
INFOGISTICS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE PERIOD ENDED 31 DECEMBER 2019

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	31 December 2019 £	30 September 2018 £
Fixed assets			
Tangible fixed assets	4	1,958	3,220
Current assets			
Debtors: amounts falling due within one year	5	4,787,620	4,726,282
Cash at bank and in hand		1,495,404	177,638
Current liabilities		6,283,024	4,903,920
Creditors: amounts falling due within one year	6	(901,377)	(1,015,982)
Net current assets		5,381,647	3,887,938
Net assets		<u>5,383,605</u>	<u>3,891,158</u>
Capital and reserves			
Called up share capital	7	94	94
Share premium account	8	46,132	46,132
Other reserves	8	7	7
Profit and loss account	8	5,337,372	3,844,925
		<u>5,383,605</u>	<u>3,891,158</u>

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2019

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 period 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 by:

A Mikheev
Director

Date: 15 November 2020

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

1. General information

Infogistics Limited is a private company limited by shares and incorporated in Scotland, SC208321. The registered address is 125 Princes Street, Edinburgh, EH2 4AD.

The principal activity of the company was that of providing text analysis, content extraction and document retrieval software solutions.

The functional currency of the company is Pounds Sterling as this is the currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest £.

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 directors have carefully considered the impact of COVID-19 on the business. The directors have assessed the company's ability to continue as a going concern and have a reasonable expectation that the company has adequate funds to continue in operational existence for the foreseeable future. In doing this, they have considered the results for the period and expected future trading. On the basis of this information the directors are satisfied that the company will continue as a going concern

.

In the directors opinion these financial statements should be prepared on a going concern basis.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Rendering of services

Turnover 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 turnover 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.4 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 provided on the following basis:

Fixtures & fittings	-	20%
---------------------	---	-----

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 the Statement of Income and Retained Earnings.

2.5 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.

2.6 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.

2.7 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings 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.

2.11 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 the Statement of Income and Retained Earnings 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.12 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.

3. Employees

The average monthly number of employees, including directors, during the period was 8 (2018 – 8).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

4. Tangible fixed assets

	Fixtures & fittings £
Cost	
At 1 October 2018 and 31 December 2019	6,679
Depreciation	
At 1 October 2018	3,459
Charge for the period	1,262
At 31 December 2019	4,721
Net book value	
At 31 December 2019	1,958
At 30 September 2018	3,220

5. Debtors

	31 December 2019 £	30 September 2018 £
Other debtors (note 9)	48,008	54,604
Prepayments and accrued income (note 10)	2,179,168	1,504,000
Amounts owed by related parties (note 10)	2,560,444	3,167,678
	<u>4,787,620</u>	<u>4,726,282</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

6. Creditors: Amounts falling due within one year

	31 December 2019 £	30 September 2018 £
Trade creditors	14	87
Other creditors	25,243	26,009
Accruals and deferred income (note 10)	223,678	485,378
Amounts owed to related parties (note 10)	233,868	143,713
Other taxation and social security	19,626	290,159
Corporation tax	398,948	70,636
	<u>901,377</u>	<u>1,015,982</u>

7. Share capital

	31 December 2019 £	30 September 2018 £
Allotted, called up and fully paid		
9,350 Ordinary shares of £0.01 each	<u>93.50</u>	<u>93.50</u>

8. Reserves

Share premium account

This reserve is comprised of amounts received above par value on the issue of shares.

Other reserves

This reserve is as a result of the repurchase of the company's own shares.

Profit & loss account

This reserves represents cumulative profits and losses.

9. Transactions with directors

Included within other debtors is an amount of £33,427 (2018 - £32,204) due from S P Finch, a director of the company. This balance is interest free, unsecured and repayable on demand.

Included within other debtors is an amount of £20,409 (2018 - £nil) due from A Mikheev, a director of the company. This balance is interest free, unsecured and repayable on demand

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

10. Related party transactions

A Mikeev and S P Finch are directors of Daxtra Technologies Inc., Daxtra Technologies Ltd, Daxtra Technologies Asia Ltd, HR Information Limited and Harbour Business Centres Ltd.

Included in amounts due to related undertakings is a balance of £230,397 (2018 - £121,055) due to Daxtra Technologies Asia Ltd. This is in relation to funds received from Daxtra Technologies Asia Ltd.

Included in amounts due to/(from) related undertakings is an amount of £2,986 (2018 - (£28,206)) due to/(from) Daxtra Technologies Inc., a company incorporated in the United States of America in the state of Delaware.

Included in amounts due to / (from) related undertakings is an amount of £3,964 (2018 - (£489,208)) due to / (from) Daxtra Technologies Ltd. This is in relation to net amounts invoiced for software licences.

Included in amounts due from related undertakings is a balance of £2,560,444 (2018 - £2,650,444) due from HR Information Limited, a subsidiary undertaking of Daxtra Technologies Ltd. This is in relation to consultancy services provided.

Included in amounts due from related undertakings is a balance of £nil (2018 - £22,658) due from Harbour Business Centres Ltd. During the period the company paid for services provided by Harbour Business Centres Ltd of £60,000 (2018 - £48,000), net of VAT. The transactions were carried out at arms length and on normal commercial terms.

Included within prepayments and accrued income is a balance of £2,179,168 (2018 - £1,504,000) representing services provided to Daxtra Technologies Ltd, Daxtra Technologies Inc, and HR Information Limited that were unbilled at the year end.

Included within accruals and deferred income is a balance of £12,500 (2018 - £275,000) representing services provided from Daxtra Technologies Asia Ltd and Harbour Business Centres Ltd that were unbilled at the end of the year.

All amounts are interest free, unsecured and have no fixed terms of repayment.

11. Post balance sheet events

On 30 January 2020, the World Health Organisation (WHO) declared COVID-19 as a 'Public Health Emergency of International Concern' which was then further qualified as pandemic on 11 March 2020. The director has considered the impact of the outbreak within the accounting policies. The director does not consider any adjustments to the reported financial information to be required in relation to this and no post balance sheet events as a result have been identified. The going concern basis of preparation is considered appropriate for the preparation of the financial statements as per note 2.2.

12. Controlling party

In the opinion of the directors the company has no ultimate controlling party.

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.