

Information Grid Ltd.

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2021

Aventus Partners Limited
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Information Grid Ltd.

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Information Grid Ltd.

Company Information

Directors Mr Jeppe Heinrich Zink
Mr William Cowell De Gruchy

Registered office Marlborough House
Victoria Road South
Chelmsford
CM1 1LN

Accountants Aventus Partners Limited
Hygeia Building
Ground Floor
66-68 College Road
Harrow
Middlesex
HA1 1BE

Information Grid Ltd.

(Registration number: 10915172) Balance Sheet as at 31 December 2021

	Note	31 December 2021 £	31 December 2020 £
Fixed assets			
Intangible assets	<u>4</u>	3,270,780	-
Tangible assets	<u>5</u>	1,012,033	46,588
Investments	<u>6</u>	2,170	2,170
		4,284,983	48,758
Current assets			
Stocks	<u>7</u>	-	13,159
Debtors	<u>8</u>	20,684,901	1,996,129
Cash at bank and in hand		3,184,272	11,184,129
		23,869,173	13,193,417
Creditors: Amounts falling due within one year	<u>10</u>	(4,861,364)	(1,421,980)
Net current assets		19,007,809	11,771,437
Total assets less current liabilities		23,292,792	11,820,195
Creditors: Amounts falling due after more than one year	<u>10</u>	(15,702,873)	-
Net assets		7,589,919	11,820,195
Capital and reserves			
Called up share capital	<u>13</u>	2,103	2,103
Share premium reserve		13,807,675	13,807,675
Profit and loss account		(6,219,859)	(1,989,583)
Shareholders' funds		7,589,919	11,820,195

Information Grid Ltd.

(Registration number: 10915172)

Balance Sheet as at 31 December 2021 (continued)

For the financial year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

These financial statements were approved and authorised for issue by the Board on 23 June 2022 and signed on its behalf by:

.....

Mr William Cowell De Gruchy
Director

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Marlborough House
Victoria Road South
Chelmsford
CM1 1LN
England

These financial statements were authorised for issue by the Board on 23 June 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

These financial statements are presented in GBP Pound Sterling which is the Company's functional currency. The Directors of the Company believe that GBP most faithfully represents the economic effects of the underlying transactions, events and conditions. The amounts are presented rounded to the nearest £.

Summary of disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 paragraph 1.12(b), on the basis that it is a qualifying entity

- the requirement to prepare a statement of cash flows;
- certain financial instrument disclosures..

Group accounts not prepared

The company is exempt under Section 399 of the Companies Act from the requirement to prepare consolidated financial statements by virtue of the fact it is subject to the small companies regime. These financial statements contain information of the company as an individual undertaking and not about this Group.

Going concern

The company's financial statements have been prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the company's needs. In assessing going concern, the directors have a reasonable expectation that the company will continue as a going concern and is able to meet all of its obligations as they fall due for a minimum of 12 months from the date of approval of these financial statements.

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Disclosure of long or short period

The current period show results for the 12 months to 31 December 2021 and the comparatives for the 16 months to 31 December 2020.

Revenue recognition

The Company derives revenue from the subscription received for services (sensors). The subscription includes the delivery of smart sensors to the customer and permits the customer to use the end-to-end connected sensor solutions (services) during the subscription term. A subscription term is typically between 12 months and 60 months.

The transaction price is per the agreed terms of the contract with the customer. This is the consideration which the Company expects to be entitled to, for transferring the use of sensors and the services provided. This excludes the amounts collected on behalf of third parties, such as reseller commissions, taxes, and discounts for paying upfront and assumes that the contract will not be cancelled or modified.

The consideration charged is fixed and not variable unless specifically stated in contract. All Infogrid services currently are not sold with a right of return or a promise of a bonus for achievement.

When discounts are included in the contract for paying upfront or volume, this is allocated proportionately over the term of the subscription.

Revenue recognition

Per IFRS 15, we define the performance obligation in the contract to be the provision of data to the customer, from their use of the services provided.

The supply of the smart sensors and the services, should not be seen as two separate performance obligations as, per IFRS 15 paragraph 17,

- the contract with the customer is negotiated as a package with a single commercial objective (provision of data to the customer); and
- the goods or services promised in the contract (or some goods or services promised in each of the contracts) are a single performance obligation in accordance with paragraph 26 (list of distinct goods or services).

Further, the sensors themselves have no use to the customer, other than to enable us to deliver the services and thus achieve the performance obligation as outlined in the contract.

As such, we will begin recognising revenue when

- the contract (which includes the total fee for the service) has been agreed by both parties and
- shipment of the smart sensors has been confirmed.

As the service will be consumed evenly over the life of the contract, revenue should be recognised equally over the term of the subscription, with the term commencing on the confirmed shipment date.

Postage fees billed to customers are recognised in net other revenue. Related Postage expenses are included in cost of sales.

As the service is consumed evenly over the life of the contract, revenue is recognised equally over the term of the subscription, with the term commencing on the confirmed shipment date.

A receivable is recognised when the sensors are delivered as this is the point in time that the consideration is unconditional.

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Interest income

Interest income is recognised in the statement of profit and loss and other comprehensive income using the effective interest method.

