

INFOSPECTRUM LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Mercer Lewin Ltd
Chartered Accountants and Registered Auditors
41 Cornmarket Street
Oxford
OX1 3HA

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FOR THE YEAR ENDED 31 MARCH 2021**

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INFOSPECTRUM LTD

COMPANY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

DIRECTORS:

H McCorquodale
P Panousis
R H Style
J A Fyvie

REGISTERED OFFICE:

60 St Aldates
Oxford
OX1 1ST

REGISTERED NUMBER:

03865472 (England and Wales)

AUDITORS:

Mercer Lewin Ltd
Chartered Accountants and Registered Auditors
41 Cornmarket Street
Oxford
OX1 3HA

**BALANCE SHEET
31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Intangible assets	5		408,947		382,863
Tangible assets	6		101,779		40,835
Investments	7		<u>1</u>		<u>1</u>
			510,727		423,699
CURRENT ASSETS					
Debtors	8	821,976		808,863	
Cash at bank and in hand		<u>5,152,259</u>		<u>4,663,916</u>	
		5,974,235		5,472,779	
CREDITORS					
Amounts falling due within one year	9	<u>1,942,173</u>		<u>1,711,974</u>	
NET CURRENT ASSETS			<u>4,032,062</u>		<u>3,760,805</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,542,789		4,184,504
PROVISIONS FOR LIABILITIES			<u>18,981</u>		<u>7,324</u>
NET ASSETS			<u><u>4,523,808</u></u>		<u><u>4,177,180</u></u>
CAPITAL AND RESERVES					
Called up share capital			243,081		259,081
Share premium			123,050		103,000
Capital redemption reserve			68,750		50,000
Retained earnings			<u>4,088,927</u>		<u>3,765,099</u>
			<u><u>4,523,808</u></u>		<u><u>4,177,180</u></u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 6 October 2021 and were signed on its behalf by:

H McCorquodale - Director

P Panousis - Director

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

1. STATUTORY INFORMATION

Infospectrum Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

SIGNIFICANT JUDGEMENTS AND ESTIMATES

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no judgements that are deemed to have had a significant effect on amounts recognised in the financial statements.

CORONAVIRUS (COVID-19) IMPACT

Judgement has been exercised in considering the impact that the Coronavirus (COVID-19) pandemic has had, or may have, on our business (UK and our global locations) based on known information. This consideration extends to the nature of the products and services offered, our customers, our suppliers, staffing, and geographic regions in which Infospectrum operates from. Other than the effects of remote-working, and the global social-distancing restrictions that prevented the company from having face-to-face meetings with existing and prospect clients, there does not currently appear to be either any significant impact upon the financial statements or any other significant uncertainties with respect to events or conditions, which may materially impact the company unfavourably as at the reporting date as a result of the Coronavirus (COVID-19) pandemic. The company will continue to closely monitor the development of the pandemic, and whilst the ultimate extent of its effect cannot be precisely determined at present, the directors believe that it does not impact the company's going concern status.

TURNOVER

Turnover represents amounts due for subscriptions in respect of the year and is exclusive of Value Added Tax. Where subscriptions are received in advance this is treated as deferred revenue. Deferred income is released to revenue based on the appropriate time proportion of the contract that is relevant.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover is recognised in respect of long-term contracts and contracts for on-going services with reference to the stage of completion.

INTANGIBLE ASSETS

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

The intangible assets represent internally generated software development and purchased intellectual property for software projects. These costs are capitalised based on expected future benefits following their introduction in the future. The projects are being amortised over 10 years.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****2. ACCOUNTING POLICIES - continued****TANGIBLE FIXED ASSETS**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

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

Leasehold Property	- 33% straight line
Database	- 33% straight line
Fixtures and Fittings	- 20% straight line
Office Equipment	- 33% straight line

GOVERNMENT GRANTS

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the balance sheet and is recognised as income in equal amounts over the expected useful life of the related asset.

INVESTMENTS IN SUBSIDIARIES

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

2. ACCOUNTING POLICIES - continued

FINANCIAL INSTRUMENTS

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

TAXATION

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

DEFERRED TAX

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

RESEARCH AND DEVELOPMENT

Research expenditure is written off in the period in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred. The company does not capitalise labour in respect of these projects.

