

AIMediaData Limited

Registered number: 09623726

Annual Report

For the year ended 30 November 2021

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AIMEDIADATA LIMITED

COMPANY INFORMATION

Directors

M S Fautley
M J Arnold

Company number

09623726

Registered office

The Johnson Building
79 Hatton Garden
London
EC1N 8AW

Auditor

Mazars LLP
Chartered Accountants & Statutory Auditor
30 Old Bailey
London
EC3M 7AU

AIMEDIADATA LIMITED

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AIMEDIADATA LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021

COMPANY PERFORMANCE, KEY PERFORMANCE INDICATORS AND DEVELOPMENT

Recurring revenues increased by 19% to £9,002,565 (2020: £7,587,000) with recurring revenues constituting 99% of revenues (2020: 98%). The increase in revenue, reflects the decision by management to invest in sales and marketing activity to support the business in winning a number of new enterprise customers during the year. This resulted in a higher annual contract value base for the Company. Gross margin remains consistent at 79% during the year (2020: 79%).

As a result of the investment in growing the business during the past and current year, earnings before interest, tax, depreciation and amortisation (EBITDA) were a loss of £1,957,694 (2020: loss £1,464,563). The primary driver behind the increase in the loss being increased salary costs. The Company has also incurred £706,447 (2020: £370,832) in research and development expenditure (excluding capitalised R&D expenditure) and £161,858 (2020: £1,097,466) in restructuring costs. The management charge from the Company's parent undertaking has increased to £1,350,000 (2020: £1,335,000).

Operating loss was £3,303,373 (2020: loss £2,948,459). In arriving at the operating loss from EBITDA the only costs are depreciation and amortisation which totalled £1,331,614 (2020: £1,483,946).

On a monthly basis, management accounts are prepared which provide performance indicators covering revenue, recurring revenue, gross margins, adjusted EBITDA, EBITDA, result before tax, result after tax, cash balances and recurring revenue. Adjusted EBITDA is defined as EBITDA excluding non-recurring administrative expenses of £35,575 (2020: £1,097,466) and share-based payment charges of £83,219 (2020: £35,575) The key performance indicators for the year are:

	Year ended 30 November 2021 £	Year ended 30 November 2020 £
Revenue	9,074,498	7,753,610
Recurring revenue	9,002,565	7,587,003
Gross margin (%)	79%	79%
Adjusted EBITDA	(1,712,617)	(331,522)
EBITDA	(1,957,694)	(1,464,563)
Loss before taxation	(3,303,373)	(2,948,459)
Loss after taxation	(3,131,313)	(2,612,245)
Cash balances	997,962	331,843

These performance indicators are measured against both an approved budget and the previous year's actual results.

Each month the Access Intelligence Plc Board assesses the performance of the group based on key performance indicators, including: new business and renewal sales performance; marketing, development and research activity; year to date financial performance, profitability forecasting and cash flow forecasting.

We have continued to deliver product innovation and high levels of service to our customers, with our colleagues working remotely as a result of COVID-19. AIMediaData Ltd is a software as a service (SaaS) business, which remains a secure and highly sustainable model with a growing recurring revenue base of subscriptions, typically on annual or multi-year contracts. This model, and our expansion into global markets, means the Group is resilient

AIMEDIADATA LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021

to financial downturn with operations underpinned by long-term visibility of contracted revenue and minimal customer concentration. It allows us to develop opportunities within a changing market while operating in a highly efficient cost structure.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's activities expose it to a variety of financial risks which are managed by the directors and the Company's management team as part of their day-to-day responsibilities. The Company's overall risk management policy concentrates on those areas of exposure most relevant to its operations. These fall into six categories:

- Competitive risk - that our products are no longer competitive or relevant to our customers.
- Cash flow and liquidity risk - that we run out of the cash required to run the business.
- Credit risk - that our customers do not pay.
- Key personnel risk - that we cannot attract and retain talented people.
- Political risk - accelerated volatility.

Competitive risk

Our business is active in competitive markets. These markets are predominantly UK based but nevertheless face global competition. To succeed we need staff with the appropriate skills, offering state of the art product and service solutions at competitive prices. They need a full understanding of the benefits and attributes of our products as well as an understanding of competitor products. They also need to know about sales opportunities on a timely basis.

