

MATRIX-DATA LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2021

MATRIX-DATA LIMITED
REGISTERED NUMBER: 01934498

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	4	581,108	-
Tangible assets	5	92,677	405,534
		<u>673,785</u>	<u>405,534</u>
Current assets			
Debtors	6	4,621,440	5,518,284
Cash at bank and in hand	7	1,151,913	459,750
		<u>5,773,353</u>	<u>5,978,034</u>
Creditors: amounts falling due within one year	8	(6,790,511)	(7,241,298)
Net current liabilities		<u>(1,017,158)</u>	<u>(1,263,264)</u>
Total assets less current liabilities		<u>(343,373)</u>	<u>(857,730)</u>
Creditors: amounts falling due after more than one year	9	(106,014)	(195,154)
Net liabilities		<u>(449,387)</u>	<u>(1,052,884)</u>
Capital and reserves			
Called up share capital		2,274	2,274
Other reserves		188,007	188,007
Profit and loss account		(639,668)	(1,243,165)
		<u>(449,387)</u>	<u>(1,052,884)</u>

MATRIX-DATA LIMITED
REGISTERED NUMBER: 01934498

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2021

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 September 2022.

Allen Heery
Director

The notes on pages 3 to 11 form part of these financial statements.

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

1. General information

Matrix-Data Limited is a company limited by shares incorporated in England and Wales. The address of the registered office is No.1 London Bridge Fourth Floor, West Building, London, SE1 9BG. The presentational and functional currency is GBP. These financial statements are rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

In September 2021, management approved a UK restructuring plan. The trade of the company was transferred to another UK group entity in May 2022 as part of this process. Given the legal steps involved, formal strike-off of the company is expected to be completed in 2023. As a result, these financial statements are not prepared on a going concern basis. The amounts recorded in respect of the assets and liabilities are considered to represent their recoverable amount.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

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

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

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

2. Accounting policies (continued)

2.8 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	- Depreciated over the lesser of the estimated useful life of the asset or the remaining term of the lease
Fixtures and fittings	- 3-7 years
Computer equipment	- 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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

2. Accounting policies (continued)

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Employees

The average monthly number of employees, including directors, during the year was 44 (2020 - 51).

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

4. Intangible assets

	Internal use software WIP £	Computer software £	Total £
Cost			
Additions - internal	407,286	154,376	561,662
Intra-group transfers	(148,517)	-	(148,517)
Transfer between classes	121,501	277,540	399,041
At 31 December 2021	<u>380,270</u>	<u>431,916</u>	<u>812,186</u>
Amortisation			
Charge for the year on owned assets	-	115,520	115,520
Transfer between classes	-	115,558	115,558
At 31 December 2021	<u>-</u>	<u>231,078</u>	<u>231,078</u>
Net book value			
At 31 December 2021	<u>380,270</u>	<u>200,838</u>	<u>581,108</u>
At 31 December 2020	<u>-</u>	<u>-</u>	<u>-</u>

Computer software is amortised on a straightline basis over 3 years.

MATRIX-DATA LIMITED

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

5. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2021	42,241	26,660	594,178	663,079
Additions	-	-	11,945	11,945
Transfers between classes	-	-	(399,041)	(399,041)
At 31 December 2021	<u>42,241</u>	<u>26,660</u>	<u>207,082</u>	<u>275,983</u>
Depreciation				
At 1 January 2021	1,773	13,330	242,442	257,545
Charge for the year on owned assets	715	5,332	35,272	41,319
Transfers between classes	-	-	(115,558)	(115,558)
At 31 December 2021	<u>2,488</u>	<u>18,662</u>	<u>162,156</u>	<u>183,306</u>
Net book value				
At 31 December 2021	<u>39,753</u>	<u>7,998</u>	<u>44,926</u>	<u>92,677</u>
At 31 December 2020	<u>40,468</u>	<u>13,330</u>	<u>351,736</u>	<u>405,534</u>

The net book value of land and buildings may be further analysed as follows:

	2021 £	2020 £
Short leasehold	39,753	40,468
	<u>39,753</u>	<u>40,468</u>

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

6. Debtors

	2021 £	2020 £
Trade debtors	853,278	887,592
Amounts owed by group undertakings	3,633,458	4,352,173
Other debtors	21,337	16,676
Prepayments and accrued income	113,367	261,843
	<u>4,621,440</u>	<u>5,518,284</u>

7. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	1,151,913	459,750
	<u>1,151,913</u>	<u>459,750</u>

8. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	25,720	15,212
Amounts owed to group undertakings	3,095,025	2,969,496
Other taxation and social security	63,608	835,850
Accruals and deferred income	3,606,158	3,420,740
	<u>6,790,511</u>	<u>7,241,298</u>

9. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Accruals and deferred income	106,014	195,154
	<u>106,014</u>	<u>195,154</u>

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

10. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £223,410 (2020 - £244,614). Contributions totalling £17,805 (2020 - £19,014) were payable to the fund at the reporting date and are included in creditors.

11. Commitments under operating leases

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

	2021 £	2020 £
Not later than 1 year	42,270	42,270
Later than 1 year and not later than 5 years	19,102	61,372
	<u>61,372</u>	<u>103,642</u>

12. Related party transactions

The company has taken the exemptions available under section 33 of FRS102, to not disclose related party transactions between members of group companies.

13. Controlling party

The immediate parent company is AI Financial Information UK Ltd, a company registered in the UK.

The ultimate parent company is Deutsche Börse Group, a company registered in Germany and listed on Frankfurt Stock Exchange Market.

The parent undertaking of the smallest group, which includes the company and for which group accounts are prepared, is Institutional Shareholder Services Inc.. Copies of the financial statements for Institutional Shareholder Services Inc. are not publicly available.

The parent undertaking of the largest group, which includes the company and for which group accounts are prepared, is Deutsche Börse Group. Copies of the financial statements for Deutsche Börse Group are publicly available.

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

14. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2021 was unqualified.

In their report, the auditor emphasised the following matter without qualifying their report:

We draw attention to note 2.2 in the financial statements, which indicates that the directors intend to liquidate the company due to group restructuring plan and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in Note 2.2.

The audit report was signed on 30 September 2022 by Rajeev Shaunak FCA (Senior Statutory Auditor) on behalf of MHA MacIntyre Hudson.

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