

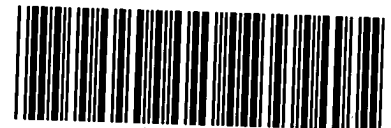
Registered number
04283360

Broadbean Technology Limited

Report and Financial Statements

31 December 2023

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Broadbean Technology Limited
Report and accounts
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**Broadbean Technology Limited
Company Information**

Directors

Mr R Steelberg
Mr M Zemetra

Auditors

RSM UK Audit LLP
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

Bankers

Bank Of America
2 King Edward Street
London
EC1A 1HQ

Registered office

C/O Corporation Service Company (Uk) Limited
5 Churchill Place, 10th Floor
London
E14 5HU

Registered number

04283360

Broadbean Technology Limited Strategic Report

The directors present their Strategic Report on the affairs of the Company for the year ended 31 December 2023.

Principal risks and uncertainties

The principal risk to the Company is a downturn in recruitment activity, caused by economic uncertainty. The commitment to invest in new product development reduces the impact of uncertainties in the market and takes a long-term view. The internet provides both a threat to traditional advertising and information businesses and an opportunity for the Company to develop in new areas. This necessitates investment in new technologies and the people required to develop the Company's business.

Business Review

As of 13 June 2023 The Company was acquired from Careerbuilder LLC., by Veritone, Inc., and as of 13 June 2023 The Company is a wholly owned subsidiary of Veritone, Inc., a company incorporated in the United States of America.

As shown by the Statement of Comprehensive Income on page 10, turnover increased by £4,162,719, an increase of 22%. Turnover in software and media buying sales increased by 6% from £14,176,086 to £15,070,409. The company receives a royalty on sales of its products made by other group entities, increased sales by these entities and a change in the group transfer policy due to the acquisition resulted in the royalty increasing by 72% in the year from £4,556,964 to £7,825,360.

The operating profit for the financial period amounted to £6,846,576 (2022: £2,544,911). The operating profit is affected by the following factors:

Revenue increased by £4,162,719 as The Company continued to acquire new customers, improve the renewal rates on existing customers and increased royalties.

The Company saw an increase in staff during 2023, with average headcount increasing by 8 to 94 compared to 2022. This contributed to higher employee costs of £442,949 compared to 2022.

The company has written down the value of certain internally developed software products. Those products are either no longer revenue generating, but with the potential for new sales activity in the future or they are no longer used by customers or offered for sale. The charge to the profit and loss account in the year in respect of these write downs was £123,724 (2022: £535,547).

Other factors affecting operating profit are:

- A decrease in amortisation of intangibles of £206,468 as a result of prior year impairments.
- A fall in hosting costs of £201,189.
- An increase in marketing costs of £97,738.
- TSA costs of £387,862 incurred due to the sale of the Company.
- A decreased in the group management charge by £571,161
- Other operating income of £454,720 from the RDEC Scheme.

The profit for the year after taxation was £5,345,187 (2022: £2,189,794).

continued...

**Broadbean Technology Limited
Strategic Report (continued)**

Notable changes on the balance sheet are as follows:

The carrying value of intangible fixed assets is £2,738,566 (2022: £2,497,384) as additions in the year of £1,899,258 outweighed amortisation and impairments totalling £1,658,076.

The carrying value of tangible fixed assets is £223,279 (2022: £372,064), as there was depreciation and minor additions made in the year.

The decrease in debtors of £2,774,178 arises for the following reasons:

- A decrease in group company debtors of £2,692,867, driven primarily from forgiven balances from entities under the prior parent company.
- An increase in trade debtors of £499,850 as a result of a high media invoicing in December 2023 due to strong media buying sales. Total invoicing value for December increased 37% from 2022.

Cash at bank has increased from £1,513,315 to £3,149,875.

The increase in short term creditors of £7,528,104 arises for the following reasons:

- An increase in Group company creditors of £3,758,651 as a result of increased group management charges.
- An increase in Trade creditors of £2,112,258.
- An increase in corporation tax provisions of £1,130,938.

