

**SAMSARA NETWORKS LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JANUARY 2021**

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**SAMSARA NETWORKS LIMITED**

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**COMPANY INFORMATION**

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**Directors**

Sanjit Biswas  
Chloe Hill  
Adam Eltoukhy  
Dominic Phillips

**Company secretary**

Bird & Bird Company Secretaries Limited

**Registered number**

11250772

**Registered office**

Floor 4  
1 Alie Street  
London  
E1 8DE

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**SAMSARA NETWORKS LIMITED**

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**CONTENTS**

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	Page
<b>Strategic report</b>	1 - 2
<b>Directors' report</b>	3 - 4
<b>Independent auditor's report</b>	5 - 8
<b>Statement of comprehensive income</b>	9
<b>Balance sheet</b>	10
<b>Statement of changes in equity</b>	11
<b>Notes to the financial statements</b>	12 - 23

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## **SAMSARA NETWORKS LIMITED**

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### **STRATEGIC REPORT FOR THE YEAR ENDED 31 JANUARY 2021**

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#### **Business review and future developments**

Samsara Networks Limited ("the Company") is a cost-plus entity for Samsara Inc. ("the Parent Company"). The Company operates on a transfer pricing model whereby it generates revenue from the provisioning of services to the Parent Company and is compensated for incurred costs plus a reasonable profit margin for such activities, as established by transfer pricing studies.

The services provided to the Parent Company primarily include the sales, marketing and engineering services.

The profit margin used to determine revenues is based on an approximate 5% mark-up over the total operating overhead expenses. The Company invoiced the Parent Company quarterly for such services.

Samsara Inc. are the pioneers of the Connected Operations Cloud, which allows businesses that depend on physical operations to harness IoT (Internet of Things) data to develop actionable business insights and improve their operations.

Our Connected Operations Cloud consolidates data from our IoT devices and a growing ecosystem of connected assets and third-party systems, and makes it easy for organizations to access, analyse and act on data insights, using our cloud dashboard, custom alerts and reports, mobile apps and workflows. Our differentiated, purpose-built suite of solutions enables organizations to embrace and deploy a digital, cloud-connected strategy across their operations. With Samsara, customers have the ability to drive safer operations, increase business efficiency, and achieve their sustainability goals, all to improve the lives of their employees and the customers they serve.

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

A description of the risks and uncertainties associated with our business is set forth below. The occurrence of any of the events or developments described below, or of additional risks and uncertainties not presently known to us or that we currently deem immaterial, could materially and adversely affect our business, results of operations, financial condition and growth prospects.

- If organizations do not adopt our Connected Operations Cloud, our ability to grow our business and operating results may be adversely affected.
- If we are unable to attract new customers, our future results of operations could be harmed.
- If our customers do not renew their subscriptions for our services and add additional users and services to their subscriptions, our future results of operations could be harmed.
- If the delivery of our services to our customers is interrupted or delayed for any reason, our business could suffer.
- We rely on our key technical, sales and management personnel to grow our business, and the loss of one or more key employees or the inability to attract and retain qualified personnel could harm our business.

#### **Financial key performance indicators**

The retained earnings show a 104% increase from £859,857 to £1,751,187. The revenue of the company has increased by 17% from £ 21,035,179 to £ 24,679,779

The operating profit of the company has increased by 17% and the profit after taxation has increased by 15% from £778,294 to £891,330. There has been a significant rise in the expenses of the company due to increased activity arising as a result of the expansion plan of the company.

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**SAMSARA NETWORKS LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JANUARY 2021**

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This report was approved by the board on 18 October 2021 and signed on its behalf.

DocuSigned by:  
  
2D2E55D15333449...  
**Chloe Hill**  
Director

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## SAMSARA NETWORKS LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2021

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The directors present their report and the financial statements for the year ended 31 January 2021.

#### 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements 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.

#### Results and dividends

The profit for the year, after taxation, amounted to £891,330 (2020 - £778,294).

The directors have not recommended a dividend be paid this year (2020: £nil).

#### Directors

The directors who served during the year were:

Sanjit Biswas  
Chloe Hill  
Adam Eltoukhy  
Dominic Phillips

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**SAMSARA NETWORKS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JANUARY 2021**

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**Disclosure of information to auditor**

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 auditor is 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 auditor is aware of that information.