As a small company, with limited resources, we need to manage our product investments with care and we tackle these risks as follows:

- We encourage investment as needed to maintain our market leading status through product research and development;
- We are growing our sales and marketing teams in a controlled manner;
- We make time and funds available for staff training;
- We incentivise through balanced sales commission schemes; and
- We monitor individual sales person performance, taking action where necessary.

Cash flow and liquidity risk

The parent company, Access Intelligence Plc, supports the cash requirements of the Company. To encourage tough cash management and good planning we manage cash as follows:

- We collect and communicate a weekly cash summary every Friday by subsidiary;
- We pay sales commissions, where appropriate but only once cash is received for larger sales;
- We monitor detailed ageing analysis of debtors on a weekly basis; and
- We monitor cash performance against agreed budgets and forecasts.

Credit risk

Our sales are split between public and private sector organisations. Whilst recognising that circumstances change, we are of the opinion that the public sector will pay its debts provided that purchasing rules have been followed. Despite the tough solvency issues facing all European governments we have seen no reason to change this view at the present time. The private sector however remains a higher risk and we remain diligent about our approach to these sales:

- We track aged debtors very diligently, reporting them at Board level on a monthly basis; and
- For sales of value above set limits, we do not pay commission until payment is received from the customer.

AIMEDIADATA LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021

Key personnel risk

This is a people business. Our technical staff create the product and our sales staff sell it, supported by our marketing staff. In a competitive market we recognise good people can be poached or just lose their way. There is nothing that can beat a motivated, educated and focused team. Whilst our size limits the extent of our actions, we address this risk as follows:

- We take care to take references when recruiting;
- Managers monitor performance individually whatever the role in the organisation;
- We offer training of specific skills where appropriate;
- We encourage flat management structures, open plan offices and easy accessibility up and down the organisation;
- We pay competitive market prices whilst recognising regional differences;
- We have an approved option scheme for senior employees; and
- A number of key personnel are significant shareholders in their own right.

AIMEDIADATA LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021

The directors present their report and the audited financial statements for the year ended 30 November 2021.

Principal activity

The principal activity of the Company is the development and supply of computer software for communications, public affairs and stakeholder engagement. The Company provides software as a Service (SaaS) for companies looking to build, maintain and protect their reputation through communication management.

Directors

The directors who served during the period were:

M S Fautley
M J Arnold

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including Financial Reporting Standard 102). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether, for the Company financial statements, they have been prepared in accordance with UK GAAP, subject to any material departures disclosed and explained in the Company 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Research and development activities and other technical expenditure

The Company invests in research and development with a view to improving its current product range and creating new software in a bid to secure competitive advantage.

Our policy is to write development expenditure off to profit or loss as incurred unless it relates to a new product or relates to fundamental innovations that meet accounting definitions in that they are technically feasible, commercially viable and resources exist to complete the development projects. In such cases the expenditure is capitalised and amortised over five years beginning with the first sale. This reflects the estimated useful life considering the more flexible, structured code using latest modular design techniques available.

AIMEDIADATA LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021

Matters covered in the Strategic Report

As permitted by paragraph 1A of Schedule 7 to the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the Director's Report have been omitted as they are included in the Strategic Report on pages 1 to 3. These matters relate to the review and analysis of the business and the principal risks and uncertainties.

Going concern

On the basis of current financial projections and available funds and facilities, the directors are satisfied that the Company, taking into account that it operates as part of the Access Intelligence Plc Group, has adequate resources to continue in operation for the foreseeable future and therefore consider it appropriate to prepare the financial statements on the going concern basis. A letter of support from Access Intelligence Plc has been obtained showing continued support moving forwards. To demonstrate the appropriateness of a going concern basis, 12-month forecasts cash flow forecasts were prepared with reasonable and reflective assumptions and a stress test against these cash flows was conducted. For further information regarding the directors' assessment of the going concern status of the Company, refer to the accounting policies Note 2.2 in the financial statements.

Assessment of the impact of the war in Ukraine

The ongoing war in Ukraine and resulting sanctions introduced by the UK, EU and USA against Russia highlight how changes in the global political environment can rapidly affect demand and business operations within certain territories and regions.

