

Company Registration No. 11020663 (England and Wales)

E FUNDAMENTALS (INTERNATIONAL) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
PAGES FOR FILING WITH REGISTRAR

E FUNDAMENTALS (INTERNATIONAL) LIMITED

COMPANY INFORMATION

Directors	G Hariharan K Srinivasan	(Appointed 15 July 2022) (Appointed 15 July 2022)
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Company number	11020663
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Registered office	12 New Fetter Lane London United Kingdom EC4A 1JP
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Accountants	Johnston Carmichael LLP 7-11 Melville Street Edinburgh EH3 7PE
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E FUNDAMENTALS (INTERNATIONAL) LIMITED

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E FUNDAMENTALS (INTERNATIONAL) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	3	2,448,012		2,856,014	
Tangible assets	4	28,620		22,606	
		<u>2,476,632</u>		<u>2,878,620</u>	
Current assets					
Debtors	5	1,621,112		1,322,552	
Cash at bank and in hand		148,815		531,189	
		<u>1,769,927</u>		<u>1,853,741</u>	
Creditors: amounts falling due within one year	6	<u>(13,227,177)</u>		<u>(9,002,802)</u>	
Net current liabilities		<u>(11,457,250)</u>		<u>(7,149,061)</u>	
Net liabilities		<u>(8,980,618)</u>		<u>(4,270,441)</u>	
Capital and reserves					
Called up share capital	8	38,976		38,976	
Share premium account	9	3,858,691		3,858,691	
Profit and loss reserves	10	(12,878,285)		(8,168,108)	
Total equity		<u>(8,980,618)</u>		<u>(4,270,441)</u>	

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 22 December 2022 and are signed on its behalf by:

G Hariharan
Director

Company Registration No. 11020663

E FUNDAMENTALS (INTERNATIONAL) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Share premium account	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 January 2020	38,976	3,858,691	(4,303,324)	(405,657)
Year ended 31 December 2020:				
Loss and total comprehensive expense for the year	-	-	(3,984,982)	(3,984,982)
Credit to equity for equity settled share-based payments	7	-	120,198	120,198
Balance at 31 December 2020	38,976	3,858,691	(8,168,108)	(4,270,441)
Year ended 31 December 2021:				
Loss and total comprehensive expense for the year	-	-	(4,867,452)	(4,867,452)
Credit to equity for equity settled share-based payments	7	-	157,275	157,275
Balance at 31 December 2021	38,976	3,858,691	(12,878,285)	(8,980,618)

E FUNDAMENTALS (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

E Fundamentals (International) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 12 New Fetter Lane, London, United Kingdom, EC4A 1JP.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £.

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

1.2 Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reason.

The directors have prepared a cash flow forecast for the period to December 2023 which indicates that the company will have sufficient funds, through funding from its parent company, Boomerang Commerce Inc to meet its external liabilities as they fall due for that period. A letter of support has been obtained from Boomerang Commerce Inc which covers a period of at least 12 months from the date of approval of the accounts.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for SaaS Platform licences provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from SaaS licencing contracts is recognised evenly over the contracted period with the exception of additional fees that are recognised when delivery is completed. When contractual revenue can be measured with certainty, revenue is recognised during the period which the customer has access to the Group's SaaS Platform.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business 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:

Patents & licences	10% straight line
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E FUNDAMENTALS (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, 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:

Computers	33% straight line
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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.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand. Bank overdrafts are shown within borrowings in current liabilities.

1.8 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. Financial assets classified as receivable within one year are not amortised.

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, loans from fellow group companies, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

1.10 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.

E FUNDAMENTALS (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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.

1.11 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 stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

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

1.13 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the black scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

1.14 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.

