2013

inTechnology

ANNUAL REPORT & FINANCIAL STATEMENTS

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CHAIRMAN'S INTRODUCTION

Our year to 31 March 2013 has seen good progress in preparing the Group for the future. We have now completed a major programme of discretionary capital expenditures, costing £14.5m and spanning the past six years, leaving the infrastructure for all our managed services in an excellent condition with capacity for revenue expansion. During the year, your Board defined our sales and marketing strategy for the Digital Health market and recruited key staff to manage it. During the last quarter of the financial year, plans were enacted to change the corporate structure so that during the new financial year InTechnology plc becomes the holding company for all trading Subsidiaries and Associate companies in our Group. Up until now, all trading activities were in the holding company. This change better aligns the staff employed in each business unit to their core competencies and clearly defined objectives.

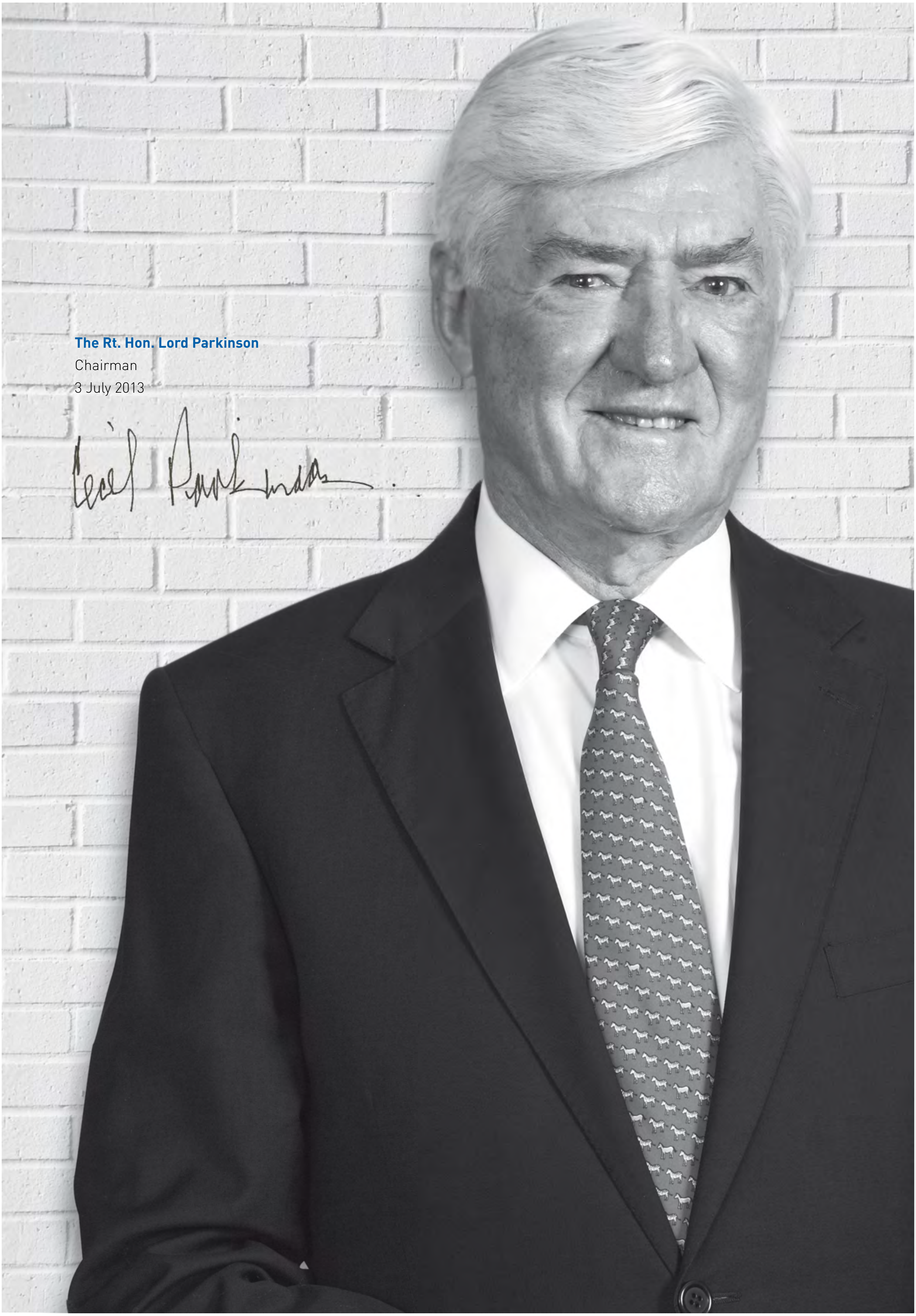
Against the continuing economic background of very little UK growth, our recognised revenues grew by £1.0m to £41.7m, an increase of 2.7 per cent (2012: 2.5 per cent). Group operating profit declined to £1.3m (2012: £2.4m), which was largely caused by the £0.9m increase in depreciation as recent capital projects, such as the Reading data centre, were commissioned, as well as start up operating losses in the Digital Health business of £0.8m (2012: £0.01m). Allowing for these two factors, the Managed Data and Voice Services ("IMS") business EBITDA (earnings before interest, tax, depreciation and amortisation) increased to £8.0m (2012: £7.4m).

Our share of losses after tax in our Associate companies increased to £1.4m (2012: £0.8m), impacted by deteriorating exchange rates. However Mobile Tornado Group plc secured some notable contracts during the year which, when fully commissioned, can greatly improve the trading results.

Our net cash was £3.3m (2012: £4.2m). This reduction was impacted by completion of our major capital expenditure programme, the commencement of the Digital Health business and providing additional working capital to our Associates. However, gross cash was £8.0m (2012: £10.3m). Our balance sheet remains strong.

I wish to thank on your behalf all our staff, those who have been with us for many years, and new members, whose energy, professional skills and loyalty enable us to keep pace with all the changes in our IT sector. In addition I also thank all our partners in all areas of the business.

Your Board has, during the past several years, made some major capital investments in data centres, our network and other important infrastructure that, coupled with a strong balance sheet, puts your Company in a strong position to grow the businesses in the years ahead. The decision to invest in Digital Health brings together all our managed services skills to offer the NHS services that can increase productivity and, as importantly, patient care. Our IMS business is ready for growth of revenues and operating profits.



The Rt. Hon. Lord Parkinson
Chairman
3 July 2013

Cecil Parkinson

CHIEF EXECUTIVE OFFICER'S REPORT

Overview

Last year we made good progress in creating two distinct business units that place your Company in an excellent state for growth of revenues and profits over the next few years. These business units are our Core business in Managed Data and Voice Services and, as announced last year, our new Digital Health business.

Towards the end of last fiscal year we have aligned our staff, our key resource, to deliver managed services to customers, into these two business units. With effect from 1 May 2013 all staff and other net assets were hived down from InTechnology plc into wholly owned trading subsidiaries. These are InTechnology Managed Services Limited, ("IMS"), and InHealthcare Limited ("Digital Health"). Certain head office functions that are not readily allocated to the business units remain in InTechnology plc.

During the year the main trading activity was by our Managed Data and Voice Services business, now IMS. We maintained an excellent rate of sale contract wins from both new and existing customers securing £30.9m (2012: £30.3m) and most importantly achieved a very low rate of customer churn (customers not renewing contracts) whereas in fiscal 2012 customer churn was comparatively high as we exited from the old London data centre. Our forward contracted recurring revenues at the year end were a record £75.7m (2012: £63.7m).

Trading and operating performance

- Recognised revenues increased 2.7 per cent to £41.7m (2012: £40.7m)
- Recurring revenues increased 3.0 per cent to £39.1m (2012: £37.9m) and were 93.7 per cent of total revenues.
- Group operating profit declined to £1.3m (2012: £2.4m) impacted by the start up costs of Digital Health and higher depreciation of £0.9m.
- IMS EBITDA (earnings before interest, tax, depreciation and amortisation) increased to £8.0m (2012: £7.4m).
- Capital expenditure was £4.3m (2012: £8.1m) and completes a series of high discretionary capital expenditure putting our infrastructure in excellent condition.
- Share of post tax loss of our Associates was £1.4m (2012: £0.8m).
- Taxation charge was £0.5m (2012: £0.8m).
- Group loss for the year was £0.7m (2012: £0.8m profit).
- Cash was £8.0m (2012: £10.3m).
- Net cash was £3.3m (2012: £4.2m).
- Key performance indicators ("KPIs") - our KPIs are growth of revenue and operating margin (measured as earnings before interest, exceptional items, amortisation of intangible assets, share of Associate profit or loss and tax as a percentage of revenue). Our revenues increased by 2.7 per cent and operating margin was 3.0 per cent (2012: 5.9 per cent). The KPIs will be rebased next year to account for the two distinct business units that are now operational.

Divisional performance

Managed Data and Voice Services ("IMS")

Revenues were £40.9m (2012: £40.2m) the majority being "Cloud Services", and EBITDA increased to £8.0m (2012: £7.4m). EBITDA to revenue margin was 19.6 per cent (2012: 18.4 per cent).

Sales contracts secured from both new and existing customers were £30.9m (2012: £30.3m) and customer churn was below 5 per cent. We continue to experience on larger contracts a long roll out before full commissioning and billing. All these factors; contracts secured, low churn and commissioning, are reflected in our highest ever forward contracted recurring revenues at the year end of £75.7m (2012: £63.7m). Also our recurring revenues were 94.0 per cent of total revenues which again, are the highest achieved, reflecting our decision two years ago to stop selling low margin hardware and software products.

There remains some downward pricing pressure on contract renewals but in turn we have secured certain cost reductions in bought-in services to lessen this impact, and we maintain tight controls on all operating costs.

Last year completed a period of high discretionary capital expenditures. The major items last year were the installation of a new voice interconnect switch and completely new internal software systems which are now being commissioned and are planned to increase productivity. The expenditures over the past four years have given us excellent state-of-the-art infrastructure with capacity for revenue expansion. We firmly believe that to deliver to our customers the best possible services we need to own our own infrastructure rather than subcontract part of the services to third parties.

The IMS business is now in excellent shape to grow its revenues and EBITDA maintaining its high recurring services revenues and forward contracted revenues. Having our own infrastructure enables us to achieve customer satisfaction by exceeding our service level agreements ("SLAs").

Digital Health

Last year we announced our first steps to enter the healthcare services market which in the UK is dominated by the NHS. Our approach is conditioned by our IMS business to always offer an end-to-end service and not just to deliver a product for others to implement. A year ago we initially explored the Telehealthcare market that has been promoted by the Department of Health under its "3millionlives" initiative but we have now developed our strategy to address the broader Digital Health market. This incorporates Telehealthcare but Digital Health encompasses our core values of end-to-end services as required by the customer, in our case the NHS clinicians.

One example of our innovative service approach has been an INR monitoring service for Warfarin patients that eliminates the patient from continually visiting an outpatient's clinic and allows NHS clinicians to increase productivity.

During the last year we successfully contracted with three major NHS Trusts and we are now delivering multiple Digital Health services to them. To do so we have built up a dedicated team of staff for this new venture and will continue to build on this team during the new year. Recognised revenues were £0.6m (2012: £nil) and EBITDA was £0.8m loss (2012: £0.01m loss).

