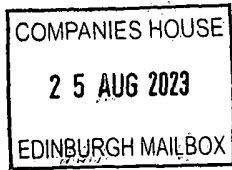


Company Registration No. SC115061 (Scotland)



ORIGO SERVICES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



ORIGO SERVICES LIMITED

COMPANY INFORMATION

Directors	A. Rafferty G. McLachlan R. Clark G. Miller
Secretary	G. McLachlan
Company number	SC115061
Registered office	7 Lochside View Edinburgh Park Edinburgh EH12 9DH
Auditor	Johnston Carmichael LLP 7-11 Melville Street Edinburgh EH3 7PE
Bankers	Bank of Scotland The Mound Edinburgh EH1 1YZ

ORIGO SERVICES LIMITED

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ORIGO SERVICES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present the strategic report for the year ended 31 December 2022.

Fair review of the business

Project Source Bidco Limited acquired 100% of the issued share capital of Origo Services Limited and its subsidiary Origo Secure Internet Services Limited (together "Origo") on 20 May 2022. Origo will continue to work closely with its clients to address issues and deliver solutions for the benefit of the industry.

Origo enjoyed another year of growth in 2022, with a continued focus on assisting the industry to address the cost, risk and efficiency issues involved in the transfer and sharing of data between trading partners. Origo continues to deliver professionally developed solutions that enable the industry to deliver high quality customer service across all channels to market and continues to invest significant funds to develop services that help the market meet ongoing structural, regulatory and evolutionary change.

Key performance indicators

The 2022 accounts show a continued strong cash position which has enabled continued investment in development and maintenance projects throughout the year. Operating profit was £3,999K and cash at 31 December 2022 was £214K.

Principal risks and uncertainties

Origo has delivered, and will continue to deliver, services that make a positive impact on customer outcomes, whilst delivering efficiency, cost reductions and risk mitigation for the industry. Other organisations have been attracted to Origo's success and whilst Origo welcomes competition, there is potential detriment to the industry through additional cost, complexity and duplication, and ultimately therefore, cost to the consumer. We look forward to working with all our stakeholders to address complexity in the marketplace and to prevent misuse of market position by supposedly consumer focussed representative bodies.

The current economic conditions represent a challenge for all. As an organisation built to deliver greater efficiencies and cost savings to our customers, Origo believe we are uniquely placed to continue to help our customers through these troubling times.

Origo continues to diversify its customer base to offset any risks that may arise from market consolidation.

Recognising increased attention on and prevalence of cyber risks, Origo continues to invest to strengthen its infrastructure to further mitigate the risks to service availability and customer data.

On behalf of the board

Graham McLachlan

.....
G. McLachlan
Director

29 / 06 / 2023
Date:

ORIGO SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the company continued to be that of improving electronic communications between intermediaries and financial service companies.

Results and dividends

Profit before tax for the year was £3,999K (2021 as restated: £2,125K).

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

I. Duffin	(Resigned 20 May 2022)
A. Rafferty	
D. Cooper	(Resigned 20 May 2022)
M. Spillane	(Resigned 20 May 2022)
D. Tiller	(Resigned 20 May 2022)
G. McLachlan	
G. Bold	(Resigned 20 May 2022)
G. Dodd	(Resigned 20 May 2022)
N. Rodway	(Resigned 20 May 2022)
R. Clark	(Appointed 20 May 2022)
G. Miller	(Appointed 20 May 2022)

Auditor

Johnston Carmichael LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Graham McLachlan

.....
G. McLachlan
Director

Date: 29 / 06 / 2023
.....

ORIGO SERVICES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors are responsible for preparing the strategic report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 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.

ORIGO SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ORIGO SERVICES LIMITED

Opinion

We have audited the financial statements of Origo Services Limited (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including 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 December 2022 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 responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

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.

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.

ORIGO SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ORIGO SERVICES LIMITED

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 and 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.