**Auditor**

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 18 October 2021 and signed on its behalf.

DocuSigned by:  
  
202E55D15333449...  
**Chloe Hill**  
Director

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## **SAMSARA NETWORKS LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAMSARA NETWORKS LIMITED**

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#### **Opinion**

We have audited the financial statements of Samsara Networks Limited (the 'Company') for the year ended 31 January 2021, which comprise the Statement of comprehensive income, the Balance sheet, 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 102 '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 31 January 2021 and of its profit for the year 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 United Kingdom, including the Financial Reporting Council'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.



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## **SAMSARA NETWORKS LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAMSARA NETWORKS LIMITED (CONTINUED)**

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#### **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.

#### **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 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.

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

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 Strategic report or the Directors' report.

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, 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.

#### **Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement set out on page 3, 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.

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## **SAMSARA NETWORKS LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAMSARA NETWORKS LIMITED (CONTINUED)**

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#### **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.

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:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risks of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to management override risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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 Auditor's 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.

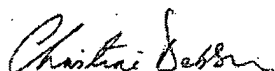
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**SAMSARA NETWORKS LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAMSARA NETWORKS LIMITED  
(CONTINUED)**

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Christine Dobson (Senior statutory auditor)

for and on behalf of  
**Crowe U.K. LLP**

Statutory Auditor

Aquis House  
49-51 Blagrove Street  
Reading  
Berkshire  
RG1 1PL

19 October 2021

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**SAMSARA NETWORKS LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JANUARY 2021**

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	Note	2021 £	2020 £
Turnover	4	24,679,779	21,035,179
<b>Gross profit</b>		<b>24,679,779</b>	<b>21,035,179</b>
Administrative expenses		(23,510,664)	(20,033,503)
<b>Operating profit</b>	5	<b>1,169,115</b>	<b>1,001,676</b>
Interest payable and expenses		(2,298)	-
<b>Profit before tax</b>		<b>1,166,817</b>	<b>1,001,676</b>
Tax on profit		(275,487)	(223,382)
<b>Profit for the financial year</b>		<b>891,330</b>	<b>778,294</b>

There was no other comprehensive income for 2021 (2020: £NIL).

The notes on pages 12 to 23 form part of these financial statements.

**SAMSARA NETWORKS LIMITED**  
**REGISTERED NUMBER: 11250772**

**BALANCE SHEET**  
**AS AT 31 JANUARY 2021**

	Note	31 January 2021 £	1 February 2020 £
<b>Fixed assets</b>			
Tangible assets	10	1,227,630	1,177,189
		<u>1,227,630</u>	<u>1,177,189</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	2,672,502	1,219,901
Bank and cash balances		876,337	697,995
		<u>3,548,839</u>	<u>1,917,896</u>
Creditors: amounts falling due within one year	13	(2,827,807)	(2,083,064)
<b>Net current assets/(liabilities)</b>		<u>721,032</u>	<u>(165,168)</u>
<b>Total assets less current liabilities</b>		<u>1,948,662</u>	<u>1,012,021</u>
<b>Provisions for liabilities</b>			
Deferred tax	14	(197,375)	(152,064)
		<u>(197,375)</u>	<u>(152,064)</u>
<b>Net assets</b>		<u><u>1,751,287</u></u>	<u><u>859,957</u></u>
<b>Capital and reserves</b>			
Called up share capital	15	100	100
Profit and loss account	16	1,751,187	859,857
		<u><u>1,751,287</u></u>	<u><u>859,957</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 October 2021.

DocuSigned by:  
  
 2D2E55D15333449...  
**Chloe Hill**  
 Director

The notes on pages 12 to 23 form part of these financial statements.

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**SAMSARA NETWORKS LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JANUARY 2021**

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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 2 February 2020	100	859,857	859,957
<b>Comprehensive income for the year</b>			
Profit for the year	-	891,330	891,330
<b>At 31 January 2021</b>	<b>100</b>	<b>1,751,187</b>	<b>1,751,287</b>

The notes on pages 12 to 23 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 1 FEBRUARY 2020**

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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 2 February 2019	1	81,563	81,564
<b>Comprehensive income for the year</b>			
Profit for the year	-	778,294	778,294
Shares issued during the year	99	-	99
<b>At 1 February 2020</b>	<b>100</b>	<b>859,857</b>	<b>859,957</b>

The notes on pages 12 to 23 form part of these financial statements.