Last year we reported the formation of InMedical, a new division primarily in the supply of clinical informatics, but soon decided that all such activities were better incorporated into Digital Health. Also we had planned to invest in Healthsolve Limited, a healthcare software business, but later decided to purchase software assets from the company from which we have already developed a system "Patient Record in the Cloud"; a loan advanced to the company earlier in the year was repaid. Alan Payne, a director of Healthsolve Limited, was appointed to our board on 22 May 2012 but later resigned following our decision not to invest in his company.

CHIEF EXECUTIVE OFFICER'S REPORT

CONTINUED

Investment in associate undertakings

Mobile Tornado Group plc
("Mobile Tornado")

(49.9 per cent owned and listed on AIM). Mobile Tornado has still not achieved profitability during the past year and we have continued loaning working capital on a secured basis whilst Mobile Tornado commissions some large contracts in the Americas and Europe.

Mobile Tornado has successfully developed its radio communications software to operate on all commercial mobile operating system platforms and, in addition, has introduced high level encryption to its Push-To-Talk technology which now enables it to sell into the "Homeland Security" markets on a global basis. Mobile Tornado's global markets are now commercial mobile carriers and governments for secure applications.

We maintained our decision not to convert our £3.0m convertible preference shares into ordinary shares in order to maximise our security. Our other loans total £3.8m (2012: £2.9m).

Live-PA Limited ("Live-PA")

Live-PA's call recording software for Microsoft® Lync® continues to be globally marketed, and is also successfully used by us in our IMS business.

On 1 April 2013 we converted £0.3m of our loans into ordinary shares in Live-PA and it becomes a 76 per cent subsidiary.

Outlook

Last year our IMS business performed very well securing new contracts and retaining customers on renewal. We have now established our Digital Health business and secured important NHS contracts to prove the value of our approach to managed services in this important sector of the UK economy.

On 1 May 2013 these two key businesses were hived down into separate wholly owned subsidiaries and dedicated resources allocated to them. So, now we can concentrate the separate management and staff teams to progress the growth of each distinct business. Both are in excellent shape and determined to achieve profitable growth.

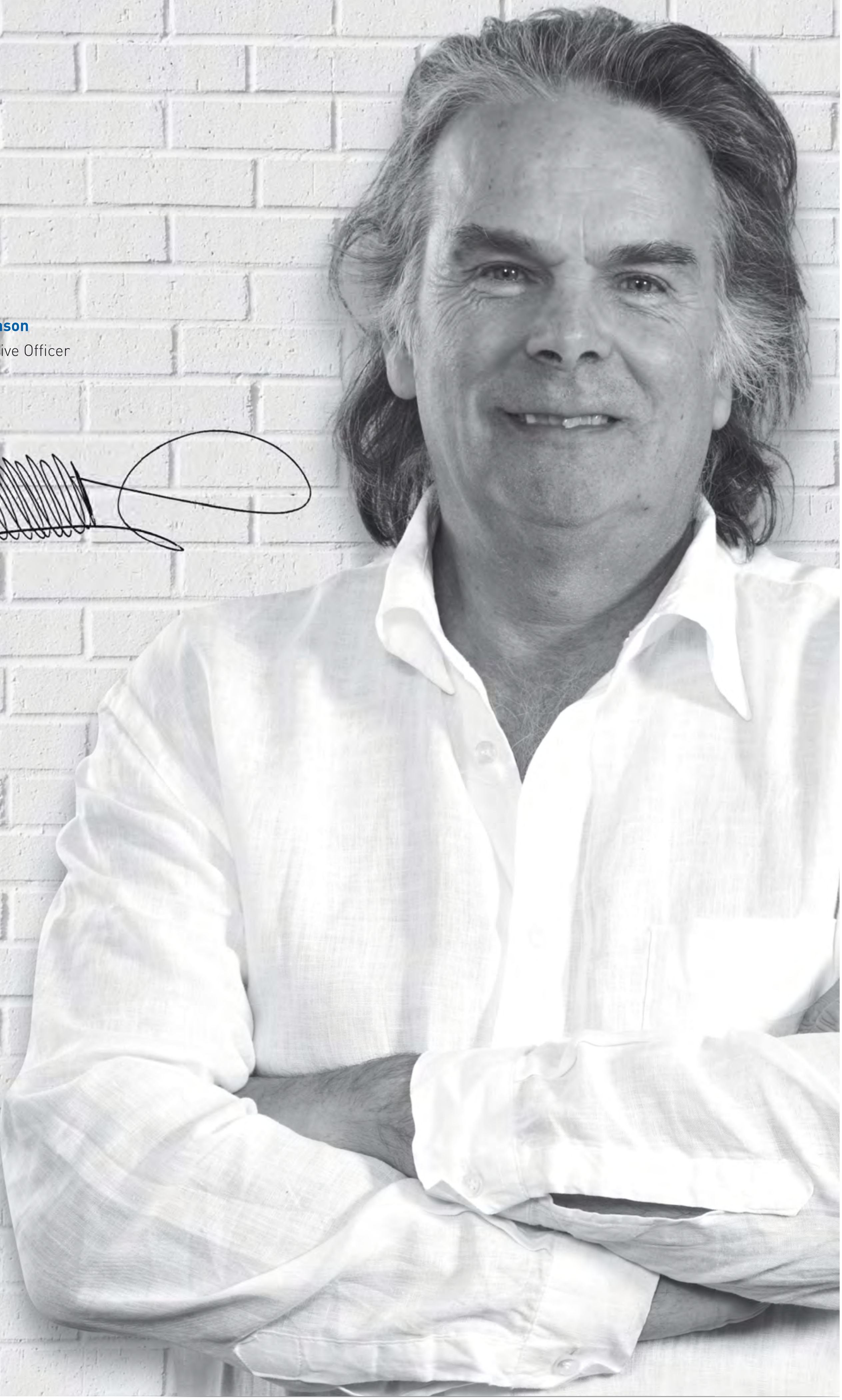
Our Associate, Mobile Tornado, having secured some major contracts and developed its services for additional global markets now has to deliver sustainable services and so become profitable and cash generative.

We feel confident of an excellent future.

Peter Wilkinson

Chief Executive Officer

3 July 2013



MANAGEMENT TEAM

Non-executive Directors

The Rt. Hon. Lord Parkinson
Chairman and Senior Non-executive Director

Lord Parkinson was appointed to the Board in July 2000 as a non-executive Director and is Chairman of the Audit Committee and a member of the Remuneration Committee. Lord Parkinson is a Member of the House of Lords and was a Member of Parliament from 1970 to 1992, during which time he held a number of senior ministerial positions including Secretary of State for Trade and Industry, Energy and Transport. He was Chairman of the Conservative Party from 1981 to 1983 and again from 1997 to 1998. A qualified chartered accountant, Lord Parkinson is currently Chairman and Director of a number of other companies including Jarvis Group Limited, Jarvis Commercial Properties Limited and Henderson Rowe Limited.

Charles Scott
Non-executive Director

Charles Scott joined the Board in April 2001 as a non-executive Director. A chartered accountant, he was Chairman of William Hill plc before retiring on 31 August 2010 and is a non-executive Director of Flybe Group Plc and EMCORE Corporation.

Executive Directors

Peter Wilkinson
Chief Executive Officer

Peter Wilkinson founded STORM in 1983 and VData in 1998 and both these businesses were sold, in a reverse takeover, to InTechnology plc in 2000.

In 1995, he started Planet Online Limited, the internet service provider, which was subsequently sold to Energis in 1998. He retained Planetfootball.com which was reversed into Sports Internet Group plc in 1999 and subsequently sold to BSkyB plc in 2000.

In 1998, Peter invented the free ISP model Freeserve, the internet access service which was launched by DSG international plc.

Peter is non-executive Chairman of Mobile Tornado Group plc, an AIM listed telecoms technology company, and holds a 13.4% stake. InTechnology plc has a 49.9% stake in Mobile Tornado Group plc.

Andrew Kaberry
Finance Director

Andrew Kaberry has worked with Peter Wilkinson since 1984 as Finance Director and was appointed to the Board of InTechnology plc in July 2000. He has significant experience of the computer industry including Finance Director of Planet Online Limited. Andrew qualified as a chartered accountant with KPMG in 1972.

Richard James
Company Secretary

Richard James qualified as a solicitor with Allen & Overy in 1986 and was a Partner at Pinsent Curtis in 1991, before moving to Hammonds as a Partner in 1996. After advising Peter Wilkinson on the acquisition of Planetfootball.com by Sports Internet Group plc, Richard was appointed as Managing Director of Planetfootball.com and Company Secretary of Sports Internet Group plc. Richard was appointed to the Board of InTechnology plc in September 2000 as a Director and Company Secretary.

Bryn Sage
Chief Operating Officer

Bryn Sage has spent his career in the IT industry beginning as a computer engineer in 1981. In 1986, he joined STORM and progressed through the company to the position of Sales Director in 1994. He was appointed to the Board of InTechnology plc in July 2000.

DIRECTORS' REPORT

The Directors present their annual report and audited financial statements of the Company and the Group for the year ended 31 March 2013.

Principal activities

InTechnology plc provides cloud services, managed data and voice services, and digital healthservices to users over its own end-to-end quality assured IP network and from its modern data centres.

Business review

The information that fulfils the requirements of the Business Review can be found in the Chief Executive Officer's report on pages 6 to 9. Our review of the principal risks and uncertainties of the business is set out on pages 16 to 17.

Results and dividends

The Directors do not recommend the payment of a dividend in respect of the year ended 31 March 2013 (2012: £nil). The Company currently intends to reinvest future earnings to finance the growth of the business.

The loss made for the financial year of £745,000 (2012: £846,000 profit) will be deducted from reserves.

Share capital

Details of changes in share capital are set out in note 18 to the financial statements.

Directors

The Directors of the Company during the year ended 31 March 2013, together with brief biographies, are shown on pages 10 to 11.

Re-election of Directors

In accordance with the Company's Articles of Association, Directors will retire by rotation. Accordingly, Peter Wilkinson and Bryn Sage will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming AGM.

Directors' remuneration and interests

The Remuneration report is set out on pages 18 to 22. It includes details of Directors' remuneration, interests in the shares of the Company, share options and pension arrangements. The Company's Register of Directors' Interests, which is open to inspection at the Company's registered office, contains full details of Directors' shareholdings and options to subscribe for shares.

The Board's Corporate Governance report, including the Directors' statement on responsibilities for the preparation of financial statements, is set out on pages 15 to 17.

Details of related party transactions involving Directors of the Company are given in note 23 to the financial statements.

Substantial shareholdings

At 3 July 2013, the Company had received notification that the following six shareholders are interested in more than 3% of the issued ordinary share capital of the Company (totalling 91.0%):

	Percentage of shares held
Peter Wilkinson	55.5%
Artemis Fund Managers	11.5%
Jon Wood	7.5%
Gartmore Fund Managers	6.7%
Andrew Kaberry	5.5%
Herald Investment Trust	4.3%

Going concern

Under company law, the Directors are required to consider whether it is appropriate to prepare financial statements on the basis that the Company is a going concern. As part of its normal business practice budgets, cash flow forecasts and longer term financial projections are prepared, and in reviewing this information the Group forecasts to continue to fully comply with its loan covenants. The Directors are therefore satisfied that the Company and the Group have adequate resources to enable them to continue in business for the foreseeable future. The Directors have therefore adopted the going concern basis in the preparation of the financial statements.

Employees

The Group places considerable value on the involvement of its employees and has continued its practice of keeping them informed of matters affecting them as employees and the various factors affecting the performance of the Group.