Prior to the acquisition The Board paid dividends totalling £6,200,000 to The Company's immediate parent Careerbuilder International Holdings B.V.

As part of the transaction for the sale of the Company to Veritone, Inc., it was agreed that certain group debtors and group creditors would be reorganised as due from the Company's immediate parent Careerbuilder International Holdings B.V. and then those balances were forgiven and treated as a deemed distribution. At the point of acquisition the balances which were included in this forgiveness were £8,316,670 of group debtors and £35,898 of group creditors. The total value of the deemed distribution was £8,280,772.

The Company's key financial and other performance indicators during the period were as follows:

Unit		2023	2022
Turnover	£'000	22,896	18,733
Operating profit	£'000	6,847	2,545
% operating profit margin	%	29.9%	13.6%
Employees (average number)	FTE	94	86
Shareholder's funds	£'000	7,473	16,608

The movements in these key performance indicators are discussed above.

01/29/2025

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

Mr M Zemetra
Director

DocuSigned by:
Mike Zemetra
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Broadbean Technology Limited
Registered number: 04283360
Directors' Report

The directors present their annual report together with the financial statements for the year ended 31 December 2023.

Principal place of business

Broadbean Technology Limited is a company incorporated and domiciled in England and has its registered office at C/O Corporation Service Company (Uk) Limited, 5 Churchill Place, 10th Floor, London, E14 5HU and principal place of business at The South Quay Building, 77 Marsh Wall, London, E14 9SH.

Principal activities

The principal activity of the Company is the provision of advert distribution, response management and candidate attraction solutions to the recruitment industry. The directors are not aware, at the date of this report, of any likely changes in the Company's activities in the next year.

Up to 12 June 2023 The Company was a wholly owned subsidiary of Careerbuilder LLC, a company incorporated in the United States.

As of the year end The Company is a wholly owned subsidiary of Veritone UK Ltd, a company incorporated in the United Kingdom.

Results and appropriations

The results and the state of affairs of the company for the year are set out in the financial statements on pages 10 to 24. The directors do not recommend the payment of a final dividend. Prior to the acquisition The Board paid dividends totalling £6,200,000 to The Company's immediate parent Careerbuilder International Holdings B.V.

Future developments

The Company will continue to invest in new product development and to expand its current product and feature set to increase it's offering to both new and existing customers in the UK and key European markets.

Research and development

The company is continually developing new features to its current product set as well as new products with relevance to both existing and new clients. All such developments are released to market as soon as they are ready and on an ongoing basis.

Financial Risk Management

Price risk, credit risk's, liquidity risk and cash flow risk

The business's principal financial instruments comprise bank balances, trade debtors and creditors. The main purpose of these instruments is to finance the business operations.

In respect of bank balances, the Company is cash generative and the directors expect this to continue. Risk is mitigated by a central group treasury function monitoring all accounts.

~~Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both size of debt and time outstanding. The amounts presented in the balance sheet are net of allowances for any doubtful debts.~~

Creditors' liquidity is managed by ensuring sufficient funds are available to meet amounts due.

Directors

The directors who served during the year and post year end to the date of signing the financial statements were

Mr R Steelberg (appointed 13 June 2023)
Mr M Zemetra (appointed 13 June 2023)
Mr A Dull (resigned 12 June 2023)
Mr A Fourlis (resigned 12 June 2023)

Broadbean Technology Limited

Registered number: 04283360

Directors' Report (continued)

Going concern

The financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operations for the foreseeable future and as a minimum for a period of at least one year from the date of approval of these financial statements.

