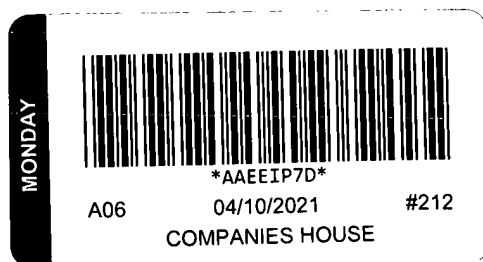


Registration number: 10953396

**Io-Tahoe UK Limited**  
**Annual Report and Financial Statements**  
**for the Year Ended 31 December 2020**



# **Io-Tahoe UK Limited**

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## **Io-Tahoe UK Limited**

### **Strategic Report for the Year Ended 31 December 2020**

The Directors present their Strategic Report for Io-Tahoe UK Limited (the 'Company') for the year ended 31 December 2020.

#### **Principal activity**

The principal activities of the Company is the provision of smart data discovery solutions (UK operations).

#### **Review of the business**

The Company was incorporated on 8 September 2017 and has been establishing a presence in the UK during 2018, 2019 and 2020. In June 2021 the Company has been acquired by Hitachi Vantara Limited.

The Company's Financial Statements have been prepared in accordance with Financial Reporting Standard 101: Reduced Disclosure Framework ('FRS 101').

The financial position of the Company is presented in the Statement of Financial Position on page 12. Net liabilities as at 31 December 2020 were £5,167,718 (2019: £2,693,993 net liabilities). The loss for the financial year ended 31 December 2020 was £2,473,725 (2019: £1,378,431 loss).

#### **Principal risks and uncertainties**

The principal risks and uncertainties of the Company are strategic growth and technology advancement.

#### **Key performance indicators ('KPIs')**

Given the nature of the business, the Company's Directors are of the opinion that the KPIs necessary for an understanding of the development, performance and position of the Company are net assets and profit after tax, and these are shown above. The results of the Company are disclosed in the Directors' Report on page 2.

#### **Future developments**

The Directors believe that Company's products will continue to represent good value for its customers and can foresee no adverse issues impacting the business in the near future. In connection with the acquisition of the Company by Hitachi Vantara Limited the Company's products are expected to be integrated with those of Hitachi Vantara.

By order of the Board



.....  
Elena Gifon  
Director

Date: 30 September 2021

Company registered in England and Wales, No. 10953396

Registered office:  
Sefton Park  
Stoke Poges  
Buckinghamshire  
Berkshire  
SL2 4HD  
United Kingdom

## **Io-Tahoe UK Limited**

### **Directors' Report for the Year Ended 31 December 2020**

The Directors present their report and the audited financial statements for the year ended 31 December 2020.

#### **Directors of the Company**

The Directors of the Company, who were in office during the year and up to the date of signing the financial statements were as follows:

C J Cameron (resigned 1 July 2020)

J S Tudor (resigned 3 July 2020)

J S Bessell (resigned 21 June 2021)

K B Ringrose (resigned 21 June 2021)

E Gifon (appointed 21 June 2021)

#### **Results and dividends**

The results of the Company are set out on page 10. The loss for the financial year ended 31 December 2020 is £2,473,725 (2019: £1,378,431 loss).

The Company did not pay an interim dividend during the year (2019: £nil) and the Directors do not recommend the payment of a final dividend (2019: £nil).

#### **Financial risk management**

The principal risks of the business are strategic growth and technology advancement.

Exposure to counterparty credit risk and liquidity risk arise in the normal course of the Company's business and are managed within parameters set by the Directors. Exposure to credit risk is limited predominantly to exposures with other Group companies.

#### **Financial risk management policy**

The Directors have established objectives and policies for managing financial risks to enable the Company to achieve its long-term shareholder value growth targets within a prudent risk management framework. These objectives and policies are regularly reviewed.