Management monitors the ongoing economic and political situation in the territories in which it operates to assess the level of risk in respect of economic or political factors. The diversity of the Group from both a geographic and technological standpoint also helps to mitigate against potential economic or political disruption as demand is not centred in any single location and operations can be delivered from a number of different locations.

Provision of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditor in connection with preparing its report and to establish that the Company's auditor is aware of that information.

Auditor

Mazars LLP has acted as auditor throughout the period.

AIMEDIADATA LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2021**

Approval

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

DocuSigned by:

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M S Fautley
Director

Date: 26/08/2022

The Johnson Building
79 Hatton Garden
London
EC1N 8AW

AIMEDIADATA LIMITED

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021

Opinion

We have audited the financial statements of AIMediaData Limited (the 'company') for the year ended 30 November 2021 which comprise Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

AIMEDIADATA LIMITED

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates being bad debt provision, revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

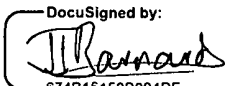
- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:


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Jonathan Barnard
(Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
30 Old Bailey,
London,
EC4M 7AU
Date: 26/08/2022

AIMEDIADATA LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	Note	2021 £	2020 £
Turnover	3	9,074,498	7,753,610
Cost of sales		(1,924,486)	(1,653,192)
Gross profit		7,150,012	6,100,418
Administrative expenses		(9,103,385)	(7,890,425)
Management charge from parent undertaking		(1,350,000)	(1,335,000)
Other income		-	176,548
Operating loss	4	(3,303,373)	(2,948,459)
Interest payable		-	-
Loss on ordinary activities before taxation		(3,303,373)	(2,948,459)
Tax credit on loss on ordinary activities	8	172,060	336,214
Loss for the financial year		(3,131,313)	(2,612,245)
Other comprehensive income		-	-
Total comprehensive loss for the period attributable to shareholders		(3,131,313)	(2,612,245)

The notes on pages 13 to 22 form part of these financial statements.

AIMEDIADATA LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	Note	2021 £	2020 £
Fixed Assets			
Intangible assets	9	3,856,667	3,641,699
Tangible assets	10	51,186	82,403
		<u>3,907,853</u>	<u>3,724,102</u>
Current assets			
Debtors	11	3,725,826	3,135,647
Cash at bank		997,962	331,843
		<u>4,723,788</u>	<u>3,467,490</u>
Current liabilities			
Trade and other creditors	12	(2,059,660)	(1,465,502)
Deferred income		(4,820,468)	(3,747,506)
Amounts owed to group undertakings		(18,746,396)	(15,925,373)
		<u>(25,626,524)</u>	<u>(21,138,381)</u>
Net current liabilities		<u>(20,902,736)</u>	<u>(17,670,891)</u>
Total assets less current liabilities		<u>(16,994,883)</u>	<u>(13,946,789)</u>
Net liabilities		<u>(16,994,883)</u>	<u>(13,946,789)</u>
Capital and reserves			
Called up share capital	14	100	100
Equity reserve		181,794	98,575
Retained earnings		(17,176,777)	(14,045,464)
Shareholders' funds		<u>(16,994,883)</u>	<u>(13,946,789)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

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M S Fautley
 Director
 Date: 26/08/2022

The notes on pages 13 to 22 form part of these financial statements.

AIMEDIADATA LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	Share capital £	Equity Reserve £	Retained earnings £	Total £
1 December 2019	100	63,000	(11,433,219)	(11,370,119)
Total comprehensive loss for the year	-	-	(2,612,245)	(2,612,245)
Share-based payments	-	35,575	-	35,575
30 November 2020	100	98,575	(14,045,464)	(13,946,789)
Total comprehensive loss for the year	-	-	(3,131,313)	(3,131,313)
Share-based payments	-	83,219	-	83,219
30 November 2021	100	181,794	(17,176,777)	(16,994,883)

AIMEDIADATA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

1. General information

AIMediaData Limited is a private company limited by shares, incorporated and domiciled in the United Kingdom under the Companies Act registered in England and Wales. The Registered Office is The Johnson Building, 79 Hatton Garden, London, England, EC1N 8AW.