The Company meets its day-to-day working capital requirements without any need for external borrowings and the Company's forecasts and projections show that the Company is able to operate within its own facilities. After making the necessary enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The directors are confident that the company's trading forecasts and cash flow projections show that it has adequate financial resources to continue to operate for the foreseeable future and is financially sound. In addition to this, all inter-company balances within the group are guaranteed by the Company's parent, Veritone, Inc. which has also given an undertaking to provide financial support in the event that the Company was unable to meet its liabilities as they fall due. This support is in place for a period of at least 12 months from the date of approval of the balance sheet. Accordingly the going concern basis is considered appropriate for the preparation of the financial statements.

Directors' responsibilities

The directors are responsible for preparing the strategic report, the directors' 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 elected to prepare the financial statements in accordance with United Kingdom Accounting Standards. 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Qualifying third party indemnity provisions

The Company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the director's report.

Broadbean Technology Limited
Registered number: 04283360

Directors' Report (continued)


Auditor

RSM UK Audit LLP, Chartered Accountants, have indicated their willingness to be appointed and appropriate arrangements have been put in place for them to be deemed as appointed as auditors in the absence of an Annual General Meeting.

01/29/2025

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

Mr M Zemetra
Director

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Broadbean Technology Limited
Independent auditor's report
to the members of Broadbean Technology Limited

Opinion

We have audited the financial statements of Broadbean Technology Limited (the 'company') for the year ended 31 December 2023 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

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 has been prepared in accordance with applicable legal requirements.

Broadbean Technology Limited
Independent auditor's report
to the members of Broadbean Technology Limited

Matters on which we are required to report by exception

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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 these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

Broadbean Technology Limited
Independent auditor's report
to the members of Broadbean Technology Limited

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, agreeing tax calculations to supporting documentation and reviewing correspondence with local tax authorities.

The audit engagement team identified the risk of management override of controls, revenue recognition and the capitalisation and impairment of internally developed intangible assets as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included, but were not limited to:

- testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business;
- testing sales to supporting documentation and reviewing transactions around the year end to ensure they were recognised in the correct accounting period; and
- challenging judgements and estimates applied in the capitalisation and impairment of development costs.

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

Use of our report

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



Nicholas Davies FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

Dated:

20/11/2025

Broadbean Technology Limited
Statement of Comprehensive Income
for the year ended 31 December 2023

	Notes	2023 £	2022 £
Turnover	3	22,895,769	18,733,050
Administrative expenses		(16,503,913)	(16,188,139)
Other operating income	4	454,720	
Operating profit	4	<u>6,846,576</u>	<u>2,544,911</u>
Interest payable	6	-	(467)
Interest receivable	7	88,004	135,899
Profit on ordinary activities before taxation		6,934,580	2,680,343
Tax on profit on ordinary activities	8	(1,589,393)	(490,549)
Profit for the financial year		<u>5,345,187</u>	<u>2,189,794</u>

The notes on pages 13 - 24 form part of these financial statements

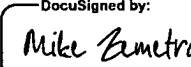
Broadbean Technology Limited
Registered number: 04283360
Statement of Financial Position
as at 31 December 2023

	Notes	2023 £	2022 £
Fixed assets			
Intangible assets	9	2,738,566	2,497,384
Tangible assets	10	<u>223,279</u>	<u>372,064</u>
		2,961,845	2,869,448
Current assets			
Debtors	11	16,864,072	19,638,251
Cash at bank and in hand		3,149,875	1,513,315
		20,013,947	21,151,566
Creditors: amounts falling due within one year	12	<u>(14,740,666)</u>	<u>(7,212,562)</u>
Net current assets		5,273,281	13,939,004
Total assets less current liabilities		<u>8,235,126</u>	<u>16,808,452</u>
Creditors: amounts falling due after more than one year	13	(32,664)	(65,329)
Provisions for liabilities			
Deferred taxation	14	(594,924)	-
Other provisions	15	(134,978)	(134,978)
		<u>(729,902)</u>	<u>(134,978)</u>
Net assets		<u>7,472,560</u>	<u>16,608,145</u>
Capital and reserves			
Called up share capital	17	100	100
Profit and loss account	18	7,472,460	16,608,045
Total equity		<u>7,472,560</u>	<u>16,608,145</u>

