022	88,606	362	24,488	113,456

The net book value of land and buildings may be further analysed as follows:

	2023 £	2022 £
Long leasehold	6,377	88,606
	<u>6,377</u>	<u>88,606</u>

EXTRINSICA GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

6. Debtors

	2023 £	2022 £
Trade debtors	358,517	289,861
Amounts owed by joint ventures and associated undertakings	7,378	5,628
Other debtors	14,797	271,134
Prepayments and accrued income	758,150	474,037
	<u>1,138,842</u>	<u>1,040,660</u>

7. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	510,445	342,109
	<u>510,445</u>	<u>342,109</u>

8. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other loans	309,765	274,706
Trade creditors	902,387	561,886
Amounts owed to group undertakings	2,256,140	2,084,326
Other taxation and social security	135,972	285,053
Obligations under finance lease and hire purchase contracts	-	42,903
Other creditors	31,730	27,905
Accruals and deferred income	762,372	534,852
	<u>4,398,366</u>	<u>3,811,631</u>

EXTRINSICA GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Other loans	506,353	772,726
Net obligations under finance leases and hire purchase contracts	-	50,308
	<u>506,353</u>	<u>823,034</u>

10. Loans

Analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year		
Other loans	309,765	274,706
	<u>309,765</u>	<u>274,706</u>
Amounts falling due 1-2 years		
Other loans	348,735	309,807
	<u>348,735</u>	<u>309,807</u>
Amounts falling due 2-5 years		
Other loans	157,618	462,919
	<u>157,618</u>	<u>462,919</u>
	<u>816,118</u>	<u>1,047,432</u>

Liabilities of £816,118 (2022: £1,047,432) are secured by a fixed and floating charge over the company assets.

11. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
308,601 (2022 - 308,601) Ordinary shares of £1.00 each	<u>308,601</u>	<u>308,601</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

11. Share capital (continued)

12. Pension commitments

The company operates a defined contribution 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 £132,619 (2022: £154,920). At the year end included in creditors is an amount totalling £10,779 (2022: £11,621) that is still payable.

13. Transactions with directors

At the year end, the directors owed £891 (2022: £891) to the company.

14. Related party transactions

At the year end, included in amounts owed to group undertakings due within one year, is £2,256,140 (2022: £2,084,326), owed to the parent company.

15. Post balance sheet events

On 2 June 2023, the entire issued share capital of Extrinsica Global Holdings Limited, the immediate parent company, was acquired by Iomart Group Plc.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.