2. Accounting Policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

Financial statements are presented in Sterling (£).

In preparing these financial statements, the Company has taken advantage of the disclosure exemptions, as permitted by FRS 102 paragraph 1.12. The Company has therefore complied with the applicable conditions, including providing notification of the use of exemptions to the Company's shareholders who have not objected to the use of such disclosure exemptions.

The Company has taken advantage of the following exemptions in preparing the Company financial statements:

- i. from preparing a Cash Flow Statement in accordance with Section 7 'Cash Flow Statements';
- ii. from providing the financial instrument disclosures, required under paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as this information is provided in the Access Intelligence Plc consolidated financial statements; and
- iii. from disclosing the Company's key management personnel compensation, as required by paragraph 7 of Section 33 'Related Party Disclosures'.

2.2 Going concern

The Company has received confirmation from its immediate parent, Access Intelligence Plc, that it will provide the necessary funds to enable the Company to meet its liabilities as they fall due for at least twelve months from the date of approval of these financial statements. The directors are also directors of Access Intelligence Plc and have considered twelve-month cash flow forecasts of the wide group, including the assumptions used therein relating to long-term software as a service contracts.

As such, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, therefore they continue to adopt the going concern basis for accounting in preparing the annual financial statements.

2.3 Significant judgements and estimates

The areas where key assumptions and estimates have been made by management relate to:

- The amount of revenue recognised in relation to the contracted revenue.
- The estimation of bad debt provision in relation to the outstanding debt. The company makes an estimate of the recoverable value of trade debtors. When assessing any potential impairment of trade debtors, management considers factors including the ageing profile of debtors and historical experience.
- The capitalised development costs and other non-current assets.
- The recognition of deferred tax assets in relation to losses (refer to note 2.7 and note 8)

AIMEDIADATA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

2.4 Turnover

Revenue represents the amounts derived from the provision of services, stated net of Value Added Tax. The methodology applied to income recognition is dependent upon the services being supplied.

In respect of income relating to annual service contracts which are invoiced in advance, it is the Company's policy to spread the income of each contract equally over the contract's life. The full value of each sale being credited to deferred income when invoiced to be released to the profit and loss account in equal instalments over the contract period.

2.5 Tangible fixed assets and depreciation

All fixed assets are initially recorded at historic cost.

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings & equipment	4 years straight line
Office equipment	3 years straight line
Leasehold improvements	Lease term

2.6 Intangible fixed assets and amortisation

Goodwill – Representing the excess of the fair value of the consideration given on acquisition of a business over the fair values of the identifiable net assets acquired, is capitalised and is amortised on a straight-line basis over its estimated useful economic life. This period is the period over which the members estimate that the value of the underlying business acquired is expected to exceed the value of the underlying assets. This has been assessed as five years.

Software licences – Including software that is not integral to a related item of hardware. These items are stated at cost less accumulated amortisation and any impairment. Amortisation is calculated on a straight-line basis over the estimated useful economic life, estimated at 3 years.

Customer list – On acquisition of the business and certain assets of Cision UK Ltd and Vocus UK Ltd, a fair value was calculated in respect of the customer list acquired. Amortisation is calculated on a straight-line basis over the estimated useful economic life of the customer list. It is the directors' view that this useful economic life is five years, based on known and forecast customer retention rates.

Software development – Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- Its intention to complete and its ability and intention to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset; and
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins from the date development is complete and the asset is available for use, which may be before first sale. It is amortised over the period of expected future benefit, estimated as five years.

2.7 Taxation

The tax receivable / payable represents the sum of the tax currently receivable / payable and the deferred tax.

AIMEDIADATA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

The current tax is based on the taxable profit for the year. The company's liability for tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are not recognised if the timing difference arises from Goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, when they relate to income taxes levied by the same taxation authority and the company intends to settle on a net basis.

2.8 Financial instruments

Financial assets and liabilities are recognised on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Financial assets carried at amortised cost

Financial assets are classified as receivables and comprise of trade and other receivables, cash and cash equivalents and cash advances to group undertakings.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Financial assets are initially recognised at fair value plus directly attributable transaction costs. After initial recognition, receivables are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss on receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all the substantial risks and reward are transferred.