Auditor responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent 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:

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and the sector in which it operates, focusing on those provisions that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- Companies Act 2006;
- Corporation Tax legislation;
- VAT legislation; and
- UK Generally Accepted Accounting Practice.

ORIGO SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ORIGO SERVICES LIMITED

We gained an understanding of how the company is complying with these laws and regulations by making enquiries of management and those charged with governance. We corroborated these enquiries through our review of relevant correspondence with regulatory bodies and board meeting minutes.

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. We identified a heightened fraud risk in relation to:

- Management override of controls
- Revenue recognition

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance for reference to: breaches of laws and regulation or for any indication of any potential litigation and claims; and events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud;
- Reviewing the level of and reasoning behind the company's procurement of legal and professional services;
- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias;
- Completion of appropriate checklists and use of our experience to assess the company's compliance with the Companies Act 2006;
- Agreement of the financial statement disclosures to supporting documentation; and
- Testing the accuracy of revenue recognised from contracts via reference to key terms, stage of completion, costs incurred and costs to complete.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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.



William King (Senior Statutory Auditor)
For and on behalf of Johnston Carmichael LLP

Date: 29 June 2023

Chartered Accountants
Statutory Auditor

7-11 Melville Street
Edinburgh
EH3 7PE

ORIGO SERVICES LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

		2022	2021
	Notes	£'000	as restated £'000
Turnover	4	15,828	9,232
Cost of sales		(1,813)	(1,136)
Gross profit		14,015	8,096
Administrative expenses		(9,112)	(6,563)
Other operating income		132	566
Exceptional items	5	(1,036)	-
Operating profit	7	3,999	2,099
Interest receivable and similar income	11	-	26
Profit before taxation		3,999	2,125
Tax on profit	12	(1,377)	(92)
Profit for the financial year		<u>2,622</u>	<u>2,033</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.


ORIGO SERVICES LIMITED

BALANCE SHEET


AS AT 31 DECEMBER 2022

		2022		2021 as restated	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	13		3,036		1,845
Tangible assets	14		419		661
Investments	15		4,001		4,001
			<u>7,456</u>		<u>6,507</u>
Current assets					
Debtors falling due after more than one year	17	-		927	
Debtors falling due within one year	17	9,154		3,366	
Investments	18	-		584	
Cash at bank and in hand		214		1,030	
		<u>9,368</u>		<u>5,907</u>	
Creditors: amounts falling due within one year	19	(8,456)		(5,806)	
Net current assets			<u>912</u>		<u>101</u>
Total assets less current liabilities			<u>8,368</u>		<u>6,608</u>
Creditors: amounts falling due after more than one year	20		-		(459)
Provisions for liabilities					
Deferred tax liability	21	445		-	
		<u>(445)</u>		<u>-</u>	
Net assets			<u>7,923</u>		<u>6,149</u>
Capital and reserves					
Called up share capital	23		2,219		2,451
Capital redemption reserve			232		-
Profit and loss reserves	24		5,472		3,698
Total equity			<u>7,923</u>		<u>6,149</u>

The financial statements were approved by the board of directors and authorised for issue on 29/06/2023 and are signed on its behalf by:



 A. Rafferty
 Director



 G. McLachlan
 Director

Company Registration No. SC115061

ORIGO SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Share capital £'000	Capital redemption reserve £'000	Profit and loss reserves as restated £'000	Total as restated £'000
As restated for the period ended 31 December 2021:					
Balance at 1 January 2021 as restated		2,451	-	1,665	4,116
Year ended 31 December 2021 as restated:					
Profit and total comprehensive income for the year as restated		-	-	2,033	2,033
Balance at 31 December 2021 as restated		2,451	-	3,698	6,149
Year ended 31 December 2022:					
Profit and total comprehensive income for the year		-	-	2,622	2,622
Redemption of shares	23	(232)	232	-	-
Equity distribution	24	-	-	(848)	(848)
Balance at 31 December 2022		2,219	232	5,472	7,923

ORIGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Origo Services Limited is a private company limited by shares incorporated in Scotland. The registered office is 7 Lochside View, Edinburgh Park, Edinburgh, EH12 9DH.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Project Source Bidco Limited. These consolidated financial statements are available from Companies House. These consolidated financial statements are available from Companies House, 2, 4th Floor, Edinburgh Quay, 139 Fountainbridge, Edinburgh EH3 9FF.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from long term contracts is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and material, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

ORIGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.4 Intangible fixed assets other than goodwill

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Software development	20% straight line
----------------------	-------------------

Software development costs are capitalised once it is demonstrated that an asset is identifiable and that the asset will generate probable future economic benefits. Software development costs are not amortised until the intangible asset is available for use.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and property	10% straight line
Fixtures and fittings	25% straight line
Computer equipment	50% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

ORIGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Comprehensive Income.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors and amounts owed to fellow group companies, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

ORIGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of fixed assets.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.16 Exceptional items

Exceptional items comprise material and one-off costs that the directors consider as material to the statement of comprehensive income and that their separate disclosure is necessary for an appropriate understanding of the company's performance.

1.17 Capital redemption reserve

The capital redemption reserve represents amounts which were transferred following the purchase of own shares out of distributable profits.

ORIGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Change in accounting policy

In the current year, the directors have changed the company's accounting policy for development costs to capitalise those costs within intangible assets. Historically, all research and development costs were expensed as incurred. The driver for the change is to provide more meaningful information to the users of the financial statements following the change in ownership during the year.

The effect of this change in accounting policy is an increase in the opening profit and loss reserves at 1 January 2021 of £1,393K in order to reflect the recognition of an intangible asset cost of £1,910K and an associated accumulated amortisation charge of £518K.

Subsequently, during the year ended 31 December 2021, intangible asset cost additions amounted to £697K accompanied by an associated amortisation charge of £244K. This has resulted in an increase in the closing profit and loss reserves at 31 December 2021 of £453K.

The total impact is an increase in the opening profit and loss reserves at 1 January 2022 of £1,846K.

3 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Revenue recognition - stage of completion

Recognition of revenue and profit in relation to long term contracts is based on judgments made in respect of the stage of completion and ultimate profitability of a contract. Such judgments are arrived at through the use of estimates in relation to the costs and value of work performed to date and to be performed in bringing contracts to completion, including the recoverability of any un-agreed income from variations and the likely outcome of discussions on claims. The company has appropriate control procedures to ensure all estimates are determined on a consistent basis and subject to appropriate review and authorisation.

Useful lives of intangible assets

The company capitalises development costs provided the aforementioned conditions have been met. Consequently, the directors require to continually assess the commercial potential of each product in development and its useful life following construction completion. In assessing useful life, the company uses careful judgement based on past experience, advances in product development and also best practice. The company amortises intangible assets over 5 years.

ORIGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Turnover and other revenue

	2022 £'000	2021 £'000
Turnover analysed by class of business		
Provision of services	8,994	8,096
Revenue recognised on long term contracts	6,834	1,136
	<u>15,828</u>	<u>9,232</u>

	2022 £'000	2021 £'000
Turnover analysed by geographical market		
United Kingdom	<u>15,828</u>	<u>9,232</u>

	2022 £'000	2021 £'000
Other significant revenue		
Interest income	-	26
Grants received	-	95
Other operating income (note 6)	<u>132</u>	<u>471</u>

5 Exceptional item

	2022 £'000	2021 £'000
Expenditure		
Exceptional items	<u>1,036</u>	<u>-</u>

Expenditure relates to costs incurred in relation to the sale of the business during the year. These costs are considered exceptional due to the material and non-recurring nature.

6 Other operating income

Other operating income relates to grant income totalling £nil (2021: £95K), RDEC income totalling £18K (2021: £74K) and management services income totalling £114K (2021: £397K).