01/29/2025

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

Mr M Zemetra
 Director

DocuSigned by:

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The notes on pages 13 - 24 form part of these financial statements

**Broadbean Technology Limited
Statement of Changes in Equity
for the year ended 31 December 2023**

	Share capital	Profit and loss account	Total
	£	£	£
At 1 January 2022	100	14,418,251	14,418,351
Profit for the financial year and total comprehensive income	-	2,189,794	2,189,794
At 31 December 2022	<u>100</u>	<u>16,608,045</u>	<u>16,608,145</u>
At 1 January 2023	100	16,608,045	16,608,145
Profit for the financial year and total comprehensive income	-	5,345,187	5,345,187
Dividends	-	(6,200,000)	(6,200,000)
Deemed distribution	-	(8,280,772)	(8,280,772)
At 31 December 2023	<u>100</u>	<u>7,472,460</u>	<u>7,472,560</u>

The notes on pages 13 - 24 form part of these financial statements

Broadbean Technology Limited
Notes to the Accounts
for the year ended 31 December 2023

1 Summary of significant accounting policies

Company Information

Broadbean Technology Limited ("the Company") is a private company limited by shares domiciled and incorporated in England and Wales. The registered office is C/O Corporation Service Company (Uk) Limited, 5 Churchill Place, 10th Floor, London, E14 5HU. The Company's principal activity is the provision of advert distribution, response management and candidate attraction solutions to the recruitment industry.

The financial statements are presented in sterling which is the functional currency of the Company, and rounded to the nearest £.

Basis of preparation

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 including the provisions of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 4 'Statement of Financial Position' - Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' - Presentation of a Statement of Cash Flow and related notes and disclosures; and
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

The financial statements of the Company are consolidated in the financial statements of Veritone, Inc. The consolidated financial statements of Veritone, Inc. are available from its registered office, 160 Greentree Drive, Suite 101, Dover, Delaware 19904.

Financial Instruments

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

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial Assets

Financial assets are classified into either basic or other financial assets. The classification depends on certain criteria determined at the time of recognition.

Basic financial assets

Basic financial assets, which include trade and other debtor and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Broadbean Technology Limited
Notes to the Accounts
for the year ended 31 December 2023

1 - Summary of significant accounting policies (continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities

Financial liabilities are classified as either basic or other financial liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and loans from fellow group companies are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

Equity Instruments

Financial instruments classified as equity instruments are recorded as the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes.

Turnover includes revenue earned from:

- The sale of computer software licences and related services, recognised evenly over the duration of the contract.
- The provision of media buying services, where the service charges earned by Broadbean are recorded as turnover and not the gross value of the media sale. Such service charges are recognised fully in the month of sale and matched with the related costs.
- ~~Royalties from the sale of software by associated overseas entities, recognised as a percentage of the software sales made by associated overseas entities in the financial year.~~

Broadbean Technology Limited
Notes to the Accounts
for the year ended 31 December 2023

1 - Summary of significant accounting policies (continued)

Intangible fixed assets

Intangible fixed assets comprise software development costs and are measured at cost less accumulated amortisation and any accumulated impairment losses.

Development of products is capitalised where there is expected to be a benefit to future periods and the following conditions are met:

- (i) It is technically feasible to complete the research or development so that the product will be available for use or sale.
- (ii) It is intended to use or sell the product being developed.
- (iii) The Company is able to use or sell the product.
- (iv) It can be demonstrated that the product will generate probable future economic benefits.
- (v) Adequate technical, financial and other resources exist so that product development can be completed and subsequently used or sold.
- (vi) Expenditure attributable to the research and development work can be reliably measured.

Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses and amortised over its useful economic life of 3 years.

Tangible fixed assets

Tangible fixed assets are stated at fair value, net of accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Short leasehold property improvements	over the lease term
Office and computer equipment	over 3-5 years
Fixtures and fittings	over the lease term

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

Revaluation of Fixed Assets

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity, such gains and loss are recognised in profit or loss.