Financial liabilities carried at amortised cost

Financial liabilities are classified as payables and comprise of trade and other payables, and cash advances from group undertakings.

Payables are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market.

Financial liabilities are initially recognised at fair value adjusted for any directly attributable transaction costs. After initial recognition, financial liabilities are measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense. Discounting

AIMEDIADATA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

is omitted where the effect of discounting is immaterial.

A financial liability is derecognised when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

2.9 Foreign currency translation

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transactions. Exchange differences are taken into account in arriving at the operating loss.

2.10 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company in respect of the year.

2.11 Share-based payments

The Company issues equity-settled share-based payments to certain employees. These equity settled share-based payments are measured at fair-value at the date of the grant.

Where material, the fair value as determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. Fair value is measured by use of the Black-Scholes method or the Monte Carlo method. The charges to profit or loss are recognised in the subsidiary employing the individual concerned.

2.12 Equity and reserves

Share capital represents the nominal value of shares that have been issued. Retained earnings include all current and prior period retained profits.

The equity reserve represents the capital contribution from the Company's parent company in relation to share-based payment transactions.

2.13 Government grants

Grants are accounted for under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in "other income" within profit or loss in the same period as the related expenditure. This includes the Government Coronavirus Job Retention Scheme ('Furlough'). The company has not directly benefited from any other forms of government assistance.

AIMEDIADATA LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021****3. Turnover**

The turnover and profit before tax are attributable to the one principal activity of the Company.

An analysis of turnover by geographic region is as follows:

	2021	2020
	£	£
United Kingdom	8,513,179	7,147,189
Europe	412,113	354,518
Rest of The World	149,206	251,903
	9,074,498	7,753,610

4. Operating loss

The operating loss is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	55,774	65,169
Amortisation of intangible fixed assets	1,275,840	1,418,777
Restructuring costs	-	1,097,466
Research and development expenditure (a further £1,447,503 (2020: £1,260,730) was capitalised)	706,447	370,832
Gain on foreign currency translation	12,120	10,663

5. Auditor's remuneration

	2021	2020
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual accounts	17,000	15,500

6. Staff costs

The aggregate payroll costs were as follows:

	2021	2020
	£	£
Wages and salaries	5,589,468	4,031,163
Social security costs	431,818	379,738
Other pension costs	196,793	150,656
Share-based payments	83,219	35,575
	6,301,299	4,597,132

Staff costs of £1,447,507 (2020: £1,260,730) were capitalised in development costs within intangible assets (note 9) in the year.

AIMEDIADATA LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021**

The average monthly number of staff employed by the company during the financial year amounted to:

	2021	2020
	£	£
Selling, distribution and administration	44	58
Technical & support	60	50
	<u>104</u>	<u>108</u>

7. Directors' remuneration

The directors did not receive remuneration from the Company. The directors are also directors of the Company's parent undertaking, Access Intelligence Plc, and receive remuneration from that company in respect of the services to the group. It is not possible to determine the proportion of that remuneration that relates to the services provided to the Company.

8. Taxation

	2021	2020
	£	£
Analysis of tax charge in the year		
Current tax		
UK corporation tax charge on profit for the year	(151,491)	(409,467)
Adjustments to tax charge in respect of prior periods	(20,569)	73,253
Total current tax credit	<u>(172,060)</u>	<u>(336,214)</u>
Deferred tax		
Origination and reversal of timing differences	-	-
Tax on profit on ordinary activities	<u>(172,060)</u>	<u>(336,214)</u>

AIMEDIADATA LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021****Factors affecting tax credit for the year**

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

	2021 £	2020 £
Loss on ordinary activities before tax	<u>(3,303,373)</u>	<u>(2,948,459)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 – 19%).	(627,641)	(560,207)
Effects of:		
Expenses not deductible for tax purposes	26,963	8,321
Group relief surrendered	-	-
Surrender of tax losses for R&D tax credit	47,015	127,076
Additional deduction for qualifying R&D expenditure	(356,365)	(303,264)
Adjustments to tax in respect of previous periods	(20,569)	73,253
Deferred tax not recognised	<u>758,537</u>	<u>318,607</u>
Total tax credit for the year	<u>(172,060)</u>	<u>(336,214)</u>

Factors that may affect future tax charges

The corporation tax rate for the year ended 30 November 2021 was 19%. The corporation tax rate of 25% was enacted with effect from 1 April 2023. These rates therefore have been considered when calculating the deferred tax at the reporting date.