#### **Exposure in terms of price risk, credit risk, liquidity risk and cash flow risk**

Exposure to counterparty credit risk, liquidity risk and cash flow risk arises in the normal course of the Company's business. Cash forecasts identifying the liquidity requirements of the Company are produced frequently and reviewed regularly. Liquidity risk is managed through funding arrangements with Group undertakings.

#### **Future developments**

Future developments are discussed in the Strategic Report on page 1.

## **Io-Tahoe UK Limited**

### **Directors' Report for the Year Ended 31 December 2020 (continued)**

#### **Going concern**

The financial statements have been prepared on a going concern basis as Hitachi Limited, the ultimate parent company intends to support the Company to ensure it can meet its obligations as they fall due. The Directors of the Company have received a formal letter of support from Hitachi Limited which confirms that Hitachi Ltd will support the Company for at least one year after the financial statements were authorised for issue. The Directors are aware that while there are a range of future potential financial impacts upon Hitachi Group as a result of the COVID-19 pandemic, they have satisfied themselves that, following assurances from the ultimate parent company, the Group will be able to support the Company if required under all reasonably foreseeable circumstances

On the basis of the enquiries made, and the fact that Hitachi Limited, the ultimate parent company, has confirmed it will continue to support the Company, the Directors have concluded that the Company should be able to meet its liabilities as they fall due for the foreseeable future, and therefore the financial statements have been prepared on a going concern basis.

#### **Directors' and officers' liability**

Directors' and officers' liability insurance for the audited financial year has been purchased by the past ultimate parent company, Centrica plc, and was in place throughout the year. The insurance does not provide cover in the event that the Director is proved to have acted fraudulently.

## **Io-Tahoe UK Limited**

### **Directors' Report for the Year Ended 31 December 2020 (continued)**

#### **Statement of Directors' Responsibilities**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

#### **Disclosure of information to auditors**

Each of the Directors who held office at the date of approval of this Directors' Report confirm that so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and that they have taken all steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

## **Io-Tahoe UK Limited**

### **Directors' Report for the Year Ended 31 December 2020 (continued)**

#### **Auditors**

In accordance with Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and Deloitte LLP will therefore continue in office.

By order of the Board



.....  
Elena Gifon  
Director

Date: 30 September 2021

Company registered in England and Wales, No. 10953396  
Registered office:  
Sefton Park  
Stoke Poges  
Buckinghamshire  
Berkshire  
SL2 4HD  
United Kingdom

## **Io-Tahoe UK Limited**

### **Independent Auditors' Report to the Members of Io-Tahoe UK Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of Io-Tahoe UK Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Income Statement;
- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

##### **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 Financial Reporting Council's (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.

##### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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



## **Io-Tahoe UK Limited**

### **Independent Auditors' Report to the Members of Io-Tahoe UK Limited (continued)**

#### **Other information**

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

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

We have nothing to report in this regard.

#### **Responsibilities of Directors**

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

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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We considered the nature of the company's industry and its control environment, and reviewed the documentation of the policies and procedures relating to fraud and compliance with laws and regulations that has been established by the Company's ultimate parent. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

## **Io-Tahoe UK Limited**

### **Independent Auditors' Report to the Members of Io-Tahoe UK Limited (continued)**

We discussed among the audit engagement team including relevant internal specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

#### **Report on other legal and regulatory requirements**

##### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report and the Directors' Report for the financial year 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.

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 any material misstatements in the Strategic Report or the Directors' Report.

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

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

## **Io-Tahoe UK Limited**

### **Independent Auditors' Report to the Members of Io-Tahoe UK Limited (continued)**

#### **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.

**D. Winstone**

Daryl Winstone (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London  
United Kingdom

Date: 30 September 2021

## **Io-Tahoe UK Limited**

### **Income Statement for the Year Ended 31 December 2020**

	<b>Note</b>	<b>2020 £</b>	<b>2019 £</b>
Revenue		20,450	-
Cost of sales	4	<u>(5,000)</u>	-
Gross profit		15,450	-
Operating costs	4	<u>(2,307,534)</u>	<u>(1,626,200)</u>
Operating loss		(2,292,084)	(1,626,200)
Finance costs	6	<u>(182,836)</u>	<u>(75,567)</u>
Loss before taxation		(2,474,920)	(1,701,767)
Taxation on loss	9	<u>1,195</u>	<u>323,336</u>
Loss for the year		<u>(2,473,725)</u>	<u>(1,378,431)</u>

The above results were derived from continuing operations.