The Directors recognise that continued and sustained improvement in the performance of the Group depends on its ability to attract, motivate and retain employees of the highest calibre. Furthermore, the Directors believe that the Group's ability to sustain a competitive advantage over the long term depends to a large part on ensuring that all employees contribute to the maximum of their potential. The Group is committed to improving the performance of all employees through development and training.

The Group is an equal opportunity employer. The Group's policies seek to promote an employment environment free from discrimination, harassment and victimisation and to ensure that no employee or applicant is treated less favourably on the grounds of gender, marital status, age, race, colour, nationality or national origin, disability or sexual orientation or is disadvantaged by conditions or requirements, which cannot objectively be justified. Entry into, and progression within the Group, is solely determined on the basis of work criteria and individual merit.

The Group continues to give full and fair consideration to applications for employment made by disabled persons, having regard to their respective aptitudes and abilities. The policy includes, where practicable, the continued employment of those who may become disabled during their employment and the provision of training and career development and promotion, where appropriate.

Share schemes

Share ownership is very important to the Group's remuneration philosophy and the Directors believe that the key to the Group's future success lies in a motivated workforce holding a stake in the Company. The schemes are described in the Board's Remuneration report and details of the options granted under the schemes are set out in notes 18 to 19 to the financial statements.

DIRECTORS' REPORT

CONTINUED

Research and development

The Group continues to undertake the development of new products with the objective of increasing future profitability. The cost to the Group is written off to the Statement of comprehensive income as incurred.

Policy and practice on payment of creditors

It is the Group's policy to agree terms and conditions for its business transactions with its suppliers. The Group seeks to abide by the payment terms agreed with suppliers whenever it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions.

In the year ended 31 March 2013 average creditor days for the Group and Company were 26 days (2012: 24 days).

Charitable and political donations

The contributions made by the Group during the year for charitable purposes totalled £1,183 (2012: £1,480). The Group made no political contributions (2012: £nil).

Environment

The Group recognises the importance of environmental responsibility. The nature of its activities has a minimal effect on the environment but where they do, the Group acts responsibly and is aware of its obligations at all times.

Annual General Meeting

The next AGM of the Company will be held on 8 August 2013. Details of the business to be proposed at the AGM are contained within the Notice of Annual General Meeting, which is set out on pages 57 to 58.

Independent auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution proposing that they be reappointed as independent auditors and authorising the Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board

Richard James
Company Secretary
3 July 2013

CORPORATE GOVERNANCE

InTechnology plc is an unlisted public company and is not therefore required to comply with the provisions of the UK Corporate Governance Code (the "Code"). The following disclosures are made voluntarily.

Principles of Corporate Governance

The Board recognises the value of good corporate governance as a positive contribution to the well being of the business and believes in applying these principles in a sensible and pragmatic manner that are considered appropriate to the nature and size of the Group.

Board of Directors

The Board of Directors consists of six members, including a non-executive Chairman and one other non-executive Director.

The roles of Chairman and Chief Executive Officer are separated and clearly defined. The activities of the Company are controlled by the Board, which meets throughout the year. There is a formal schedule of matters specifically reserved for the full Board's decision, together with a policy enabling Directors to take independent advice in the furtherance of their duties at the Company's expense. The Board programme is designed so that Directors have regular opportunity to consider the Company's strategy, policies, budgets, progress reports and financial position and to arrive at a balanced assessment of the Company's position and prospects.

Re-election of Directors

As required by the Company's Articles of Association, Directors offer themselves for re-election at least once every three years. Any Director appointed during the year is required to seek reappointment by shareholders at the next Annual General Meeting. The biographical details of all the Directors are set out on pages 10 to 11.

The Board is assisted by the Company Secretary, who provides a point of reference and regular support for all Directors and senior managers. He has responsibility for ensuring that Board procedures are followed, for establishing the Company's corporate governance policies and for assisting the Board in facilitating compliance by the Company with its legal obligations.

The Board receives reports from the following three committees:

The Audit Committee

Comprises two non-executive Directors and is chaired by Lord Parkinson. Its duties include a comprehensive review of the annual and interim financial statements prior to Board approval and distribution to members. The Audit Committee meets at least twice a year to review the findings of the external auditors, key accounting policies and judgements. It has unrestricted access to the Company's auditors.

The Remuneration Committee

Comprises two non-executive Directors and is chaired by Charles Scott. It meets at least once a year and is responsible for making recommendations to the Board on remuneration policy for executive Directors and for setting salaries, incentive payments and the granting of share options.

The Executive Operating Board

This comprises the executive Directors and certain senior business managers, and is chaired by the Chief Executive Officer. It acts as a general operating management committee and meets twice monthly for most of the year. It authorises recruitment and capital expenditure and reviews operational and financial performance.

Relations with shareholders

The Company seeks to ensure that all shareholders are kept informed about the Company and its activities.
A comprehensive annual report is sent to shareholders. The annual report is put on the websites of Asset Match (www.assetmatch.com) and the Company (www.intechnology.com).

The Annual General Meeting is a forum for shareholders' participation with the opportunity to meet and question Board members.

CORPORATE GOVERNANCE

CONTINUED

Internal control

The Board of Directors acknowledges its overall responsibility for the Company's systems of internal control and for monitoring their effectiveness. The Board has control over strategic, financial and compliance issues and has introduced a structure of responsibility with appropriate levels of authority.

The Company's Directors and varying levels of management have clear responsibilities in ensuring that the control environment operates efficiently. Clear lines of responsibility are developed through the Company's organisational structure. Ethical policies are communicated through all forms of personnel training and via appropriate procedures, in establishing a code of ethics.

Although no system of internal control can provide absolute assurance against material misstatement or loss, the Company's systems are designed to provide reasonable assurance that problems are identified on a timely basis and are dealt with appropriately. The principal features of the Company's internal financial control structures can be summarised as follows:

(a) Preparation of budgets and forecasts approved by the Board.
(b) Monthly management accounts, showing comparisons of actual results against budget and prior year results, are reviewed by the Board.

Variances from budget are thoroughly investigated and discussed at bi-monthly Board meetings.

Where lapses in internal control are detected, these are rectified.

(c) The Company's cash flow is monitored monthly.
(d) The Board authorises capital expenditure where this is significant and all capital expenditure is first authorised by the Executive Operating Board.

The Board has continued to enhance its risk control programme; in particular, those elements which relate to ensuring that risk reviews are formally embedded in control systems rather than being the subject of formal annual reviews.

Risks and uncertainties

There are a number of potential risks and uncertainties that could have an impact on the Company's long term prospects.

Competitive pressures

Both our IMS and Digital Health divisions operate within the UK in a competitive environment.

The IMS division market has competition from the major telecom companies, specialist data centre companies and many small operators.

To mitigate these competitive pressures, the Company markets its various services as a "one-stop-shop", targeting niche sectors of the market, and constantly developing and refining its services to demonstrate a competitive edge to its existing and potential customers within the data markets. Within the voice markets, the Company differentiates itself by offering value adding services such as Voice over IP and mobile phone services. In addition, these value added services earn higher margins than commodity services such as unmanaged lines and call minutes.

The Digital Health division target market is new, at its forming stage, and is primarily the NHS, which has seen huge structural changes in recent times. Although there is a degree of uncertainty and resistance to change within the market, the Company feels that by putting together a strong management team including experienced personnel from within the sector, by conducting significant market research, and by performing successful trials with large NHS bodies, it has a strong proposition to offer the market.

Both IMS and Digital Health divisions contract with agreed SLAs. Adherence by the Company to operating within such SLAs is crucial to maintaining customer satisfaction and renewal of a contract. Internal procedures ensure that SLAs are constantly monitored and resources allocated to maintain levels of service of at least a minimum of that contracted with customers.

Staff costs

As an IT managed services business total staff costs are approximately 50 per cent of our total operating costs. The Company could be hindered by a shortage or inability to recruit and retain qualified and experienced staff.

To mitigate this risk the Company constantly seeks to structure its recruitment and retention strategies to attract and retain the right people.

Economy

Any national economic downturn can detrimentally affect the Company's level of demand for its managed services.

To mitigate this risk the Company usually contracts for all services on a three year or longer minimum term and constantly reviews, develops and enhances its product range so that customers can improve their own productivity or reduce their current bought in costs.

Risk assessment

The Board is made aware of all risks to the Company by the executive Directors who are members of the Executive Operating Board, which includes senior managers of the Company. The Executive Operating Board usually meets two times per month.

The Executive Operating Board has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Company.

Statement of Directors' responsibilities in respect of the Annual Report and Financial Statements

The Directors are responsible for preparing the Annual Report and 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 prepared the Group and Company financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union. 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 Group and the Company and of the profit or loss of the Group 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;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board

Richard James
Company Secretary
3 July 2013

REMUNERATION REPORT

The Directors present their Remuneration report which covers the remuneration of both executive Directors and non-executive Directors. The report has been approved by the Board and signed on its behalf by the Chairman of the Remuneration Committee. The contents of this report are unaudited unless clearly identified as audited.

The Remuneration Committee comprises the non-executive Directors:

Charles Scott (Chairman)
The Rt. Hon. Lord Parkinson

Directors' remuneration

Remuneration of non-executive Directors

The remuneration of the non-executive Directors is determined by the Board, with the assistance of independent advice concerning comparable organisations and appointments. The non-executive Directors do not take part in discussions on their remuneration. Neither the non-executive Chairman nor the other non-executive Director received any pension from the Group, nor did they participate in any of the bonus schemes.

The non-executive Chairman and Director have interests in share options as disclosed on page 22.

Remuneration of executive Directors

The main aim of the Company's executive pay policy is to secure the skills and experience needed to meet its strategic business objectives. Furthermore, the Company aims to align the interests of all employees as closely as possible with the interests of shareholders through share-based incentives.

The Company's Remuneration Committee decides the remuneration policy that applies to executive Directors. In setting the policy it considers a number of factors including:

(a) The basic salaries and benefits available to executive Directors of comparable companies.
(b) The need to attract and retain Directors of an appropriate calibre.
(c) The need to ensure executive Directors' commitment to the continued success of the Group by means of incentive schemes.

The Company's remuneration policy is to:

(a) Have regard to the Directors' experience and the nature and complexity of their work in order to pay a competitive salary that attracts and retains management of the highest quality.
(b) Link individual remuneration packages to the Group's long term performance through the award of share options and incentive schemes.
(c) Provide post retirement benefits through defined contribution pension schemes.
(d) Provide employment related benefits including the provision of a company car (or car allowance), fuel, medical and life insurance and insurance relating to the Directors' duties.

Salaries

The Remuneration Committee meets at least once a year in order to consider and set the annual salaries for executive Directors, having regard to the needs of the Company, individual responsibilities, personal performance and independently compiled salary survey information.

Pensions (audited)

The executive Directors are members of defined contribution pension schemes, the assets of which are held independently of the Company. The amounts contributed by the Company for the year ended 31 March 2013 were £10,000 (2012: £11,000). The Company does not provide any other post-retirement benefits to the Directors.

Contracts of service

The executive Directors have contracts of service that can be terminated by the Company with the following notice periods:

Peter Wilkinson	12 months
Andrew Kaberry	6 months
Richard James	12 months
Bryn Sage	12 months

With the exception of the contract with Richard James, if the Company terminates the contract by notice but other than on giving full notice, the contracts of service provide for the payment of a fixed amount equal to the salary and other contractual benefits for the unexpired portion of the appointment or entitlement to notice, as the case may be.