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## SAMSARA NETWORKS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

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#### 1. General information

Samsara Networks Limited is a private limited company, limited by shares (registered number 11250772) incorporated and domiciled in the UK. Its registered office is Floor 4 1 Alie Street, London, United Kingdom, E1 8DE.

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

The preparation of financial statements in compliance with FRS 102 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:

##### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Samsara Inc. as at 31 January 2021 and these financial statements may be obtained from 1990 Alameda St, San Francisco, California, 94103, United States.

##### 2.3 Going concern

The company is reliant on support from the parent entity, Samsara Inc. (formerly known as Samsara Networks Inc.) to continue as a going concern, and the directors have received confirmation that they will have this support for the foreseeable future. With this support, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least 12 months from the date of signing these financial statements.

In making their assessment the directors have considered the impact on the business of COVID-19 including the ability of the company to continue to service customers, the impact on future revenues and cash collections. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

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## **SAMSARA NETWORKS LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021**

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

##### **2.4 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.

##### **2.5 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.

Turnover represents the amounts derived from the provision of services to the company's parent entity, Samsara Inc., which falls within the company's ordinary activities. The company recognises turnover as a mark up on operating expenditure incurred and is reflective of an arms-length transaction of similar services. This is supported through an intercompany agreement between the two entities. No other turnover is recognised within the entity.

##### **2.6 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.

##### **2.7 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.



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## SAMSARA NETWORKS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

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#### 2. Accounting policies (continued)

##### 2.8 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.

##### 2.9 Current and deferred taxation

The tax expense for the year 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 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.

##### 2.10 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.

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## SAMSARA NETWORKS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

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#### 2. Accounting policies (continued)

##### 2.10 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.

Depreciation is provided on the following basis:

Long-term leasehold property	- 10 years
Fixtures and fittings	- 5 years

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.

##### 2.11 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.

##### 2.12 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.

##### 2.13 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.

##### 2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

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## SAMSARA NETWORKS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

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#### 2. Accounting policies (continued)

##### 2.15 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 ordinary shares.

#### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These judgements and estimates are reviewed on an ongoing basis.

The directors consider there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

#### 4. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Provision of services	24,679,779	21,035,179
	<u>24,679,779</u>	<u>21,035,179</u>

Costs are recharged to the company's parent entity, Samsara Inc. which is registered in United States of America.

#### 5. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Exchange differences	11,705	430
Other operating lease rentals	<u>2,511,190</u>	<u>1,761,025</u>

# SAMSARA NETWORKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

### 6. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	25,000	34,500

### 7. Employees

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	16,611,431	11,736,116
Social security costs	2,286,674	2,180,862
Cost of defined contribution scheme	334,112	290,489
	19,232,217	14,207,467

The directors were remunerated for their services to the company by Samsara Inc. but no intercompany recharge has been made.

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

	2021 No.	2020 No.
Employees	111	116

### 8. Interest payable and similar expenses

	2021 £	2020 £
Other interest payable	2,298	-
	2,298	-

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SAMSARA NETWORKS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2021

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9. Taxation

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on profits for the year	202,976	74,859
Adjustments in respect of previous periods	27,200	-
<b>Total current tax</b>	<u>230,176</u>	<u>74,859</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	46,313	148,523
Adjustments in respect of previous periods	(1,002)	-
<b>Total deferred tax</b>	<u>45,311</u>	<u>148,523</u>
<b>Taxation on profit on ordinary activities</b>	<u>275,487</u>	<u>223,382</u>

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SAMSARA NETWORKS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2021

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9. Taxation (continued)

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>1,166,817</u>	<u>1,001,676</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	221,695	190,318
<b>Effects of:</b>		
Expenses not deductible for tax purposes	5,157	48,737
Fixed asset differences	4,665	1,800
Adjustments to tax charge in respect of prior periods	27,200	-
Adjustments to tax change in respect of prior periods - deferred tax	(1,002)	-
Deferred tax - change in tax rate	17,772	(17,473)
<b>Total tax charge for the year</b>	<u>275,487</u>	<u>223,382</u>

**Factors that may affect future tax charges**

An increase to the UK Corporation tax rate from 19% to 25% (effective from 1 April 2023) was announced in the chancellor's budget on 3 March 2021. As this was not substantively enacted as at the balance sheet date, no revaluation of deferred tax balances has taken place for the year ended 31 January 2021. This will increase the company's future current tax charge accordingly.