Broadbean Technology Limited
Notes to the Accounts
for the year ended 31 December 2023

1 - Summary of significant accounting policies (continued)

Impairments of fixed assets

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions are recognised when the Company has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges

Onerous lease provisions are made against operating leases where the unavoidable cost of meeting the lease obligations exceed the economic benefits received.

Dilapidations relating to property leases are capitalised where the Company has a legal obligation under the terms of its leases. These are depreciated over the term of the lease.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Broadbean Technology Limited
Notes to the Accounts
for the year ended 31 December 2023

1 - Summary of significant accounting policies (continued)

Leased assets

Operating lease payments are recognised as an expense on a straight line basis over the lease term. Rent free periods or other incentives received for entering into an operating lease are accounted for as a reduction to the expense and are recognised on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. The amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Employee Benefits

The costs of long term employee incentives and short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or are capitalised as an intangible fixed asset or a tangible fixed asset.

The holiday year for Broadbean Technology Limited ends at the reporting date and employees are not entitled to carry forward unused holiday.

Share-based payments

The Company participates in a share-based payment arrangement (equity-settled share-based payments") granted to its employees by the parent entity.

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

Going Concern

The financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operations for the foreseeable future and as a minimum for a period of at least one year from the date of approval of these financial statements.

The Company meets its day-to-day working capital requirements without any need for external borrowings and the Company's forecasts and projections show that the Company is able to operate within its own facilities. After making the necessary enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The directors are confident that the company's trading forecasts and cash flow projections show that it has adequate financial resources to continue to operate for the foreseeable future and is financially sound. In addition to this, all inter-company balances within the group are guaranteed by the Company's parent, Veritone, Inc. which has also given an undertaking to provide financial support in the event that the Company was unable to meet its liabilities as they fall due. This support is in place for a period of at least 12 months from the date of approval of the balance sheet. Accordingly the going concern basis is considered appropriate for the preparation of the financial statements.

Broadbean Technology Limited
Notes to the Accounts
for the year ended 31 December 2023

2 Critical accounting estimates and judgements

In preparing these financial statements, the directors have made the following judgements:

To determine whether there are indicators of impairment of the company's intangible assets, factors taken into consideration in reaching such a decision include economic viability and expected future financial performance of the asset.

Other key sources of estimation uncertainty:

Intangible fixed assets are depreciated over their useful economic lives, taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing assets lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

In determining which software development projects should be classed as intangible fixed assets and in deciding where such a development project may be impaired, an assessment is made of the likely future returns and benefits that the project will deliver to the company based on management's best estimate of expected costs. These returns and benefits can take the form of cost efficiencies, new business and upsell opportunities and yield enhancements from existing customers.

The Company has an obligation under the premises lease to cover dilapidation costs. In anticipation of the cost of future repairs and renovations that will need to be made in line with the lease obligation a provision has been made.

3 Analysis of turnover	2023	2022
	£	£
Sale of software licences and media buying services	15,070,409	14,176,086
Royalties	<u>7,825,360</u>	<u>4,556,964</u>
	<u>22,895,769</u>	<u>18,733,050</u>
By geographical market:		
UK	12,984,243	12,464,140
Europe	2,586,247	1,369,728
USA	6,108,348	3,709,412
Australia	<u>1,216,931</u>	<u>1,189,770</u>
	<u>22,895,769</u>	<u>18,733,050</u>
4 Profit on ordinary activities before taxation	2023	2022
This is stated after charging:	£	£
Depreciation of owned fixed assets	158,857	157,625
Amortisation of intangible fixed assets	1,534,352	1,740,820
Impairment loss on intangible assets	123,724	535,547
Operating lease rentals - plant and machinery	21,989	12,925
Operating lease rentals - land and buildings	247,526	194,856
Auditors' remuneration for audit services	66,000	38,000
Other operating income - RDEC Scheme	(454,720)	-
Foreign exchange losses	<u>430,354</u>	<u>86,564</u>