Non-executive Directorships

The Remuneration Committee believes that the Group can benefit from executive Directors accepting appointments as non-executive Directors of other companies. The Director concerned may retain any fees related to such employment.

REMUNERATION REPORT
CONTINUED

Directors' emoluments (audited)

The remuneration of the Directors of the Company was as follows:

	2013					2012
	Salary	Bonus	Benefits in kind	Pension contributions	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Executive Directors						
Peter Wilkinson	212	-	48	3	263	262
Bryn Sage	130	52	19	7	208	215
Andrew Kaberry	162	-	34	-	196	196
Richard James	150	-	17	-	167	167
	654	52	118	10	834	840
	Fees	Bonus	Benefits in kind	Pension contributions	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Non-executive Directors						
The Rt. Hon. Lord Parkinson	50	-	-	-	50	50
Charles Scott	30	-	-	-	30	30
Joe McNally (deceased 2 March 2012)	-	-	-	-	-	28
	80	-	-	-	80	108
Total	734	52	118	10	914	948

Benefits in kind include the provision of a company car (or car allowance), fuel, medical, life insurance and insurance relating to the Directors' duties.

Directors' interests

Interests in shares

The interests of the Directors in the shares issued and fully paid of the Company as at 31 March were:

	2013		2012	
	Number	Percentage of shares held	Number	Percentage of shares held
The Rt. Hon. Lord Parkinson	**221,885**	**0.2%**	221,885	0.2%
Peter Wilkinson	**78,403,998**	**55.5%**	78,403,998	55.6%
Richard James	**800,000**	**0.6%**	800,000	0.6%
Andrew Kaberry	**7,725,961**	**5.5%**	7,725,961	5.5%
Bryn Sage	**1,491,969**	**1.0%**	1,491,969	1.0%
	88,643,813	**62.8%**	88,643,813	62.9%

Apart from the interests disclosed above and the interests in share options disclosed on page 22, none of the other Directors of the Company at 31 March 2013 held interests at any time in the year in the share capital of the Company or other Group companies. Directors' interests in shares include 3,888,368 issued ordinary shares under the InTechnology plc Equity Participation Plan.

There have been no other changes in Directors' shareholdings since 31 March 2013.

REMUNERATION REPORT

CONTINUED

Interests in share options (audited)

The following share schemes were in place at the year end:

- Options granted directly by InTechnology plc at varying dates and prices.

Further details are provided in notes 18 and 19 to the financial statements.

Set out below are details of share options that have been granted to Directors:

	No. of share options		Exercise price pence	Earliest exercise date	Expiry date
Non-executive Directors	**2013**	**2012**			
The Rt. Hon. Lord Parkinson	203,178	203,178	17.0	06/05/11	06/05/18
Charles Scott	50,000	50,000	17.0	06/05/11	06/05/18
Joe McNally (deceased 2 March 2012)	-	50,000	17.0	06/05/11	06/05/18

The price of the Company's shares at 31 March 2013 was 12.0p and the range during the year then ended was 7.0p to 12.0p.

Charles Scott
Non-executive Director
3 July 2013

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTECHNOLOGY PLC

FOR THE YEAR ENDED 31 MARCH 2013

We have audited the Group and Company financial statements (the ''financial statements'') of InTechnology plc for the year ended 31 March 2013 which comprise the Consolidated statement of comprehensive income, the Group and Company Statements of changes in shareholders' equity, the Group and Company Balance sheets, the Group and Company Cash flow statements and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

Respective responsibilities of Directors and Auditors

As explained more fully in the Statement of directors' responsibilities set out on page 17, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements 2013 to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTECHNOLOGY PLC

FOR THE YEAR ENDED 31 MARCH 2013 - CONTINUED

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 March 2013 and of the Group's loss and Group's and Company's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company 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.

Arif Ahmad
(Senior Statutory Auditor)
for and on behalf of
PricewaterhouseCoopers LLP
Chartered Accountants and
Statutory Auditors
Leeds
3 July 2013

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2013

	Note	2013 £'000	2012 £'000
Revenue	3	41,738	40,652
Cost of sales		(14,969)	(13,428)
Gross profit		26,769	27,224
Net operating expenses before depreciation and amortisation		(22,045)	(22,267)
Depreciation of property, plant and equipment		(3,662)	(2,749)
Net operating expenses	4	(25,707)	(25,016)
Other operating income		191	178
Operating profit		1,253	2,386
Finance income	5	96	100
Finance costs	5	(169)	(85)
Share of post tax loss of associates		(1,430)	(801)
(Loss)/profit before taxation		(250)	1,600
Taxation	6	(488)	(754)
(Loss)/profit for the year	3	(738)	846
Other comprehensive income:			
Currency translation differences		(7)	-
Total comprehensive (loss)/income for the year		(745)	846
Earnings per share (pence)			
Basic	9	(0.52)	0.60
Diluted	9	(0.52)	0.60

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 MARCH 2013

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Share option reserve £'000	Retained earnings £'000	Total £'000
Group						
As at 1 April 2011	1,407	53,989	480	200	8,646	64,722
Employee share options:						
- proceeds from shares issued	2	30	-	-	-	32
Net profit for the year	-	-	-	-	846	846
As at 31 March 2012	**1,409**	**54,019**	**480**	**200**	**9,492**	**65,600**
Employee share options:						
- value of employee services	-	-	-	(1)	-	**(1)**
Issue of deferred payment shares	3	21	-	-	-	**24**
Share of exchange loss of associate	-	-	-	-	(7)	**(7)**
Net loss for the year	-	-	-	-	(738)	**(738)**
As at 31 March 2013	**1,412**	**54,040**	**480**	**199**	**8,747**	**64,878**

	Share capital	Share premium	Capital redemption reserve	Share option reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Company						
As at 1 April 2011	1,407	53,989	480	200	8,705	64,781
Employee share options:						
- proceeds from shares issued	2	30	-	-	-	32
Net profit for the year	-	-	-	-	1,582	1,582
As at 31 March 2012	**1,409**	**54,019**	**480**	**200**	**10,287**	**66,395**
Employee share options:						
- value of employee services	-	-	-	(1)	-	**(1)**
Issue of deferred payment shares	3	21	-	-	-	**24**
Net profit for the year	-	-	-	-	975	**975**
As at 31 March 2013	**1,412**	**54,040**	**480**	**199**	**11,262**	**67,393**

BALANCE SHEETS

AS AT 31 MARCH 2013

		Group		Company	
		2013	2012	2013	2012
	Note	£'000	£'000	£'000	£'000
Assets					
Non-current assets					
Intangible assets	10	38,997	38,997	35,747	35,747
Property, plant and equipment	11	12,390	11,761	12,390	11,761
Investment in subsidiary and associate undertakings	13	-	790	8,419	8,419
Deferred tax assets	7	1,116	1,056	371	375
Trade and other receivables	15	-	-	6,873	6,516
		52,503	52,604	63,800	62,818
Current assets					
Inventories	14	716	895	716	895
Trade and other receivables	15	16,216	14,639	16,862	14,639
Cash and cash equivalents		7,991	10,294	7,972	10,294
		24,923	25,828	25,550	25,828
Liabilities					
Current liabilities					
Trade and other payables	16	(7,772)	(6,721)	(7,762)	(6,721)
Borrowings	17	(1,781)	(1,410)	(1,781)	(1,410)
Current tax liabilities		(78)	(49)	(78)	(49)
Net current assets		15,292	17,648	15,929	17,648
Non-current liabilities					
Trade and other payables	16	-	-	(9,419)	(9,419)
Borrowings	17	(2,917)	(4,652)	(2,917)	(4,652)
Net assets		64,878	65,600	67,393	66,395

		Group		Company	
Shareholders' equity					
Ordinary shares	18	1,412	1,409	1,412	1,409
Share premium	18	54,040	54,019	54,040	54,019
Capital redemption reserve		480	480	480	480
Share option reserve		199	200	199	200
Retained earnings		8,747	9,492	11,262	10,287
Total shareholders' equity		64,878	65,600	67,393	66,395

The financial statements on pages 25 to 56 were approved by the Board of Directors on 3 July 2013 and were signed on its behalf by:

Andrew Kaberry

Finance Director

InTechnology plc

Registered number: 03916586

CASH FLOW STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

	Note	Group 2013 £'000	Group 2012 £'000	Company 2013 £'000	Company 2012 £'000
Cash flows from operating activities					
Cash generated from operations	20	3,906	3,160	3,887	3,160
Interest received		115	93	115	93
Interest paid		(137)	(82)	(137)	(82)
Interest element of finance lease payments		(42)	(7)	(42)	(7)
Tax paid		(519)	(687)	(519)	(687)
Net cash generated from operating activities		3,323	2,477	3,304	2,477
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		44	39	44	39
Purchase of property, plant and equipment		(4,303)	(8,090)	(4,303)	(8,090)
Net cash used in investing activities		(4,259)	(8,051)	(4,259)	(8,051)
Cash flows from financing activities					
Net proceeds from issue of ordinary share capital		-	40	-	40
(Decrease)/increase in borrowings		(725)	2,400	(725)	2,400
Capital element of finance lease (payments)/proceeds		(639)	1,905	(639)	1,905
Net cash (outflow)/inflow from financing activities		(1,364)	4,345	(1,364)	4,345
Net decrease in cash and cash equivalents in the year		(2,300)	(1,229)	(2,319)	(1,229)
Cash and cash equivalents at the beginning of the year		10,294	11,536	10,294	11,536
Exchange losses on cash and cash equivalents		(3)	(13)	(3)	(13)
Cash and cash equivalents at the end of the year		7,991	10,294	7,972	10,294

	Group 2013 £'000	Group 2012 £'000	Company 2013 £'000	Company 2012 £'000
Cash and cash equivalents at the end of the year	7,991	10,294	7,972	10,294
Borrowings	(4,698)	(6,062)	(4,698)	(6,062)
Net cash at the end of the year	3,293	4,232	3,274	4,232

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

1 General information

InTechnology plc provides cloud services, managed data and voice services, and digital health services to users over its own end-to-end quality assured IP network and from its modern data centres.

The Company is an unlisted public company incorporated and domiciled in the United Kingdom under the Companies Act 2006. The address of its registered office is Central House, Beckwith Knowle, Harrogate HG3 1UG.

The registered number of the Company is 03916586.

2 Summary of significant accounting policies

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

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, except for share-based payments which are measured at fair value, in accordance with International Financial Reporting Standards ("IFRSs"), Interpretations of the IFRS Interpretations Committee ("IFRIC") and the Companies Act 2006 applicable to companies reporting under IFRSs. The standards used are those published by the International Accounting Standards Board ("IASB") and endorsed by the EU at the time of preparing these statements (July 2013).

A summary of the more important accounting policies is set out below.

Accounting estimates and judgements

The Group's critical accounting policies under IFRSs have been set by management with the approval of the Audit Committee. The application of these policies requires estimates and assumptions to be made concerning the future and judgements to be made on the applicability of policies to particular situations. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Under IFRSs an estimate or judgement may be considered critical if it involves matters that are highly uncertain, or where different estimation methods could reasonably have been used, or if changes in the estimate that would have a material impact on the Group's results are likely to occur from period to period. The critical judgements required when preparing the Group's financial statements are as follows:

Carrying value of goodwill – The Group tests annually whether goodwill has suffered any impairment and the Group's goodwill value has been supported by detailed value-in-use calculations relating to the recoverable amounts of the underlying cash generating units. These calculations require the use of estimates. However, as recoverable amounts exceed carrying values, there is no impairment within a range of reasonable assumptions.