1.15 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.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

E FUNDAMENTALS (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Employees

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

	2021 Number	2020 Number
Total	66	37

3 Intangible fixed assets

	Goodwill £	Other £	Total £
Cost			
At 1 January 2021 and 31 December 2021	3,960,020	120,000	4,080,020
Amortisation and impairment			
At 1 January 2021	1,188,006	36,000	1,224,006
Amortisation charged for the year	396,002	12,000	408,002
At 31 December 2021	1,584,008	48,000	1,632,008
Carrying amount			
At 31 December 2021	2,376,012	72,000	2,448,012
At 31 December 2020	2,772,014	84,000	2,856,014

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2021	47,283
Additions	21,329
At 31 December 2021	68,612
Depreciation and impairment	
At 1 January 2021	24,677
Depreciation charged in the year	15,315
At 31 December 2021	39,992
Carrying amount	
At 31 December 2021	28,620
At 31 December 2020	22,606

E FUNDAMENTALS (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Debtors	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	1,137,403	845,753
Other debtors	483,709	476,799
	<u>1,621,112</u>	<u>1,322,552</u>

6 Creditors: amounts falling due within one year	2021	2020
	£	£
Bank loans and overdrafts	14,754	-
Trade creditors	330,148	144,002
Amounts owed to group undertakings	11,194,888	7,700,028
Taxation and social security	194,794	280,648
Other creditors	1,492,593	878,124
	<u>13,227,177</u>	<u>9,002,802</u>

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

Included in other creditors is £1,069,010 (2020: £614,675) of deferred income relating to contract revenue.

7 Share-based payment transactions	Number of share options		Weighted average exercise price	
	2021 Number	2020 Number	2021 £	2020 £
Outstanding at 1 January 2021	532,852	201,602	1.22	0.39
Granted	3,975	331,250	1.20	1.46
Forfeited	(38,320)	-	1.20	-
	<u>498,507</u>	<u>532,852</u>	<u>1.22</u>	<u>1.22</u>
Outstanding at 31 December 2021	498,507	532,852	1.22	1.22
	<u>498,507</u>	<u>532,852</u>	<u>1.22</u>	<u>1.22</u>
Exercisable at 31 December 2021	389,229	532,852	1.22	1.22
	<u>389,229</u>	<u>532,852</u>	<u>1.22</u>	<u>1.22</u>

E FUNDAMENTALS (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Share-based payment transactions (Continued)

All share options related to, vested and were exercised over shares of the company's parent company - E Fundamentals (Group) Limited ("Parent Company). Please refer to note 13.

Options generally lapse when employees leave the group or on the 10th anniversary of date of grant.

The weighted average remaining contractual life of the options at 31 December 2021 is 8.5 years (2020 - 9.5 years).

During the year to 31st December 2021, 3,975 (2020: 331,250) equity settled options over parent company shares were granted. The weighted average fair value of these options granted in the year ended 31st December 2021 was £ 1.20 (2020: £1.22) per option.

Options were valued using the Black-Scholes option-pricing model. No performance conditions were included in the calculations. A share option charge of £157,275 (2020: £120,198) has been recognised in the accounts.

8 Called up share capital

	2021	2020	2021	2020
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of 1p each	3,897,667	3,897,667	38,976	38,976

9 Share premium account

Share premium reserve relates to amounts paid above par value of the shares net of any legal fees incurred in relation to the share issue.

10 Profit and loss reserves

Profit and loss reserves are the cumulative net profits or losses in the statement of comprehensive income.

12 Parent company

The immediate parent company is E Fundamentals (Group) Limited registered at 12 New Fetter Lane, London, EC4A 1JP. The ultimate parent company is Boomerang Commerce Inc registered at 2100 Geng Rd, Suite 210, Palo Alto, CA, 94303 (Note 13). In the opinion of the directors, there is no ultimate controlling party.

13 Subsequent events

On 15th July 2022, 100% share capital of E fundamentals (Group) Limited, E fundamentals (International) Limited's parent company, was acquired by Boomerang Commerce Inc.

On acquisition, all remaining share options vested and were fully exercised (Note 7).

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