## **Io-Tahoe UK Limited**

### **Statement of Comprehensive Income for the Year Ended 31 December 2020**

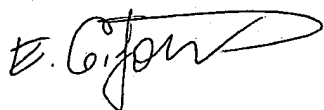
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Loss for the year	<u>(2,473,725)</u>	<u>(1,378,431)</u>
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive loss for the year	<u>(2,473,725)</u>	<u>(1,378,431)</u>

The notes on pages 14 to 22 form an integral part of these financial statements.

**Io-Tahoe UK Limited****Statement of Financial Position as at 31 December 2020**

	Note	2020 £	2019 £
<b>Non-current assets</b>			
Deferred tax assets	9	1,195	-
		<u>1,195</u>	<u>-</u>
<b>Current assets</b>			
Trade and other receivables	11	383,123	346,738
Cash and cash equivalents		-	319
		<u>383,123</u>	<u>347,057</u>
<b>Total assets</b>		<u>384,318</u>	<u>347,057</u>
<b>Current liabilities</b>			
Trade and other payables	12	(5,552,036)	(3,041,050)
<b>Net current liabilities</b>		<u>(5,168,913)</u>	<u>(2,693,993)</u>
<b>Net liabilities</b>		<u>(5,167,718)</u>	<u>(2,693,993)</u>
<b>Equity</b>			
Share capital	13	1	1
Retained earnings		(5,167,719)	(2,693,994)
<b>Total equity</b>		<u>(5,167,718)</u>	<u>(2,693,993)</u>

The financial statements on pages 10 to 22 were approved by the Board and signed on its behalf by:



.....  
Elena Gifon  
Director

Company number 10953396

## Io-Tahoe UK Limited

### Statement of Changes in Equity for the Year Ended 31 December 2020

	Share capital £	Retained earnings £	Total equity £
At 1 January 2020	1	(2,693,994)	(2,693,993)
Loss for the year	-	(2,473,725)	(2,473,725)
Total comprehensive income	-	(2,473,725)	(2,473,725)
At 31 December 2020	1	(5,167,719)	(5,167,718)

	Share capital £	Retained earnings £	Total equity £
At 1 January 2019	1	(1,315,563)	(1,315,562)
Loss for the year	-	(1,378,431)	(1,378,431)
Total comprehensive income	-	(1,378,431)	(1,378,431)
At 31 December 2019	1	(2,693,994)	(2,693,993)

# **Io-Tahoe UK Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2020**

### **1 General information**

Io-Tahoe UK Limited (the 'Company') is a private company limited by shares, incorporated and domiciled in the United Kingdom and registered in England and Wales.

The address of its registered office and principal place of business is:

Sefton Park  
Stoke Poges  
Buckinghamshire  
Berkshire  
SL2 4HD  
United Kingdom

The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 1.

### **2 Accounting policies**

#### **Basis of preparation**

The Company financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101'). In preparing these financial statements the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ('Adopted IFRSs'), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company financial statements are presented in pounds sterling which is the functional currency of the Company.

#### **Changes in accounting policy**

From 1 January 2020, the following standards and amendments are effective in the Company's Financial Statements:

- Amendments to IFRS 3: 'Business combinations';
- Amendments to IAS 1: 'Presentation of financial statements' and IAS 8: 'Accounting policies, changes in accounting estimates and errors' and
- Conceptual Framework for Financial Reporting 2018.

None of these changes or amendments had any material impact on the Company's financial statements.