Standards, amendments and interpretations effective for the year ended 31 March 2013 with no significant impact

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 April 2012 that would be expected to have a material impact on the financial statements of the Group.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

(i) IAS 19, 'Employee Benefits' – the impact of this standard is to immediately recognise all past service costs, and to replace interest cost and expected return on plan assets with a net interest amount which is calculated by applying the discount rate to the net defined benefit liability. This standard, amended in June 2011, will be applied to the Group's 2014 financial statements. IAS 19 is not expected to have a material impact on the financial statements.

(ii) IFRS 9, 'Financial Instruments' - an amendment to address the classification, measurement and recognition of financial assets and liabilities. IFRS 9 was issued in November 2009, yet is not applicable until January 2015. It is not expected that IFRS 9 will materially affect the financial statements.

(iii) IFRS 10, 'Consolidated Financial Statements' - builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The Group is yet to assess IFRS 10's full impact and intends to adopt IFRS 10 no later than the accounting period beginning on or after 1 January 2013, subject to endorsement by the EU.

(iv) IFRS 12, 'Disclosure of Interests in Other Entities' – includes the disclosure requirements for all forms of interests in other entities, such as associates, joint arrangements, subsidiaries and other unconsolidated structured entities. IFRS 12 is not expected to have a material impact on the financial statements.

(v) IFRS 13, 'Fair Value Measurement' – the aim of this standard is to improve consistency and comparability by defining fair value, setting out a framework for measuring fair value, and ensuring that disclosure requirements are made, across IFRSs. This standard does not extend the use of fair value accounting, but provides guidance on how to apply where its use is already required or permitted by other standards within IFRSs.

2.2 Group financial statements

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. Acquisition-related costs are expensed as incurred. Identifiable assets acquired, and liabilities and contingent liabilities assumed, in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the Group's share of identifiable net assets acquired is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with the equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded as equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Associates

Associated undertakings are those companies in which the Group has a beneficial interest of between 20% and 50% in the equity capital and where the Group exercises significant influence over commercial and financial policy decisions. The Consolidated statement of comprehensive income includes the Group's share of post-acquisition profits or losses after tax and the Group's share of other recognised gains and losses, and the Balance sheet includes the Group's share of the net assets of associated undertakings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013 - CONTINUED

Intangible assets

Goodwill

On the acquisition of a business, fair values are attributed to the net assets acquired. Goodwill arises where the fair value of the consideration given for a business exceeds such net assets. Goodwill arising on acquisitions is capitalised and carried at cost less accumulated impairment losses. Goodwill is subject to impairment review, both annually and when there are indications that the carrying value may not be recoverable. Goodwill is allocated to cash generating units for the purpose of this impairment testing.

Acquired in a business combination

The Group recognises intangible assets acquired as part of business combinations at fair value at the date of acquisition. The determination of these fair values is based upon management's judgement and includes assumptions on the timing and amount of future incremental cash flows generated by the assets and the selection of an appropriate cost of capital. Furthermore, management must estimate the expected useful lives of intangible assets and charge amortisation on these assets accordingly. The useful life estimated for Mobile Tornado Group plc was 7 years.

Research and development

Research expenditure, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is charged to income in the year in which it is incurred. Internal development expenditure, whereby research findings are applied to a plan for the production of new or substantially improved products or processes, is charged to income in the year in which it is incurred unless it meets the recognition criteria of IAS 38, 'Intangible Assets'. Measurement and other uncertainties generally mean that such criteria are not met. Where, however, the recognition criteria are met, intangible assets are capitalised and amortised over their useful economic lives from product launch. Intangible assets relating to products in development are subject to impairment testing at each balance sheet date or earlier upon indication of impairment. Any impairment losses are written off immediately to income. The Group has not capitalised any intangible assets.

2.3 Revenue recognition

Sales of services and goods

Revenue comprises the fair value of the sale of services and goods, excludes inter-company sales and value-added taxes and represents net invoice value less estimated rebates, returns and settlement discounts. Service revenue is recognised over the period to which the service relates. Unrecognised service revenue and associated costs of sale are included as deferred income and deferred cost respectively in the Balance sheet.

The Group only recognises revenue on the sale of equipment when the goods are despatched to the customer and when there are no unfulfilled obligations that affect the customer's final acceptance of the equipment.

Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

2.4 Segmental reporting

A business segment is a group of assets and operations engaged in providing products and services that are subject to risks or returns that are different from those of other segments. Operating segments presented in the financial statements are consistent with the internal reporting provided to the Group's chief operating decision makers, which have been identified as the Group's Executive Operating Board.

2.5 Employee benefits

Pension obligations

The Group operates a defined contribution pension scheme for employees and Directors. The assets of the scheme are held separately from those of the Group. The annual contributions payable are charged to the Statement of comprehensive income on an accruals basis. The Group provides no other post-retirement benefits to its employees and Directors.

2.6 Share-based payments

The fair value of employee share option plans is calculated using the Black-Scholes model. In accordance with IFRS 2, 'Share-based payment' the resulting cost is charged to the Statement of comprehensive income over the vesting period of the options. The value of the charge is adjusted to reflect expected and actual levels of options vesting, as the Group does not use market-based performance criteria.

2.7 Currency translations

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Sterling, which is the Company's functional and presentation currency.

Transactions and balances

Monetary assets and liabilities are translated at the exchange rates ruling at the end of the financial year. Exchange profits or losses on trading transactions are included in the Group's Statement of comprehensive income except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges which, along with other exchange differences arising from non-trading items, are dealt with through reserves.

Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) monetary assets and liabilities for each Balance sheet presented are translated at the closing rate at the date of that Balance sheet;

(ii) income and expenses for each Statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

(iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the Statement of comprehensive income as part of the gain or loss on sale.

2.8 Taxation

The charge for taxation is based on the profits for the year and takes into account taxation deferred because of temporary differences between the treatment of certain items for taxation and for accounting purposes. Temporary differences arise from the inclusion of profits and losses in the financial statements in different periods from which they are recognised in tax assessments and primarily arise as a result of the difference between tax allowances on property, plant and equipment and the corresponding depreciation charge. Full provision is made for the tax effects of these differences using tax rates substantively enacted at the Balance sheet date. No provision is made for temporary differences relating to investments in subsidiaries since realisation of such differences can be controlled and is not probable in the foreseeable future. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013 - CONTINUED

2.9 Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation, with the exception of assets acquired as part of a business combination which are recorded at fair value. The Group's policy is to write off the difference between the cost of all property, plant and equipment, except freehold land, and their residual value on a straight line basis over their estimated useful lives. Reviews are made annually of the estimated remaining lives and residual values of individual productive assets, taking account of commercial and technological obsolescence as well as normal wear and tear, and adjustments are made where appropriate. Under this policy it becomes impractical to calculate average asset lives exactly. However, the total lives range from approximately 5 to 50 years for buildings and leasehold improvements, and 2 to 10 years for fixtures, vehicles and computer equipment. All individual assets are reviewed for impairment when there are indications that the carrying value may not be recoverable. By far the bulk of the Group's 'plant and equipment' asset class relates to the value of plant and equipment at the Group's data centres, consequently the Group does not seek to analyse out of this class other items such as motor vehicles.

2.10 Impairment of non-financial assets

The Group assesses at each year end whether an asset may be impaired. If any evidence exists of impairment, the estimated recoverable amount is compared to the carrying value of the asset and an impairment loss is recognised where appropriate. Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. In addition to this, goodwill is tested for impairment at least annually.

2.11 Leases

Assets acquired under finance leases are included in the Balance sheet under property, plant and equipment at an amount reflecting the lower of the present value of future rentals and the fair value of the asset and are depreciated over the shorter of the lease term and their estimated useful lives. The capital element of future lease rentals is included in borrowings. Finance charges are allocated to the Statement of comprehensive income each year in proportion to the capital element outstanding. The cost of operating leases is charged to the Statement of comprehensive income as incurred.

2.12 Financial risk factors

The Group's activities expose it to a variety of financial risks: currency risk, interest rate risk, liquidity risk and credit risk. The Group's overall risk management strategy is approved by the Board and implemented and reviewed by the Executive Operating Board. Detailed financial risk management is then delegated to the Group Finance department which has a specific policy to manage financial risk. Regular reports are received to enable prompt identification of financial risks so that appropriate action may be taken.

Currency risk

The Group purchases internationally but has minimal exposure to currency risk arising from various currency exposures, primarily with respect to the US Dollar and the Euro. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities. The Group uses foreign currency bank balances to manage its foreign exchange risk arising from future commercial transactions, recognised assets and liabilities.

For 2013, had the Group's basket of reporting currencies been 10% weaker/ stronger against Sterling than the actual rates experienced, post-tax profit for the year would have been £0.1m (2012: £0.1m) lower/higher than reported and equity would have been £nil (2012: £nil) lower/higher.

Interest rate risk

The Group has both interest bearing assets and liabilities.

Had interest rates moved by 10 basis points, post tax profits would have moved by £6,000 (2012: £7,000).

Liquidity risk

On a regular basis, management monitors forecasts of the Group's cash flows against both internal targets and those targets imposed by external lenders to ensure that it has sufficient cash to meet operational needs, while maintaining sufficient headroom at all times, so that the Group does not breach borrowing limits or loan covenants. Such forecasting takes into consideration the Group's debt financing plans and covenant compliance.

Surplus cash held by the Group over and above the balance required for working capital management are placed on interest bearing deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the Group's cash flow forecasts.

Credit risk

The Group has no significant concentrations of credit risk. It has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Cash transactions are limited to high-credit quality financial institutions.

2.13 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, as well as maintaining an optimal capital structure to reduce overall cost of capital.

In order to maintain this optimal structure, the Group may adjust the amount of dividends paid, issue new shares, return capital to shareholders or dispose of assets to reduce net debt.

2.14 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of comprehensive income over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the Balance sheet date.

2.15 Inventories

Inventories are stated at the lower of cost and net realisable amount on a first in first out basis. Net realisable amount is the estimated selling price in the ordinary course of business less any applicable variable selling costs. Provision is made for obsolete, slow moving and defective inventory where appropriate. Profits arising on intra Group sales are eliminated in so far as the product remains in Group inventory at the year end.

2.16 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less impairment losses.

2.17 Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short term deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Cash flow statement.

2.19 Investments

Investments in unquoted securities are carried at fair value unless such value cannot be reliably measured, in which case the investments are carried at cost. Investments are subject to impairment testing at each Balance sheet date or earlier upon indication of impairment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013 - CONTINUED

3 Segmental analysis

During the year to 31 March 2013 the Group changed its main business segments to Managed Data and Voice Services ("IMS"), and Digital Health. In prior years the main business segments were two divisions of IMS: MDS (data services) and MVS (voice services). IMS and Digital Health are the operating segments for which management information is presented to the Group's Executive Operating Board, which is deemed to be the Group's chief operating decision maker.

The Group's Executive Operating Board monitors the operating results of the operating segments separately for the purposes of resource allocation and assessing performance. Segment performance is evaluated based on operating profit or loss which is measured in a manner consistent with that of the consolidated financial statements. Finance costs, finance income and taxation are managed on a group basis.

The Group trades by way of divisions encompassing its main business segments. The Group operates only one trade debtor and creditor accounting ledger and cash account. For this reason, a measure of segment assets and liabilities for operating segments is not provided to the Group's chief operating decision maker and is therefore not disclosed under IFRS 8.