Broadbean Technology Limited
Notes to the Accounts
for the year ended 31 December 2023

5 Staff costs	2023	2022
	£	£
Wages and salaries	5,826,832	5,402,099
Social security costs	873,288	875,547
Pension costs	167,702	147,227
	<u>6,867,822</u>	<u>6,424,873</u>

Average number of employees during the year	2023	2022
	Number	Number
Administration	27	24
Development	30	29
Finance	4	3
Marketing	3	2
Sales	30	28
	<u>94</u>	<u>86</u>

Staff costs are capitalised as software development costs.

As set out under the Intangible Assets accounting policy note the Company uses its own technical resources to develop the software that it sells. The amount attributed to software development costs comprises the basic salary and employers national insurance costs together with the costs of any contract development resources utilised which is then apportioned according to the time spent by development staff on a particular project. The total capitalised for the financial year was £1,899,258 (2022: £2,097,953). Of the £1,899,258 capitalised £617,773 is from development staff located outside of the UK and these costs and headcounts are not included in the staff cost and number disclosures above. The UK staff costs and headcounts are included in the staff cost and number disclosures above.

The directors of the company are remunerated in other group companies in the current and prior year.

Retirement benefits - Defined contribution scheme

The company operates defined a contribution pension scheme for all qualifying employees in the United Kingdom. The assets of the scheme are held separately from those of the company in an independently administered fund. The contributions payable by the company charged to profit or loss amounted to £167,702 (2022: £147,227). Contributions totalling £41,126 (2022: £61,593) were payable to the fund at the year end and are included in creditors.

6 Interest payable	2023	2022
	£	£
Bank interest	-	467
	<u>-</u>	<u>467</u>

7 Interest receivable	2023	2022
	£	£
Bank interest	-	916
HMRC Tax Refund interest	22,147	-
Group loan interest	65,857	134,983
	<u>88,004</u>	<u>135,899</u>

Broadbean Technology Limited
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for the year ended 31 December 2023

8 Taxation	2023	2022
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	723,512	513,394
Adjustments in respect of prior periods	<u>178,678</u>	<u> </u>
	<u>902,190</u>	<u>513,394</u>
Deferred tax:		
Origination and reversal of timing differences - note 14	56,931	(698)
Adjustments in respect of prior periods	630,272	<u> </u>
Effect of increased tax rate on opening liability	<u>-</u>	<u>(22,147)</u>
	<u>687,203</u>	<u>(22,845)</u>
Tax on profit on ordinary activities	1,589,393	490,549

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2023	2022
	£	£
Profit on ordinary activities before tax	<u>6,934,580</u>	<u>2,680,343</u>
Blended rate of corporation tax in the UK	23.52%	19.00%
Profit on ordinary activities multiplied by the standard rate of corporation tax	1,631,051	509,265
Effects of:		
Expenses not deductible for tax purposes	22,091	3,431
Capital allowances for period in excess of depreciation	253	488
Long term incentive plan	-	210
R&D expenditure credits	(106,953)	<u> </u>
Transfer pricing adjustments	(769,368)	<u> </u>
Adjustments in respect of previous periods	178,678	<u> </u>
Adjustments to tax charge in respect of previous periods - deferred tax	630,272	<u> </u>
Effect of increased tax rate on opening liability	3,369	(22,147)
Deferred tax movement	<u> </u>	<u>(698)</u>
Tax charge for the period	<u>1,589,393</u>	<u>490,549</u>

Broadbean Technology Limited
Notes to the Accounts
for the year ended 31 December 2023

9 Intangible fixed assets	£
Software development costs	
Cost	
At 1 January 2023	19,255,255
Additions	1,899,258
Impairment loss	<u>(291,026)</u>
At 31 December 2023	<u>20,863,487</u>
Amortisation	
At 1 January 2023	16,757,871
Charge for the year	1,534,352
Impairment loss	<u>(167,302)</u>
At 31 December 2023	<u>18,124,921</u>
Carrying amount	
At 31 December 2023	<u>2,738,566</u>
At 31 December 2022	<u>2,497,384</u>

The amortisation and impairment of intangible fixed assets for the year are included within administrative expenses.