Unrecognised tax assets

Deferred tax assets of approximately £2,096,104 (2020: £849,453) arising in respect of losses and other short-term timing differences have not been recognised in the statement of financial position due to uncertainties in regard to their recoverability.

AIMEDIADATA LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021****9. Intangible fixed assets**

	Goodwill	Software licences	Customer list	Software development	Total
	£	£	£	£	£
Cost					
At 30 November 2019	2,195,689	276,746	830,154	4,368,295	7,670,884
Additions	-	57,675	-	1,260,730	1,318,405
Disposals	-	-	(830,154)	-	(830,154)
At 30 November 2020	2,195,689	334,421	-	5,629,025	8,159,135
Additions	17	80,137	-	1,447,503	1,527,657
Disposals	-	-	-	(36,881)	(36,881)
At 30 November 2021	2,195,706	414,558	-	7,039,647	9,649,911
Amortisation					
At 30 November 2019	1,938,893	198,754	733,301	1,057,865	3,928,813
Charge for the year	256,796	55,135	96,853	1,009,993	1,418,777
Disposals	-	-	(830,154)	-	(830,154)
At 30 November 2020	2,195,689	253,889	-	2,067,858	4,517,436
Charge for the year	-	58,953	-	1,253,768	1,312,721
Disposals	(31)	-	-	(36,881)	(36,912)
At 30 November 2021	2,195,658	312,842	-	3,284,745	5,793,244
Net book value					
At 30 November 2021	48	101,716	-	3,754,903	3,856,667
At 30 November 2020	-	80,532	-	3,561,167	3,641,699

AIMEDIADATA LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021****10. Tangible fixed assets**

	Office equipment	Fixtures, fittings & equipment	Leasehold improvements	Total
	£	£	£	£
Cost				
At 30 November 2019	238,236	52,211	135,603	426,050
Additions	43,487	1,800	-	45,287
Disposals	-	-	(133,724)	(133,724)
At 30 November 2020	281,723	54,011	1,879	337,613
Additions	24,557			24,557
At 30 November 2021	306,280	54,011	1,879	362,170
Amortisation				
At 30 November 2019	141,580	48,460	133,725	323,765
Charge for the year	62,475	1,757	937	65,169
Disposals	-	-	(133,724)	(133,724)
At 30 November 2020	204,055	50,217	938	255,210
Charge for the year	53,018	1,816	940	55,774
At 30 November 2021	257,073	52,033	1,878	310,984
Net book value				
At 30 November 2021	49,207	1,978	1	51,186
At 30 November 2020	77,668	3,794	941	82,403

AIMEDIADATA LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021****11. Debtors**

	2021	2020
	£	£
Trade debtors	1,901,725	1,549,810
Amounts owed by group undertakings	-	180
Other debtors	-	35,408
Prepayments and accrued income	1,242,574	1,140,782
Current tax receivable	581,527	409,467
	<u>3,725,826</u>	<u>3,135,647</u>

Amounts owed by group undertakings are non-interest bearing, unsecured and repayable on demand.

12. Trade and other creditors

	2021	2020
	£	£
Trade creditors	712,672	817,871
Social security and other taxes	193,469	405,129
Accruals	856,313	241,489
Other creditors	297,206	1,013
	<u>2,059,660</u>	<u>1,465,502</u>

13. Related party transactions

The Company has taken advantage of the exemption available under FRS102 not to disclose transactions with its parent company and its fellow wholly owned subsidiary companies.

14. Share capital

	2021	2020
	£	£
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
Ordinary shares carry one voting right.	<u>100</u>	<u>100</u>

15. Ultimate parent undertaking and controlling party

The ultimate parent undertaking, controlling party and the parent undertaking of the largest and smallest group to include the Company in its group financial statements is Access Intelligence Plc, a Company incorporated in England and Wales. Copies of its consolidated financial statements can be obtained from Companies House, Cardiff.