	IMS		Digital Health		Other Services		Group	
	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Statement of comprehensive income								
Revenue	40,859	40,165	589	-	290	487	41,738	40,652
Expenses	(36,396)	(35,490)	(1,422)	(6)	(2,858)	(2,948)	(40,676)	(38,444)
Operating profit/(loss) before other income	4,463	4,675	(833)	(6)	(2,568)	(2,461)	1,062	2,208
Other income	22	26	-	-	169	152	191	178
Operating profit/(loss)	4,485	4,701	(833)	(6)	(2,399)	(2,309)	1,253	2,386
Net finance (costs)/ income							(73)	15
Share of post tax loss of associates							(1,430)	(801)
(Loss)/profit before taxation							(250)	1,600
Taxation							(488)	(754)
(Loss)/profit for the year							(738)	846

The Group only operates in the United Kingdom. No single external customer represents more than 9.2% of the total revenue of the Group.

4 Net operating expenses

	2013 £'000	2012 £'000
Employee benefit expense (note 21)	11,020	10,530
Depreciation and amortisation charges (notes 10 and 11)	3,662	2,749
Foreign exchange gains/(losses)	(12)	24
Profit on disposal of property, plant and equipment	(32)	(27)
Operating lease payments (note 11)	1,750	2,696
Other expenses	9,319	9,044
Net operating expenses	**25,707**	25,016

Auditor remuneration

During the year the Group obtained the following services from the Group's auditor at costs as detailed below:

	2013 £'000	2012 £'000
Fees payable to the Company's auditor for the audit of Company and consolidated accounts	67	66
Non-audit services:		
Fees payable to the Company's auditor and its associates for other services:		
Tax services	12	16
	79	82

5 Finance income and costs

	2013 £'000	2012 £'000
Group		
Interest expense:		
- bank loans and overdrafts	(131)	(91)
- finance leases	(33)	(1)
- other interest	(5)	7
Finance costs	(169)	(85)
Finance income:		
- bank interest receivable	94	95
- other interest	2	5
Finance income	96	100
Net finance (costs)/income	**(73)**	15

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013 - CONTINUED

6 Taxation

	2013 £'000	2012 £'000
(a) Analysis of charge for the year		
Current tax		
Current tax on (losses)/profits for the year	662	582
Adjustment in respect of prior years	(114)	(127)
Total current tax	548	455
Deferred tax (credit)/charge (note 7)	(60)	299
Total charge for the year	488	754
(b) The tax on the Group's profit before tax and share of post tax loss of associates differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:		
Profit before tax and share of post tax loss of associates	1,180	2,401
At standard rate of corporation tax of 24% (2012: 26%)	283	624
Effects of:		
Adjustments to tax in respect of prior years	(114)	(127)
Expenses not deductible for tax purposes	249	169
Movement on prior years deferred tax balances	70	88
Total charge for the year	488	754

At 31 March 2013, the Group had accumulated tax losses of £14,939,243 (2012: £14,939,243) which should be available for offset against future trading profits of certain Group operations.

7 Deferred taxation

	2013 £'000	2012 £'000
The deferred tax balances included in these accounts are attributable to the following:		
Deferred tax assets		
Excess of depreciation over capital allowances	1,139	1,058
Provisions	-	84
	1,139	1,142
Deferred tax liabilities		
Intangible assets	(23)	(86)
	(23)	(86)
Net deferred tax assets	1,116	1,056
The movement on deferred tax balances during the year is summarised as follows:		
Deferred tax charged through Statement of comprehensive income	60	(299)
	60	(299)
Net balance brought forward	1,056	1,355
Net balance carried forward	1,116	1,056
Deferred tax charged through the Statement of comprehensive income relates to the following:		
Excess of depreciation over capital allowances	16	(323)
Provisions	-	(51)
Intangible assets	63	75
Change in rate of deferred taxation	(19)	-
	60	(299)

Deferred tax is calculated in full on temporary differences under the liability method at a rate of 23% (2012: 25%) in the United Kingdom.

Further reductions to the UK tax rate have been announced. The changes, which are expected to be enacted separately each year, propose to reduce the rate by 1% per annum to 21% by 1 April 2014. The changes have not been substantively enacted at the balance sheet date and, therefore, are not recognised in these financial statements.

Deferred tax assets have been recognised in all cases where such assets arise, as it is probable the assets will be recovered.

All movements on deferred tax balances have been recognised in income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013 - CONTINUED

8 Profit of the holding company

As permitted by section 408 of the Companies Act 2006, the Statement of comprehensive income of the Company is not presented in these financial statements. The parent Company's profit for the year ended 31 March 2013 was £975,000 (2012: £1,582,000).

9 Earnings per share

	2013			2012		
	Earnings	Weighted average number of shares	Per share amount	Earnings	Weighted average number of shares	Per share amount
	£'000	'000	pence	£'000	'000	pence
Basic EPS	(738)	141,146	(0.52)	846	140,794	0.60
Effect of dilutive share options		-			-	
Diluted EPS	(738)	141,146	(0.52)	846	140,794	0.60

	2013			2012		
	Earnings	Weighted average number of shares	Per share amount	Earnings	Weighted average number of shares	Per share amount
	£'000	'000	pence	£'000	'000	pence
Basic EPS	(738)	141,146	(0.52)	846	140,794	0.60
Share of post tax loss of associates	1,430		1.01	801		0.57
Adjusted basic EPS	692	141,146	0.49	1,647	140,794	1.17
Diluted EPS	(738)	141,146	(0.52)	846	140,794	0.60
Share of post tax loss of associates	1,430		1.01	801		0.57
Adjusted diluted EPS	692	141,146	0.49	1,647	140,794	1.17

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year.

For diluted earnings per share the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potentially dilutive ordinary shares.

Additional earnings per share measures are included above to give a better indication of the Group's underlying performance. These are stated net of tax.

10 Intangible assets

Group	Goodwill £'000	Total £'000
At 1 April 2011		
Cost and net book amount	**38,997**	**38,997**
Year ended 31 March 2012		
Opening net book amount	38,997	38,997
Closing net book amount	**38,997**	**38,997**
At 1 April 2012		
Cost and net book amount	**38,997**	**38,997**
Year ended 31 March 2013		
Opening net book amount	38,997	38,997
Closing net book amount	**38,997**	**38,997**

Company	Goodwill £'000	Total £'000
At 1 April 2011		
Cost and net book amount	**35,747**	**35,747**
Year ended 31 March 2012		
Opening net book amount	35,747	35,747
Closing net book amount	**35,747**	**35,747**
At 1 April 2012		
Cost and net book amount	**35,747**	**35,747**
Year ended 31 March 2013		
Opening net book amount	35,747	35,747
Closing net book amount	**35,747**	**35,747**

Goodwill arose on the Group's acquisition of the trading assets of VData Limited in 2000 and EEscape Holdings Limited in 2007.

Goodwill is tested at each year end for impairment with reference to the Group's recoverable amount compared to the Group's carrying value including goodwill. The recoverable amount is based on value-in-use calculations using pre-tax discounted cash flow projections based on the Group's strategic plan for the first five years and a growth rate thereafter of 2%.

The key assumptions underpinning the strategic plan employed in the value-in-use calculation are that revenue and operating profit will grow and that the gross and operating margins will remain broadly constant.

The cash flows have been discounted using the Group's weighted average cost of capital, which for these purposes has been calculated to be approximately 9.2% before tax (2012: 9.1%). A 1.2% increase in the cost of capital would result in a £9.9m reduction in the value-in-use calculation for the Group which would result in an impairment of the goodwill at 31 March 2013.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013 - CONTINUED

11 Property, plant and equipment

	Leasehold improvements	Office fixtures & fittings	Vehicles & computer equipment	Total
Group and Company	**£'000**	**£'000**	**£'000**	**£'000**
Cost				
At 1 April 2011	5,194	504	12,578	18,276
Additions	5,100	43	2,947	8,090
Disposals	-	-	(186)	(186)
At 31 March 2012	**10,294**	**547**	**15,339**	**26,180**
At 1 April 2012	10,294	547	15,339	26,180
Additions	633	5	3,665	4,303
Disposals	-	(13)	(180)	(193)
At 31 March 2013	**10,927**	**539**	**18,824**	**30,290**
Depreciation				
At 1 April 2011	2,292	473	9,079	11,844
Charge for the year	454	31	2,264	2,749
Disposals	-	-	(174)	(174)
At 31 March 2012	**2,746**	**504**	**11,169**	**14,419**
At 1 April 2012	2,746	504	11,169	14,419
Charge for the year	900	23	2,739	3,662
Disposals	-	(12)	(169)	(181)
At 31 March 2013	**3,646**	**515**	**13,739**	**17,900**
Net book amount at 31 March 2013	**7,281**	**24**	**5,085**	**12,390**
Net book amount at 31 March 2012	7,548	43	4,170	11,761

The net book amount of Group and Company property, plant and equipment includes an amount of £1,568,000 (2012: £1,794,000) in respect of assets held under finance leases.

Lease rentals amounting to £1,539,000 (2012: £2,556,000) and £211,000 (2012: £140,000) relating to the lease of property and motor vehicles, respectively, are included in the Statement of comprehensive income (note 4).

12 Future commitments

At 31 March 2013, the Directors had authorised capital expenditure of £nil (2012: £nil).

At 31 March 2013 the Group's future minimum operating lease commitments were due as follows:

	Land & buildings		Other assets	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Within one year	1,826	1,786	215	198
From one to five years	6,622	6,478	124	183
After five years	5,162	3,537	-	-
	13,610	11,801	339	381

The Group leases various buildings and vehicles under non-cancellable operating lease arrangements. The leases have various terms typical of lease arrangements for the particular class of asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013 - CONTINUED

13 Investment in subsidiary and associate undertakings

	Group		Company	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Shares in group undertakings				
At 1 April	-	-	8,419	8,419
At 31 March	-	-	8,419	8,419
Interests in subsidiaries and associates				
At 1 April				
- Net liabilities	(6,641)	(6,101)	-	-
- Goodwill and intangible assets	8,530	8,530	-	-
Share of losses suffered	(1,176)	(540)		
Share of losses transferred to loans to associates	647	-	-	-
At 31 March				
- Net liabilities	(7,170)	(6,641)	-	-
- Goodwill and intangible assets at cost	8,530	8,530	-	-
	1,360	1,889	-	-
Accumulated amortisation and impairment				
At 1 April	(1,099)	(838)	-	-
Charge for the year	(261)	(261)	-	-
At 31 March	(1,360)	(1,099)	-	-
Net book amount at 31 March				
- Net liabilities	(7,170)	(6,641)	-	-
- Goodwill and intangible assets	7,170	7,431	-	-
Total investments	-	790	8,419	8,419

Investments in Group undertakings are stated at cost. As permitted by section 615 of the Companies Act 2006, where the relief afforded under sections 612 and 613 of the Companies Act 2006 applies, cost is the aggregate of the nominal value of the relevant number of the company's shares and the fair value of any other consideration given to acquire the share capital of the subsidiary undertakings. The Directors consider that to give full particulars of all subsidiary undertakings would lead to a statement of excessive length. A list of principal subsidiary undertakings and associates is given below.