#### **Summary of disclosure exemptions**

In these financial statements, as a qualifying entity the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- the requirements of IAS 7 'Statement of Cash Flows';
- the statement of compliance with Adopted IFRSs;
- the effects of new but not yet effective IFRSs;
- disclosures in respect of related party transactions with wholly-owned subsidiaries in a group;
- disclosures in respect of the compensation of key management personnel; and
- disclosures in respect of capital management.



## **Io-Tahoe UK Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

#### **2 Accounting policies (continued)**

##### **Summary of disclosure exemptions**

As the consolidated financial statements of the preceding ultimate parent - Centrica plc, which are available from its registered office, include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- certain disclosures required by IAS 36 'Impairment of Assets' in respect of the impairment of goodwill and indefinite life intangible assets;
- certain disclosures required by IFRS 13 'Fair Value Measurement' and the disclosures required by IFRS 7 'Financial Instruments: Disclosures' have not been provided apart from those which are relevant for the financial instruments which are held at fair value;
- disclosures of the net cash flows attributable to the operating, investing and financing activities of discontinued operations.

##### **Measurement convention**

The financial statements have been prepared on the historical cost basis.

##### **Going concern**

The financial statements have been prepared on a going concern basis as Hitachi Limited, the ultimate parent company intends to support the Company to ensure it can meet its obligations as they fall due. The Directors of the Company have received a formal letter of support from Hitachi Limited which confirms that Hitachi Ltd will support the Company for at least one year after the financial statements were authorised for issue. The Directors are aware that while there are a range of future potential financial impacts upon Hitachi Group as a result of the COVID-19 pandemic, they have satisfied themselves that, following assurances from the ultimate parent company, the Group will be able to support the Company if required under all reasonably foreseeable circumstances.

On the basis of the enquiries made, and the fact that Hitachi Limited, the ultimate parent company, has confirmed it will continue to support the Company, the Directors have concluded that the Company should be able to meet its liabilities as they fall due for the foreseeable future, and therefore the financial statements have been prepared on a going concern basis.

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Finance income**

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying value.

## **Io-Tahoe UK Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

#### **2 Accounting policies (continued)**

##### **Foreign currencies**

Transactions in foreign currencies are, on initial recognition, recorded in the functional currency of the Company at the exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency of the Company at the rates prevailing at the reporting date, and associated gains and losses are recognised in the Income Statement for the year, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income Statement within 'finance income' or 'finance costs'. All other foreign exchange gains and losses are presented in the Income Statement in the respective financial line item to which they relate.

Changes in the fair value of foreign currency denominated monetary securities classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Non-monetary items that are measured at historical cost in a currency other than the functional currency of the Company are translated using the exchange rate prevailing at the dates of the initial transaction and are not retranslated. Non-monetary items measured at fair value in foreign currencies are retranslated at the rates prevailing at the date when the fair value was measured.

##### **Taxation**

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in equity. In this case, the tax is recognised in equity.

Deferred tax is recognised in respect of all temporary differences identified at the reporting date, except to the extent that the deferred tax arises from the initial recognition of goodwill (if impairment of goodwill is not deductible for tax purposes) or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit and loss. Temporary differences are differences between the carrying amount of the Company's assets and liabilities and their tax base.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised only to the extent that it is probable that the deductible temporary differences will reverse in the future and there is sufficient taxable profit available against which the temporary differences can be utilised.

The amount of deferred tax provided is based on the expected manner of realisation or settlement using tax rates that have been enacted or substantively enacted at the reporting date.

## **Io-Tahoe UK Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

#### **2 Accounting policies (continued)**

##### **Financial assets and liabilities**

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognised when the Company no longer has the rights to cash flows, the risks and rewards of ownership or control of the asset. Financial liabilities are de-recognised when the obligation under the liability is discharged, cancelled or expires.

##### **- Trade and other receivables**

Trade receivables are initially recognised at fair value, which is usually the original invoice amount, and are subsequently held at amortised cost using the effective interest method less an allowance for expected credit losses.