10 Tangible fixed assets

	Short Leasehold Property improvements	Office and computer equipment	Fixtures and fittings	Total
	<i>At cost</i>	<i>At cost</i>	<i>At cost</i>	
	£	£	£	£
Cost				
At 1 January 2023	1,094,751	180,979	151,802	1,427,532
Additions	<u>-</u>	<u>10,072</u>	<u>-</u>	<u>10,072</u>
At 31 December 2023	<u>1,094,751</u>	<u>191,051</u>	<u>151,802</u>	<u>1,437,604</u>
Depreciation				
At 1 January 2023	764,706	180,979	109,783	1,055,468
Charge for the year	<u>132,495</u>	<u>1,367</u>	<u>24,995</u>	<u>158,857</u>
At 31 December 2023	<u>897,201</u>	<u>182,346</u>	<u>134,778</u>	<u>1,214,325</u>
Carrying amount				
At 31 December 2023	<u>197,550</u>	<u>8,705</u>	<u>17,024</u>	<u>223,279</u>
At 31 December 2022	<u>330,045</u>	<u>-</u>	<u>42,019</u>	<u>372,064</u>

The depreciation of tangible fixed assets for the year is included within administrative expenses.

Broadbean Technology Limited
Notes to the Accounts
for the year ended 31 December 2023

11 Debtors	2023	2022
	£	£
Trade debtors	6,316,671	5,816,821
Amounts owed by group undertakings and undertakings in which the company has a participating interest	9,675,306	12,368,173
Deferred tax asset (see note 14)	-	92,279
Corporation tax	-	608,362
Other debtors	6,721	3,719
Prepayments	242,658	226,370
Accrued Income	452,180	379,307
	<u>16,693,536</u>	<u>19,495,031</u>
Amounts falling due after more than one year		
Lease Deposit	<u>170,536</u>	<u>143,220</u>

The amounts due from group undertakings are repayable on demand but are not expected to be received within 12 months

12 Creditors: amounts falling due within one year	2023	2022
	£	£
Trade creditors	2,448,460	336,202
Amounts owed to group undertakings	3,956,218	197,567
Corporation tax	1,130,938	-
Other taxes and social security costs	1,041,930	871,265
Other creditors	32,675	37,418
Accruals and deferred income	6,130,445	5,770,110
	<u>14,740,666</u>	<u>7,212,562</u>

Amounts due to the group undertakings are unsecured, payable on demand and are interest free.

13 Creditors: amounts falling due after one year	2023	2022
	£	£
Rent free period	<u>32,664</u>	<u>65,329</u>

The deferred rent runs until the end of the lease which is December 2025.

14 Deferred taxation	2023	2022
	£	£
Long term incentives and bonus accruals	(4,210)	(8,653)
Accelerated capital allowances	599,134	(83,626)
	<u>594,924</u>	<u>(92,279)</u>

	£	£
At 1 January	(92,279)	(69,434)
Credited to the profit and loss account	687,203	(22,845)
At 31 December	<u>594,924</u>	<u>(92,279)</u>

15 Provisions for liabilities

Dilapidation

	£
At 1 January and 31 December 2023	<u>134,978</u>

Dilapidation costs in relation to office space, a contractual obligation under the lease agreement, have been estimated by the directors.

Broadbean Technology Limited
Notes to the Accounts
for the year ended 31 December 2023

16 Share-based payments

Equity-settled share option plan

Under the Group plan, share options are granted at the average price of the Parent's shares at the grant date. The employee is entitled to the exercise the share options once they have completed 4 years' service, or for senior management 4 years' service, from the grant date (the "vesting period"). If options remain unexercised after a period of 10 years from the date of grant, the options expire. Furthermore, options are forfeited if the employee leaves the Company before they become entitled to exercise the share options.