HIRE PURCHASE AND LEASING COMMITMENTS

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****2. ACCOUNTING POLICIES - continued****IMPAIRMENT OF FIXED ASSETS**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

PROVISIONS

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 57 (2020 - 56) .

4. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the company's auditors for the audit of the company's financial statements	<u>8,000</u>	<u>7,400</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**
5. INTANGIBLE FIXED ASSETS

 Patents
and
licences
£

COST

At 1 April 2020	447,431
Additions	85,728
Disposals	(1,919)
At 31 March 2021	<u>531,240</u>

AMORTISATION

At 1 April 2020	64,568
Amortisation for year	57,725
At 31 March 2021	<u>122,293</u>

NET BOOK VALUE

At 31 March 2021	<u>408,947</u>
At 31 March 2020	<u>382,863</u>

6. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2020	37,131	164,330	53,731	142,594	397,786
Additions	61,352	-	21,144	16,991	99,487
Disposals	-	-	(13,910)	(1,326)	(15,236)
At 31 March 2021	<u>98,483</u>	<u>164,330</u>	<u>60,965</u>	<u>158,259</u>	<u>482,037</u>
DEPRECIATION					
At 1 April 2020	36,775	164,330	43,694	112,152	356,951
Charge for year	5,758	-	7,668	24,776	38,202
Eliminated on disposal	-	-	(13,854)	(1,041)	(14,895)
At 31 March 2021	<u>42,533</u>	<u>164,330</u>	<u>37,508</u>	<u>135,887</u>	<u>380,258</u>
NET BOOK VALUE					
At 31 March 2021	<u>55,950</u>	<u>-</u>	<u>23,457</u>	<u>22,372</u>	<u>101,779</u>
At 31 March 2020	<u>356</u>	<u>-</u>	<u>10,037</u>	<u>30,442</u>	<u>40,835</u>

INTELLECTUAL PROPERTY

The directors recognise that the reports prepared and maintained on the database have an ongoing value to the company. The cost of producing these reports has not been capitalised, but in the opinion of the directors the value of the database is considerably in excess of its net book value.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

7. FIXED ASSET INVESTMENTS

	Shares in group undertaking £
COST	
At 1 April 2020 and 31 March 2021	<u>1</u>
NET BOOK VALUE	
At 31 March 2021	<u>1</u>
At 31 March 2020	<u>1</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	616,759	587,804
Other debtors	<u>205,217</u>	<u>221,059</u>
	<u>821,976</u>	<u>808,863</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	194,340	228,005
Social security and other taxes	168,135	136,707
Payments received in advance on contracts not yet delivered	885,461	716,101
Accruals	<u>694,237</u>	<u>631,161</u>
	<u>1,942,173</u>	<u>1,711,974</u>

10. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021 £	2020 £
Within one year	72,101	132,547
Between one and five years	<u>259,562</u>	<u>225,370</u>
	<u>331,663</u>	<u>357,917</u>

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Jonathan Paul Swayne (Senior Statutory Auditor)
for and on behalf of Mercer Lewin Ltd

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

12. SHARE BASED EQUITY PAYMENTS

The company has entered into a share option scheme for employees.

A tranche of the scheme was approved on 22 August 2011 under the EMI provisions schedule 5 ITEPA 2003 with options exercisable between 3 June 2014 and 3 June 2021 at £2 per option. At 31 March 2021 there were 12,000 options outstanding (2020: 19,000) including 2,000 (2020: 2,000) to Mr J A Fyvie, a director of the company.

An additional tranche of the scheme was approved on 23 October 2014 under the EMI provisions schedule 5 ITEPA 2003 with options exercisable between 23 December 2017 and 23 December 2024 at £2.20 per option. At 31 March 2021 there were 11,000 options outstanding (2020: 15,000) including 2,000 (2020: 2,000) to Mr J A Fyvie, a director of the company.

Section 26 of FRS 102 requires the directors to measure the fair value of the share options granted and the movement to be provided for as an expense in the profit and loss account. The directors have reviewed the possible adjustments that might be required to comply with Section 26 and do not consider that these are material and therefore no adjustment has been made in these accounts.