**SAMSARA NETWORKS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2021**

**10. Tangible fixed assets**

	Long-term leasehold property £	Furniture and fixtures £	Total £
<b>Cost or valuation</b>			
At 2 February 2020	133,040	1,152,937	1,285,977
Additions	39,824	291,073	330,897
At 31 January 2021	<u>172,864</u>	<u>1,444,010</u>	<u>1,616,874</u>
<b>Depreciation</b>			
At 2 February 2020	3,313	105,476	108,789
Charge for the year on owned assets	11,227	269,228	280,455
At 31 January 2021	<u>14,540</u>	<u>374,704</u>	<u>389,244</u>
<b>Net book value</b>			
At 31 January 2021	<u>158,324</u>	<u>1,069,306</u>	<u>1,227,630</u>
At 1 February 2020	<u>129,728</u>	<u>1,047,461</u>	<u>1,177,189</u>

**11. Debtors**

	31 January 2021 £	1 February 2020 £
Amounts owed by group undertakings	1,127,319	122,848
Other debtors	284,824	10,948
Prepayments and accrued income	429,593	153,106
VAT recoverable	830,766	932,999
	<u>2,672,502</u>	<u>1,219,901</u>

**SAMSARA NETWORKS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2021**

**12. Cash and cash equivalents**

	31 January 2021 £	1 February 2020 £
Cash at bank and in hand	876,337	697,995
	<u>876,337</u>	<u>697,995</u>

**13. Creditors: Amounts falling due within one year**

	31 January 2021 £	1 February 2020 £
Trade creditors	92,195	155,024
Corporation tax	305,035	91,394
Other creditors	1,318,187	965,551
Accruals and deferred income	1,112,390	871,095
	<u>2,827,807</u>	<u>2,083,064</u>

**14. Deferred taxation**

	2021 £
At beginning of year	(152,064)
Charged to profit or loss	(45,311)
At end of year	<u>(197,375)</u>

The provision for deferred taxation is made up as follows:

	31 January 2021 £	1 February 2020 £
Fixed asset timing differences	(197,375)	(160,984)
Short term timing differences	-	8,920
	<u>(197,375)</u>	<u>(152,064)</u>



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**SAMSARA NETWORKS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2021**

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**15. Share capital**

	<b>31 January 2021 £</b>	<b>1 February 2020 £</b>
<b>Allotted, called up and fully paid</b>		
100 (2020 - 100) Ordinary shares of £1.00 each	<b>100</b>	<b>100</b>

**16. Reserves**

**Profit and loss account**

This reserve records retained earnings and accumulated losses.

**17. Capital commitments**

The company had capital commitments of £nil at 31 January 2021 (2020: £nil).

**18. 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 £334,112 (2020 - £292,686). Contributions totalling £nil (2020 - £58,364) were payable to the fund at the balance sheet date.

**19. Commitments under operating leases**

At 31 January 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>31 January 2021 £</b>	<b>1 February 2020 £</b>
Not later than 1 year	<b>2,154,054</b>	<b>796,321</b>
Later than 1 year and not later than 5 years	<b>7,898,196</b>	<b>5,460,490</b>
Later than 5 years	<b>-</b>	<b>910,082</b>
	<b>10,052,250</b>	<b>7,166,893</b>

**20. Related party transactions**

The company has taken advantage of the exemption under FRS 102 not to disclose transactions with other members of the group on the grounds that 100% of the voting rights are controlled within the group.

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**SAMSARA NETWORKS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2021**

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**21. Controlling party**

The immediate and ultimate parent entity of the company is Samsara Inc., a company registered in the United States of America, and is the smallest and largest company to prepare consolidated financial statements in which Samsara Networks Limited is included. The address of Samsara Inc. is:

Samsara Inc.  
4TH FLOOR SOUTH BUILDING  
350 RHODE ISLAND STREET  
SAN FRANCISCO  
CALIFORNIA  
UNITED STATES  
94103

Samsara Inc. is owned by a number of shareholders and individually no shareholder can exert control. Therefore the directors are of the opinion that there is no ultimate controlling party.