	Options Number	2023 Weighted average exercise price (£)
Granted during the year	177,498	3.11
Outstanding at 31 December	177,498	<u>3.11</u>

The weighted average fair value of options granted in the year was determined using the Black-Scholes option pricing model. The Black-Scholes model is considered to apply the most appropriate valuation method due to the relatively short contractual lives of the options and the requirement to exercise within a short period after the employee becomes entitled to the shares (the "vesting date").

17 Share capital	Nominal value	Number	2023 £	2022 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	100	<u>100</u>	<u>100</u>

Ordinary shares have no restrictions on them and are entitled to receive all dividends.

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at the general meetings of the company.

18 Profit and loss account	2023 £	2022 £
Cumulative profit and loss net of distributions to owners		
At 1 January	16,608,045	14,418,251
Profit for the financial year	5,345,187	2,189,794
Dividends	(6,200,000)	-
Deemed distribution	(8,280,772)	-
At 31 December	<u>7,472,460</u>	<u>16,608,045</u>

19 Dividends	2023 £	2022 £
Dividends on ordinary shares (note 18)	<u>6,200,000</u>	-
	<u>6,200,000</u>	-

Prior to the acquisition The Board paid dividends totalling £6,200,000 to The Company's immediate parent Careerbuilder International Holdings B.V. in three instalments as follows.

On 06 March 2023	1,300,000
On 31 May 2023	2,900,000
On 06 June 2023	2,000,000

Broadbean Technology Limited
Notes to the Accounts
for the year ended 31 December 2023

20 Commitments under operating leases

The Company as a lessee

The total future minimum lease payments under non-cancellable operating leases:

	Short leasehold 2023 £	Short leasehold 2022 £
Falling due:		
within one year	390,681	386,503
within two to five years	<u>390,681</u>	<u>781,362</u>
	<u>781,362</u>	<u>1,167,865</u>

The short leasehold represents the lease of the Company's office premises. The lease was for a period of 10 years commencing on 23 December 2015.

21 Financial instruments

	2023 £	2022 £
Financial instruments that are debt instruments measured at amortised cost:		
Trade debtors	6,316,671	5,816,821
Other debtors	6,721	612,081
Group debtors	<u>9,675,306</u>	<u>12,368,173</u>
	<u>15,998,698</u>	<u>18,797,075</u>
Financial liabilities measured at amortised cost:		
Trade creditors	2,448,460	336,202
Other creditors and accruals	2,759,820	2,195,230
Group creditors	<u>3,956,218</u>	<u>197,567</u>
	<u>9,164,498</u>	<u>2,728,999</u>

22 Related party transactions

As a wholly owned subsidiary of Veritone, Inc. and formerly as a wholly owned subsidiary of Careerbuilder LLC., the company has taken advantage of exemptions within FRS 102 Section 33 from disclosure of transactions with fellow wholly owned group undertakings.

23 Ultimate controlling party

Prior to 13 June 2023:

- the Company's immediate parent was Careerbuilder International Holdings B.V., a company incorporated in the Netherlands;
- the smallest group in which the results of the company were consolidated was that of Careerbuilder LLC, a company incorporated in the United States of America;
- Camaro Parent, LLC (incorporated in the United States of America) was the parent of the largest group that prepared consolidated accounts; and
- in the opinion of the directors at that time the ultimate parent undertaking of the company was AP Special Sits Camaro Holdings L.P, an entity registered in the United States of America.

Since 13 June 2023 the Company is a wholly owned subsidiary of Veritone, Inc., a company incorporated in the United States of America.

24 Events after the end of the reporting period

After the balance sheet date, on 19 April 2024, the company provided fixed charges over certain assets as security, in party with others, for a \$77.5m term loan advanced to its parent by the parent's bankers.