7 Operating profit

	2022 £'000	2021 as restated £'000
Operating profit for the year is stated after charging/(crediting):		
Government grants	-	(95)
Depreciation of owned tangible fixed assets	175	266
Impairment of owned tangible fixed assets	202	-
Amortisation of intangible assets	227	244
Operating lease charges	<u>212</u>	<u>210</u>

ORIGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Auditor's remuneration

	2022 £'000	2021 £'000
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	17	12
For other services		
All other non-audit services	97	48

9 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Management and administration	21	21
Systems development and support	52	35
Total	73	56

Their aggregate remuneration comprised:

	2022 £'000	2021 £'000
Wages and salaries	5,098	4,321
Social security costs	696	512
Pension costs	398	352
	6,192	5,185

10 Directors' remuneration

	2022 £'000	2021 £'000
Remuneration for qualifying services	1,320	771
Company pension contributions to defined contribution schemes	-	25
	1,320	796

ORIGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Directors' remuneration

(Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2022 £'000	2021 £'000
Remuneration for qualifying services	537	414
Company pension contributions to defined contribution schemes	-	3
	<u>537</u>	<u>417</u>

11 Interest receivable and similar income

	2022 £'000	2021 £'000
Interest income		
Interest on bank deposits	-	26
	<u>-</u>	<u>26</u>

12 Taxation

	2022 £'000	2021 £'000
Current tax		
UK corporation tax on profits for the current period	853	1
	<u>853</u>	<u>1</u>
Deferred tax		
Origination and reversal of timing differences	539	91
Adjustment in respect of prior periods	(15)	-
	<u>524</u>	<u>91</u>
Total deferred tax	524	91
	<u>524</u>	<u>91</u>
Total tax charge	1,377	92
	<u>1,377</u>	<u>92</u>

ORIGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £'000	2021 £'000
Profit before taxation	3,999	2,125
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	760	404
Tax effect of expenses that are not deductible in determining taxable profit	168	13
Group relief	(72)	52
Research and development tax credit	(3)	(14)
Deferred tax adjustments in respect of prior years	(15)	-
Deferred tax not recognised	-	(248)
Fixed asset differences	410	(12)
Adjustments	-	(84)
Remeasurement of deferred tax for changes in tax rates	129	(19)
Taxation charge for the year	1,377	92

An increase in the UK corporation tax rate from 19% to 25% (effective from 1 April 2023) was substantively enacted on 24 May 2021. This will increase in the company's tax charge in future years.

Deferred tax has been calculated using the rate effective in the period it is expected to reverse.

ORIGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Intangible fixed assets

	Software development £'000
Cost	
As restated at 1 January 2022	2,607
Additions	1,418
Disposals	(317)
At 31 December 2022	3,708
Amortisation and impairment	
As restated at 1 January 2022	762
Amortisation charged for the year	227
Disposals	(317)
At 31 December 2022	672
Carrying amount	
At 31 December 2022	3,036
As restated at 31 December 2021	1,845

Included within the cost of software development are assets under construction totalling £2,730K (2021 as restated: £1,314K). Amortisation is not charged on assets under construction.

14 Tangible fixed assets

	Plant and property £'000	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost				
At 1 January 2022	506	110	1,193	1,809
Additions	-	-	135	135
At 31 December 2022	506	110	1,328	1,944
Depreciation and impairment				
At 1 January 2022	292	17	839	1,148
Depreciation charged in the year	47	25	103	175
Impairment losses	-	-	202	202
At 31 December 2022	339	42	1,144	1,525
Carrying amount				
At 31 December 2022	167	68	184	419
At 31 December 2021	214	93	354	661

ORIGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Fixed asset investments

	Notes	2022 £'000	2021 £'000
Investments in subsidiaries	16	4,001	4,001

On 31 October 2022, fixed asset investments with a carrying value of £4,001K were pledged as security in favour of Santander UK plc in respect of a debt facility of the company's parent company, Project Source Bidco. The share pledge was in relation to all existing and any further interests in the subsidiary's shares. Subsequent to the year end, on 18 January 2023, the undertaking has been released from the charge. Remaining security is detailed at note 28.