##### **- Trade and other payables**

Trade payables are initially recognised at fair value, which is usually the original invoice amount and are subsequently held at amortised cost using the effective interest method (although, in practice, the discount is often immaterial). If payment is due within one year or less, payables are classified as current liabilities. If not, they are presented as non-current liabilities.

##### **- Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds received. Own equity instruments that are re-acquired (treasury or own shares) are deducted from equity. No gain or loss is recognised in the Company's Income Statement on the purchase, sale, issue or cancellation of the Company's own equity instruments.

##### **- Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less.

##### **- Loans and other borrowings**

All interest-bearing and interest-free loans and other borrowings are initially recognised at fair value net of directly attributable transaction costs. After initial recognition, these financial instruments are measured at amortised cost using the effective interest method, except when they are the hedged item in an effective fair value hedge relationship where the carrying value is also adjusted to reflect the fair value movements associated with the hedged risks. Such fair value movements are recognised in the Company's Income Statement. Amortised cost is calculated by taking into account any issue costs, discount or premium, when applicable.

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#### **3 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience or other factors that are considered to be relevant. Actual results may differ from these estimates.

In the Directors' opinion there are no critical judgements or key sources of estimation uncertainty.

## Io-Tahoe UK Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

#### 3 Critical accounting judgements and key sources of estimation uncertainty (continued)

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

#### 4 Analysis of costs by nature

	2020		2019	
	Cost of sales	Operating costs	Total costs	Operating costs
	£	£	£	£
Employee costs	-	(1,266,583)	(1,266,583)	(1,278,973)
Contractor, consultancy and other professional services	-	(792,024)	(792,024)	(239,816)
Advertising and marketing	-	(134,965)	(134,965)	-
Other cost of sales	(5,000)	-	(5,000)	-
Other operating costs	-	(113,962)	(113,962)	(107,411)
	(5,000)	(2,307,534)	(2,312,534)	(1,626,200)

#### 5 Employees' costs

The aggregate employee costs (including Directors' remuneration) were as follows:

	2020	2019
	£	£
Wages and salaries	(1,081,652)	(1,167,585)
Social security costs	(132,098)	-
Pension and other post-employment benefits	(37,694)	-
Other employee expenses	(15,139)	(111,388)
	(1,266,583)	(1,278,973)

The average number of persons employed by the company (including Directors) during the year, analysed by category was as follows:

	2020	2019
	No.	No.
Sales, marketing and distribution	12	6

## Io-Tahoe UK Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

#### 6 Net finance income/cost

##### Finance cost

	2020 £	2019 £
Interest on amounts owed to Group undertakings	(182,836)	(54,663)
Net foreign exchange losses on financing transactions	-	(20,904)
<b>Total finance costs</b>	<b>(182,836)</b>	<b>(75,567)</b>

#### 7 Directors' remuneration

The Directors who served during the current financial year were remunerated as employees of Centrica plc Group and did not receive any remuneration, from any source, for their services as Directors of the Company during the current or preceding financial year. Accordingly, no details in respect of their emoluments have therefore been included in these financial statements.

#### 8 Auditors' remuneration

Auditors' remuneration totalling £13,000 (2019: £13,000) relates to fees for the audit of the Financial Statements of the Company.

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated financial accounts of Centrica plc Group.

#### 9 Income tax

Tax credited/(charged) in the Income Statement

	2020 £	2019 £
<b>Current taxation</b>		
UK corporation tax at 19% (2019: 19%)	-	323,336
<b>Deferred taxation</b>		
Origination and reversal of temporary differences	1,195	-
<b>Taxation on profit</b>	<b>1,195</b>	<b>323,336</b>

## Io-Tahoe UK Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

#### 9 Income tax (continued)

The main rate of corporation tax for the year to 31 December 2020 was 19% (2019: 19%). The Budget on 3 March 2021 announced that the rate of corporation will increase to 25% with effect from 1 April 2023. The deferred tax balances provided in these financial statements reflect the enacted rate of 19%, when the Finance Bill 2021 is enacted the impact on deferred tax balances is not expected to be material.