Details of the principal investments at 31 March 2013 in which the Group or Company holds more than 20% of the nominal value of ordinary share capital are as follows:

Subsidiary and associate undertakings	Country of incorporation or registration	Nature of business	Year end	Group proportion held	Company proportion held
InTechnology Managed Services Limited	England	Managed Services	31 March	100%	100%
Live-PA Limited	England	Software consultancy	31 December	45.4%	45.4%
Mobile Tornado Group plc	England	Telecoms	31 December	49.9%	49.9%
EEscape Holdings Limited	England	Dormant	31 March	100%	100%
Evoxus Limited	England	Dormant	31 March	100%	-
Call-Link Communications Limited	England	Dormant	31 March	100%	-
Allasso Limited	England	Dormant	31 March	100%	100%
HOLF Technologies Limited	England	Dormant	31 March	100%	100%
VData Limited	England	Dormant	31 March	100%	100%
Integrated Technology (Europe) Limited	England	Dormant	31 March	100%	-

14 Inventories

	Group		Company	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Finished goods	716	895	716	895

The cost of inventory recognised as an expense in 'operating expenses' amounted to £1,466,000 (2012: £1,271,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013 - CONTINUED

15 Trade and other receivables

	Group		Company	
	2013	2012	**2013**	2012
	£'000	£'000	**£'000**	£'000
Trade receivables	**6,301**	5,137	**6,301**	5,137
Less: provision for impairment of trade receivables	**(44)**	(24)	**(44)**	(24)
Trade receivables - net	**6,257**	5,113	**6,257**	5,113
Prepayments and accrued income	**4,417**	4,785	**4,417**	4,785
Loans to associates	**4,757**	3,342	**4,757**	3,342
Amounts owed by Group undertakings	**-**	-	**6,873**	6,516
Other receivables	**785**	1,399	**1,431**	1,399
	16,216	14,639	**23,735**	21,155
Less non-current portion: amounts owed by Group undertakings	**-**	-	**(6,873)**	(6,516)
Current portion	**16,216**	14,639	**16,862**	14,639

InTechnology plc has confirmed in writing to its Associate that it will not request repayment of the loans owed to it within 12 months from signing the financial statements, unless the Associate has sufficient funds. The loans are secured by way of a debenture over the assets of the Associate. The loans incur interest at a rate of 5.0% above base per annum. The Group does not recognise interest until it has been paid by the Associate.

Amounts owed by Group undertakings are unsecured, bear no interest and have no fixed repayment date.

The ageing of the Group's year end overdue receivables is as follows:

	Group		Company	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Impaired				
Less than three months	14	-	14	-
Three to six months	12	12	12	12
Over six months	18	12	18	12
	44	24	44	24
Not impaired				
Less than three months	5,574	4,902	5,574	4,902
Three to six months	87	208	87	208
Over six months	596	3	596	3
	6,257	5,113	6,257	5,113

The individually impaired receivables relate to customers in unexpectedly difficult economic circumstances. The overdue receivables against which no provision has been made relate to a number of customers for whom there is no recent history of default or any other indication that settlement will not be forthcoming.

The carrying amounts of the Group's receivables are all denominated in Sterling.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

Movement on the Group's provision for impairment of trade receivables is as follows:

	Group		Company	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
At 1 April	24	38	24	38
Charge to the Statement of comprehensive income	124	12	124	12
Receivables written off during the year as non collectible	(104)	(26)	(104)	(26)
	44	24	44	24

Amounts charged to the Statement of comprehensive income are included within cost of sales. The other classes of receivables do not contain impaired assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013 - CONTINUED

16 Trade and other payables

	Group		Company	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Trade payables	1,830	1,643	1,830	1,643
Other payables	27	28	27	28
Accrued expenses	4,392	3,396	4,398	3,396
Deferred income	282	510	282	510
Social security and other taxes	1,241	1,144	1,225	1,144
Amounts owed to Group undertakings	-	-	9,419	9,419
	7,772	6,721	17,181	16,140
Less non-current portion: amounts owed to Group undertakings	-	-	(9,419)	(9,419)
Current portion	7,772	6,721	7,762	6,721

Amounts owed to Group undertakings are unsecured, bear no interest and have no fixed repayment date.

17 Borrowings, other financial liabilities and other financial assets

	Group		Company	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Current				
Bank borrowings	1,050	725	1,050	725
Finance leases	731	685	731	685
	1,781	1,410	1,781	1,410
Non-current				
Bank borrowings	2,375	3,425	2,375	3,425
Finance leases	542	1,227	542	1,227
	2,917	4,652	2,917	4,652
Total borrowings	4,698	6,062	4,698	6,062

	Group		Company	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Bank borrowings				
In one year or less	1,179	864	1,179	864
Between one and two years	947	1,175	947	1,175
Between two and five years	1,536	2,483	1,536	2,483
	3,662	4,522	3,662	4,522

	Group		Company	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Finance leases				
In one year or less	766	720	766	720
Between one and two years	570	720	570	720
Between two and five years	-	571	-	571
	1,336	2,011	1,336	2,011

There is no significant difference between the minimum lease payments at the Balance sheet date and their present value.

The main financial risks faced by the Group include foreign currency risk, interest rate risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks.

The Group's financial instruments comprise cash, liquid resources and various items, such as debtors and creditors that arise directly from its operations. It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken. The year end position reflects these policies and there have been no changes in policies or risks since the year end.

Financial asset returns are maximised by ongoing review of the Group's cash flow requirements. Any funds surplus to short-term working capital requirements are placed on interest bearing deposit.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013 - CONTINUED

Liquidity risk is further managed by agreeing separate borrowing facilities for any additional working capital and investment requirements. In accordance with this policy, the Group has negotiated two 5 year term loans of £3,000,000 each, of which £3,425,000 (2012: £4,150,000) was used as at 31 March 2013. There are no unutilised credit facilities (2012: £nil).

Short term trade debtors and creditors have been excluded from all the following disclosures with the exception of the currency exposure analysis.

Interest rate risk profile of financial assets

The interest rate profile of the financial assets of the Group comprise cash of £7,991,000 (2012: £10,294,000) as follows:

	Floating rate	
	2013	2012
	£'000	£'000
Currency		
Sterling	7,915	10,227
US Dollar	58	56
Euro	18	11
	7,991	10,294

The Sterling, US Dollar and Euro financial assets relate to cash at bank and bear interest based on GBP Base Rate.
There are no fixed rate financial assets (2012: £nil).

Interest rate risk profile of financial liabilities

The interest rate profile of the financial liabilities of the Group is as follows:

	Sterling	
	2013	2012
	£'000	£'000
Floating rate other borrowings	3,425	4,150
Fixed rate finance leases	1,273	1,912
Total	4,698	6,062
Weighted average fixed interest rate	0.95%	1.23%
Weighted average period for which rate is fixed	1.6 years	2.8 years
Weighted average period to maturity on which no interest is paid	-	-

Financial liabilities include secured finance leases.

Fair value

Fair value is the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties, other than by a forced or liquidation sale, and excludes accrued interest. The fair values of financial assets and liabilities as at 31 March 2013 approximate to the book value at those dates based on comparison with similar instruments available from alternative providers.

Currency exposure

The table below shows the extent to which Group companies have monetary assets and liabilities in currencies other than their local currency. Foreign exchange differences on translation of earnings are taken to the Statement of comprehensive income of the Group.

	2013 £'000	2012 £'000
Functional currency of operation: Sterling		
US Dollar liabilities (net)	(82)	(97)
Euro assets (net)	11	2
	(71)	(95)

Hedges

The Group does not operate any hedging instruments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013 - CONTINUED

18 Share capital and share premium

	Number of shares '000	Share capital £'000	Share premium £'000	Total £'000
Group and Company				
At 1 April 2011	140,748	1,407	53,989	55,396
Employee share options:				
- proceeds from shares issued	187	2	30	32
As at 31 March 2012	**140,935**	**1,409**	**54,019**	**55,428**
Issue of deferred payment shares	300	3	21	**24**
As at 31 March 2013	**141,235**	**1,412**	**54,040**	**55,452**

The total authorised number of ordinary shares is 252 million (2012: 252 million) with a par value of 1p per share (2012: 1p per share), and 48 million deferred shares (2012: 48 million shares) with a par value of 1p per share (2012: 1p per share). All issued shares except those relating to deferred payment shares are fully paid.

Potential issues of ordinary shares

Certain employees hold options to subscribe for shares in the Company at prices ranging from 17.0p to 37.0p under the share option schemes.

The number of shares subject to options, the periods in which they were granted and the periods in which they may be exercised are as follows:

Name of scheme	Number of shares 2013	Number of shares 2012	Exercise price pence	Earliest exercise date	Expiry date
InTechnology scheme	**-**	500,000	65.0	11/06/05	11/06/12
InTechnology scheme	**400,000**	400,000	37.0	12/07/09	12/07/16
Unapproved InTechnology scheme	**253,178**	303,178	17.0	06/05/11	06/05/18
Approved CSOP scheme	**1,782,203**	1,832,203	17.0	19/06/11	19/06/18
Approved CSOP scheme	**1,665,000**	1,695,000	17.0	06/08/13	06/08/20
Approved CSOP scheme	**753,462**	-	17.0	24/08/15	24/08/22
Unapproved InTechnology scheme	**454,000**	-	17.0	06/03/16	06/03/23
	5,307,843	4,730,381			

Further details of the share option schemes in operation are given under the heading 'Interests in share options' in the Remuneration report on page 22.

19 Share-based payments

Options are granted with a fixed exercise price equal to the market price of the shares under option at the date of grant. The contractual life of an option is 10 years. Options granted will become exercisable on the third anniversary of the date of grant. Exercise of an option is subject to continued employment. Options were valued using the Black-Scholes option-pricing model. No performance conditions were included in the fair value calculations. The fair value per option granted and the assumptions used in the calculations are as follows:

Grant date	12/07/2006	06/05/2008	19/06/2008	06/08/2010	24/08/2012	06/03/2013
Share price at grant date (pence)	37.0	17.0	17.0	17.0	17.0	17.0
Exercise price (pence)	37.0	17.0	17.0	17.0	17.0	17.0
Number of employees	1	2	45	76	68	34
Shares under option	400,000	253,178	1,782,203	1,665,000	753,462	454,000
Vesting period (years)	3	3	3	3	3	3
Expected volatility	34%	17%	19%	22%	29%	21%
Option life (years)	10	10	10	10	10	10
Expected life (years)	5	5	5	5	5	5
Risk-free rate	5.37%	5.47%	5.47%	5.47%	1.19%	1.19%
Expected dividends expressed as a dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fair value per option (pence)	0.19	0.05	0.05	0.00	0.01	0.01

The expected volatility is based on historical volatility over the last three years. The expected life is the average expected period to exercise. The risk-free rate of return is the yield on zero-coupon UK government bonds of a term consistent with the assumed option life. A reconciliation of option movements over the year to 31 March 2013 is shown below:

	2013		2012	
	Number	Weighted average exercise price	Number	Weighted average exercise price
	'000	pence	'000	pence
Outstanding at 1 April	4,730	23.8	5,714	45.5
Granted	1,208	17.0	-	-
Forfeited	(630)	55.1	(797)	181.4
Exercised	-	-	(187)	17.0
Outstanding at 31 March	5,308	18.5	4,730	23.8
Exercisable at 31 March	2,435	20.3	3,035	27.5

The weighted average fair value of options granted in 2013 was 0.01p. No options were granted in 2012.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013 - CONTINUED

	2013				2012			
Range of exercise prices	Weighted average exercise price	Number of shares	Weighted average remaining life:		Weighted average exercise price	Number of shares	Weighted average remaining life:	
pence	pence	'000	Expected	Contractual	pence	'000	Expected	Contractual
0.0 - 50.0	18.5	5,308	1.6	6.5	18.9	4,230	1.7	6.6
50.0 - 100.0	-	-	-	-	65.0	500	-	-

No options were exercised during the year. The weighted average share price during the period for options exercised during 2012 was 17.0p. The total credit for the year relating to employee share-based payment plans was £867 (2012: £208), all of which related to equity-settled share-based payment transactions. After deferred tax, the total credit was £867 (2012: £208).