16 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Origo Secure Internet Services Limited	7 Lochside View, Edinburgh Park, Edinburgh, EH12 9DH	Information technology service activities	Ordinary	100.00

17 Debtors

	2022 £'000	2021 £'000
Amounts falling due within one year:		
Trade debtors	1,074	46
Corporation tax recoverable	-	74
Amounts owed by group undertakings	7,134	-
Other debtors	-	95
Prepayments and accrued income	946	3,151
	<u>9,154</u>	<u>3,366</u>
Amounts falling due after more than one year:		
Other debtors	-	848
Deferred tax asset (note 21)	-	79
	<u>-</u>	<u>927</u>
Total debtors	<u>9,154</u>	<u>4,293</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

ORIGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Current asset investments

	2022 £'000	2021 £'000
Unlisted investments	-	584

On 4 January 2022, the unlisted investments were disposed of in full.

19 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	231	71
Amounts owed to group undertakings	5,046	5,210
Corporation tax	836	-
Other taxation and social security	961	-
Other creditors	167	-
Accruals and deferred income	1,215	525
	8,456	5,806

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

20 Creditors: amounts falling due after more than one year

	2022 £'000	2021 £'000
Accruals and deferred income	-	459

During the year, the company operated a long term incentive plan with related amounts falling due after more than one year of £nil (2021: £459K). The long term incentive plan was closed and settled upon the sale of the business.

ORIGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022 £'000	Liabilities 2021 £'000	Assets 2022 £'000	Assets 2021 £'000
Balances:				
Accelerated capital allowances	457	-	-	(99)
Short term timing differences	(12)	-	-	178
	<u>445</u>	<u>-</u>	<u>-</u>	<u>79</u>
Movements in the year:				2022 £'000
Asset at 1 January 2022				(79)
Charge to profit or loss				524
Liability at 31 December 2022				<u>445</u>

22 Retirement benefit schemes

	2022 £'000	2021 £'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>398</u>	<u>352</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

23 Share capital

	2022 Number	2021 Number	2022 £'000	2021 £'000
Ordinary share capital Issued and fully paid				
Ordinary Shares of £1 each	<u>2,218,565</u>	<u>2,450,651</u>	<u>2,219</u>	<u>2,451</u>

On 20 May 2022, 232,086 ordinary shares, each with a nominal value of £1, were repurchased by the company creating a capital redemption reserve of £232K.

24 Profit and loss reserves

During the year, an amount owed of £848K in respect of a loan with Criterion Tec Limited, a prior subsidiary, was waived resulting in an equity distribution of £848K. Criterion Tec Limited is not considered a connected company as a result of no relationship of common control existing.

ORIGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

25 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

Lease of plant and machinery:

	2022 £'000	2021 £'000
Within one year	1	1
Between two and five years	1	2
	<u>2</u>	<u>3</u>

Lease of land and buildings:

	2022 £'000	2021 £'000
Within one year	211	211
Between two and five years	863	846
In over five years	652	863
	<u>1,726</u>	<u>1,920</u>

26 Related party transactions

The company has applied the exemption granted by section 33 of FRS 102 to not disclose transactions with wholly owned group companies.

27 Ultimate controlling party

The company is a wholly owned subsidiary undertaking of Project Source Bidco Limited, registered office 316a Beulah Hill, London, United Kingdom, SE19 3HF.

The smallest and largest group in which the results of the company are consolidated is Project Source Bidco Limited. Copies of the financial statements are available from its registered office.

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

28 Security

The company's assets are pledged as security in favour of Santander UK plc in respect of a debt facility of the company's parent company, Project Source Bidco Limited.