The differences between the taxes shown above and the amounts calculated by applying the standard rate of UK corporation tax to the profit before tax are reconciled below:

	2020 £	2019 £
Loss before tax	(2,474,920)	(1,701,767)
Tax on profit at standard UK corporation tax rate of 19% (2019: 19%)	470,235	323,336
Increase (decrease) from effect of expenses not deductible in determining taxable profit (tax loss)	(1,150)	-
Increase (decrease) arising from group relief tax reconciliation	(470,360)	(2,470)
Increase (decrease) from transfer pricing adjustments	2,470	2,470
Total tax (charge)/credit	1,195	323,336

#### 10 Investments

<b>Subsidiaries</b>	£
<b>Cost or valuation</b>	
Additions	6,048
At 31 December 2020	6,048
<b>Provision</b>	
Impairments provided in the year	(6,048)
At 31 December 2020	(6,048)
<b>Net book value</b>	
At 31 December 2020	-

On 12 June 2020 the Company acquired 100% of the share capital of Io Tahoe Ukraine LLC from Centrica Nederland BV for £6,048, its book value.

## Io-Tahoe UK Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

#### 10 Investments (continued)

Details of the subsidiaries as at 31 December 2020 are as follows:

Name of subsidiary	Principal activity	Registered office	Holding	Proportion of ownership interest and voting rights held	
				2020	2019
Io Tahoe Ukraine LLC*	Data Management	20 A Heroiev Stalingrada Avenue, Kyiv, 04210 Ukraine		100%	0%

\* indicates direct investment of the company

#### 11 Trade and other receivables

	2020 £	2019 £
Amounts owed by Group undertakings <sup>(i)</sup>	323,956	323,956
Prepayments	-	22,782
Other receivables <sup>(ii)</sup>	59,167	-
	<u>383,123</u>	<u>346,738</u>

(i) Amounts owed by Group undertakings are interest-free, unsecured and repayable on demand. £323,336 relates to Group relief (2019: £323,336).

(ii) Other receivables is comprised of credit notes receivable (£40,230) and amounts due from HMRC in respect of net input VAT claims (£18,937).

#### 12 Trade and other payables

	2020 £	2019 £
Accrued expenses	(249,021)	(184,670)
Deferred income	(46,550)	-
Amounts owed to Group undertakings	(5,256,465)	(2,812,199)
Other payables	-	(44,181)
	<u>(5,552,036)</u>	<u>(3,041,050)</u>

Amounts owed to Group undertakings include £5,249,281 (2019: £3,113,604) that bears interest at a quarterly rate determined by Centrica Group's Treasury and linked to Centrica Group's cost of funds. The quarterly rates ranged between 4.42% and 4.73% per annum during 2020 (2019: 4.54% to 4.90%).

All other amounts owed to Group undertakings are interest free, unsecured and repayable on demand.

## Io-Tahoe UK Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

#### 13 Capital and reserves

##### Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	1	1	1	1

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#### 14 Parent and ultimate parent undertaking

As of 21 June 2021, the immediate parent undertaking is Hitachi Vantara Limited, a company registered in England and Wales.

The ultimate parent undertaking during the financial year ended 31 December 2020 was Centrica plc, a company registered in England and Wales, which is the only company to include these financial statements in its consolidated financial statements. Copies of the Centrica plc consolidated financial statements may be obtained from [www.centrica.com](http://www.centrica.com). The registered address of Centrica plc is Millstream, Maidenhead Road, Windsor, Berkshire SL4 5GD.

As of 21 June 2021, the ultimate parent undertaking, controlling party and the parent undertaking of the largest group which includes the company is Hitachi Limited. The registered address of Hitachi Limited is 6-6 Marunouchi 1 – chome, Chiyoda-Ku, Tokyo 100-8280, Japan.