20 Cash generated from operations

	Group		Company	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Operating profit	1,253	2,386	1,600	2,386
Adjustments for:				
Depreciation	3,662	2,749	3,662	2,749
Profit on disposal of property, plant and equipment	(32)	(27)	(32)	(27)
Exchange movements	(7)	24	(7)	24
Share option non cash charge	(1)	-	(1)	-
Changes in working capital				
Decrease in inventories	179	372	179	372
Increase in trade and other receivables	(2,199)	(2,690)	(2,555)	(2,690)
Increase in trade and other payables	1,051	346	1,041	346
Cash generated from operations	3,906	3,160	3,887	3,160

21 Employee information

Group employment costs including executive Directors were:

	Group		Company	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Wages and salaries	9,645	9,226	9,380	9,226
Social security costs	1,174	1,116	1,144	1,116
Pension costs	202	188	201	188
Cost of employee share schemes (note 19)	(1)	-	(1)	-
	11,020	10,530	10,724	10,530

	Group		Company	
Average employee numbers	2013	2012	2013	2012
	Number	Number	Number	Number
Sales	40	41	37	41
Technical	60	53	60	53
Operations	71	66	69	66
Administration	45	48	45	48
	216	208	211	208

As required by the Companies Act 2006, the figures disclosed above are weighted averages based on the number of employees at each month end.

At 31 March 2013 the Group had 220 (2012: 211) employees in total.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013 - CONTINUED

22 Key managements' remuneration

Key management includes Directors and non-executive Directors. Detailed information concerning key management remuneration, interests and options is shown in the parts of the Directors' Remuneration Reports subject to audit on pages 18 to 22 which form part of the Annual Report and Financial Statements.

23 Related party transactions

Group

Peter Wilkinson, Richard James and Andrew Kaberry are shareholders in Mobile Tornado Group plc, an AIM listed company in which InTechnology plc owns 49.9 per cent of the issued ordinary share capital and all the issued cumulative convertible redeemable non-voting preference shares. Peter Wilkinson is non-executive Chairman and Richard James is a Director and Company Secretary of Mobile Tornado Group plc. InTechnology plc sold services totalling £287,000 (2012: £626,000) to Mobile Tornado Group plc in the year. As at 31 March 2013 InTechnology plc was owed £3,787,000 (2012: £2,949,000) by Mobile Tornado Group plc which includes loans of £2,742,000 (2012: £1,742,000).

At 31 March 2013, InTechnology plc owned 45.4 per cent of the issued ordinary share capital of Live-PA Limited which is incorporated in the United Kingdom. InTechnology plc sold services totalling £193,000 (2012: £119,000) to Live-PA Limited in the year. As at 31 March 2013 InTechnology plc was owed £323,000 (2012: £393,000) by Live-PA Limited.

Joanne Wilkinson, wife of Peter Wilkinson, owns the entire share capital of My Possible Self Limited. InTechnology plc purchased services totalling £128,000 in the year (2012: £nil). The amount owed to My Possible Self Limited at the year end amounted to £nil (2012: £nil).

All transactions with related parties were carried out on an arm's length basis.

Company

Joanne Wilkinson, wife of Peter Wilkinson, owns the entire share capital of My Possible Self Limited. InTechnology plc purchased services totalling £128,000 in the year (2012: £nil). The amount owed to My Possible Self Limited at the year end amounted to £nil (2012: £nil).

All transactions with related parties were carried out on an arm's length basis.

24 Ultimate controlling party

The Directors consider Peter Wilkinson to be the ultimate controlling party by virtue of his shareholding in the Company.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting (the "**Meeting**") of InTechnology plc (the "**Company**") will be held at Central House, Beckwith Knowle, Harrogate HG3 1UG on Thursday 8 August 2013 at 9.30am to transact the following business:

Ordinary Business

1 To receive and adopt the report of the Directors of the Company (the "**Directors**"), the report of the independent auditors of the Company and the financial statements of the Company for the year ended 31 March 2013.

2 To reappoint Peter Wilkinson as a Director, who retires by rotation in accordance with Article 92 of the Articles of Association of the Company ("**Article 92**") and who, being eligible, offers himself for reappointment as a Director.

3 To reappoint Bryn Sage as a Director, who retires by rotation in accordance with Article 92 and who, being eligible, offers himself for reappointment as a Director.

4 To reappoint PricewaterhouseCoopers LLP as auditors of the Company to hold office until the conclusion of the next general meeting at which financial statements are laid before the Company and that their remuneration be fixed by the Directors.

Special Business

To consider and, if thought fit, pass the following resolutions, with Resolution 5 being proposed as an ordinary resolution and Resolution 6 being proposed as a special resolution:

5 That, in substitution for all subsisting authorities to the extent unused, the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 ("**CA 2006**") to exercise all the powers of the Company to allot and grant equity securities (within the meaning of section 560 of the CA 2006) up to an aggregate nominal amount of £469,115, provided that such authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution 5, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted or granted after such expiry and, notwithstanding such expiry, the Directors may allot or grant equity securities in pursuance of any such offer or agreement.

NOTICE OF ANNUAL GENERAL MEETING

CONTINUED

6 That, subject to the passing of Resolution 5, in substitution for all subsisting authorities to the extent unused, the Directors be and they are hereby empowered to allot equity securities (within the meaning of section 560 of the CA 2006) for cash or otherwise pursuant to the authority given by Resolution 5 and/or to allot equity securities where such allotment constitutes an allotment of securities by way of section 560(2)(b) of the CA 2006, as if section 561 of the CA 2006 did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:

a) in connection with an offer of such securities by way of rights issue or other issues in favour of holders of Ordinary Shares in the Company where the equity securities respectively attributed to the interests of all such holders are proportionate (as nearly as may be practical) to their respective holdings of Ordinary Shares (but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws or the requirements of any regulatory body or any stock exchange in any territory or otherwise howsoever); and

b) otherwise than pursuant to sub-paragraph (a) above, up to an aggregate nominal amount of £70,374; and shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution 6, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and notwithstanding such expiry the Directors may allot equity securities in pursuance of such offer or agreement.

Dated 3 July 2013
By order of the Board

Richard James
Director and Company Secretary
For and on behalf of InTechnology plc
Central House, Beckwith Knowle, Harrogate HG3 1UG

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

Entitlement to attend and vote

1 Only those members registered on the Company's register of members at:
- 6.00pm on 6 August 2013; or,
- if this Meeting is adjourned, at 6.00pm on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the Meeting.

Appointment of proxies

2 As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

3 A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form.

4 You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact Capita Registrars at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

5 If you do not give your proxy an indication of how to vote on any resolution, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy proxy form

6 The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:
- completed and signed;
- sent or delivered to Capita Registrars at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU; and
- received by Capita Registrars by no later than 9.30am on 6 August 2013.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxy by joint members

7 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

CONTINUED

Changing proxy instructions

8 To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Capita Registrars at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

9 In order to revoke a proxy instruction you will need to inform Capita Registrars by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Capita Registrars at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Capita Registrars by no later than 9.30am on 6 August 2013.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Communication

10 Except as provided above, members who wish to communicate with the Company in relation to the Meeting should write to the Company Secretary, InTechnology plc, Central House, Beckwith Knowle, Harrogate HG3 1UG.

No other methods of communication will be accepted.

FORM OF PROXY FOR INTECHNOLOGY PLC

(incorporated and registered in England and Wales under number 03916586) (the "Company")

For use by holders of Ordinary Shares of 1p each in the Company at the Annual General Meeting of the Company to be held at Central House, Beckwith Knowle, Harrogate HG3 1UG on Thursday 8 August 2013 at 9.30am (the "**AGM**"). **Please read the Notice of AGM and the notes to this proxy form.**

I/We:	(please insert name of the Shareholder(s) in BLOCK CAPITALS)
of:	(please insert full postal address of the Shareholder(s) in BLOCK CAPITALS)

being Shareholder(s) entitled to attend, speak and vote at meetings of shareholders of the Company, hereby appoint the Chairman of the AGM or (see note 3):

as my/our proxy to attend, speak and vote on my/our behalf at the AGM of the Company to be held on Thursday 8 August 2013 at 9.30am and at any adjournment of the meeting.

I/We direct my/our proxy to vote on the following resolutions as I/we have indicated by marking the appropriate box with an 'X'. If no indication is given, my/our proxy will vote or abstain from voting at his or her discretion and I/we authorise my/our proxy to vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is properly put before the meeting.

RESOLUTIONS	For	Against	Vote Withheld
ORDINARY BUSINESS			
1. Receipt and adoption of Directors' report and financial statements			
2. Reappointment of Peter Wilkinson			
3. Reappointment of Bryn Sage			
4. Reappointment of PricewaterhouseCoopers LLP as auditors of the Company and Directors' authority to fix their remuneration			
SPECIAL BUSINESS			
5. Ordinary resolution to authorise Directors to allot equity securities			
6. Special resolution to disapply statutory pre-emption provisions			

Dated	
Signed	

Notes to the proxy form

1 As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes and the notes to the Notice of AGM.

2 Submission of a proxy form does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

3 A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the box. If you sign and return this proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.

4 You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact Capita Registrars at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

5 To direct your proxy how to vote on the resolutions, mark the appropriate box with an 'X'. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

6 To appoint a proxy using this form, the form must be:
- completed and signed;
- sent or delivered to Capita Registrars at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU; and
- received by Capita Registrars by no later than 9.30am on 6 August 2013.

7 In the case of a member which is a company, this form of proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

8 Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

9 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

10 If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

11 For details of how to change your proxy instructions or revoke your proxy appointment see the notes to the Notice of AGM.

AFTER FOLDING SECURE EDGE WITH STICKY TAPE

AFTER FOLDING SECURE EDGE WITH STICKY TAPE

AFTER FOLDING SECURE EDGE WITH STICKY TAPE

FOLD ALONG DOTTED LINE

Business Reply
Licence Number
RSBH-UXKS-LRBC

1

PXS
34 Beckenham Road
Beckenham
Kent
BR3 4TU

CORPORATE INFORMATION

BOARD OF DIRECTORS

The Rt. Hon. Lord Parkinson	Non-executive Chairman
Charles Scott	Non-executive Director
Peter Wilkinson	Chief Executive Officer
Richard James	Director & Company Secretary
Andrew Kaberry	Finance Director
Bryn Sage	Chief Operating Officer

REGISTERED OFFICE
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Central House
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Fax: +44 (0)1423 850 001

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Lloyds TSB Bank plc
PO Box 96
6-7 Park Row
Leeds
LS1 1NX

SOLICITORS
Walker Morris LLP
Kings Court
12 King Street
Leeds
LS1 2HL

REGISTRAR AND TRANSFER OFFICE
Capita IRG plc
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

INDEPENDENT AUDITORS
PricewaterhouseCoopers LLP
Chartered Accountants and
Statutory Auditors
Benson House
33 Wellington Street
Leeds
LS1 4JP

MATCHED BARGAIN EXCHANGE
www.sharemark.com

COMPANY REGISTRATION NUMBER
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