Finance costs

Finance costs are charged to the statement of profit and loss and other comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the group operates and generates taxable income.

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Internally generated intangible assets (development costs)

Expenditure on research activities are undertaken with the prospect of gaining new scientific or technical knowledge and understanding. These are recognised as an expense in the profit and loss as and when incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. An internally-generated intangible asset arising from development is recognised if and only if all of the following have been demonstrated:

- development costs can be measured reliably;
- the product or process is technically and commercially feasible;
- future economic benefits are probable; and
- the company intends to and has sufficient resources (financial, technical and others) to complete development and to use or sell the asset.

The expenditure to be capitalised includes the cost of labour, materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditures that do not meet these criteria are recognised as an expense in the profit and loss as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Payments to third parties that generally take the form of up-front payments and milestones for products and intellectual property are capitalised since the probability of expected future economic benefits criterion is always considered to be satisfied as they would be for separately acquired intangible assets.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Software development costs	20% on Cost - Straight line basis

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	3 years on a straight line basis
Computer equipment	3 years on a straight line basis
Plant and machinery	5 years on a straight line basis

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Unbilled revenue

Revenue recognised but not billed to customers is classified either as unbilled receivable. Unbilled receivable represents contracts where right to consideration is unconditional (i.e. only the passage of time is required before the payment is due).

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Share based payments

The company operates an equity-settled, share-based compensation plan. Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party or factors which are within the control of one or other of the parties. The estimated fair value of the option granted is calculated using relevant option pricing models, such as Black-Scholes option pricing model.

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Financial instruments

Impairment

Impairment of financial assets

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found an impairment loss is recognised within profit or loss.

For financial assets that are measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

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

Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in conformity with FRS102 requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, turnover, costs, expenses and other comprehensive income that are reported and disclosed in the financial statements and accompanying notes. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Unbilled revenue

Using information available at the balance sheet date, the Directors make assumptions on the estimated unbilled revenue, based on the level of efforts required to account for potential unbilled revenue £131,423 (2020: 3,000).

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	12 months to 31 December 2021 No.	16 months to 31 December 2020 No.
Administration and support	14	7
Research and development	38	27
Sales, marketing and distribution	9	3
	<hr/> <hr/>	<hr/> <hr/>
	61	37

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

4 Intangible assets

	Internally generated software development costs £
Cost or valuation	
At 1 January 2021	-
Additions internally developed	<u>3,847,977</u>
At 31 December 2021	<u>3,847,977</u>
Amortisation	
Amortisation charge	<u>577,197</u>
At 31 December 2021	<u>577,197</u>
Carrying amount	
At 31 December 2021	<u><u>3,270,780</u></u>
At 31 December 2020	<u><u>-</u></u>

The aggregate amount of research and development expenditure recognised as an expense during the period is £38,946 (2020: £13,819).

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

5 Tangible assets

	Fixtures and fittings £	Computer equipment £	Plant and machinery £	Total £
Cost or valuation				
At 1 January 2021	382	53,284	-	53,666
Additions	8,711	203,704	838,668	1,051,083
At 31 December 2021	9,093	256,988	838,668	1,104,749
Depreciation				
At 1 January 2021	158	6,920	-	7,078
Charge for the year	2,274	41,510	41,854	85,638
At 31 December 2021	2,432	48,430	41,854	92,716
Carrying amount				
At 31 December 2021	6,661	208,558	796,814	1,012,033
At 31 December 2020	224	46,364	-	46,588

During the year, the company changed its sales model to a subscription model. The company no longer sells hardware and instead the hardware is included as part of the subscription fee and therefore the hardware held by the company has been re-classed as plant and machinery.

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

6 Investments

	31 December 2021	31 December 2020
	£	£
Investments in subsidiaries	2,170	2,170
Subsidiaries		£
Cost or valuation		
Additions		2,170
At 31 December 2021		2,170
Provision		
At 31 December 2021		-
Carrying amount		
At 31 December 2021		2,170
At 31 December 2020		2,170

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2021	2020
Subsidiary undertakings				
Infogrid Inc	777 Third Avenue 36th Floor New York 10017 United States of America	Ordinary shares	100%	100%
Infogrid OU	F. R. Faehlmanni 5 Tallinn Harju 10125 Estonia	Ordinary shares	100%	100%

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

7 Stocks

	31 December 2021	31 December 2020
	£	£
Finished goods	-	13,159

8 Debtors

	Note	31 December 2021	31 December 2020
		£	£
Trade debtors		3,085,440	919,907
Amounts owed by group undertakings	<u>16</u>	15,377,877	300,220
Other debtors		204,540	91,360
Prepayments		589,332	291,592
Accrued income		131,423	3,000
Corporation tax recoverable		1,296,289	390,050
		20,684,901	1,996,129
Less non-current portion		(15,377,877)	(300,220)
Total current trade and other debtors		5,307,024	1,695,909

Details of non-current trade and other debtors

£15,377,877 (2020 -£300,220) of Amounts owed group undertakings is classified as non current. At the balance sheet date the company was owed £14,787,534 (2020: £82,576) and £590,343 (2020:£217,644) by its USA and Estonia subsidiaries respectively. The amounts due from these related parties are interest free and unsecured.

9 Cash and cash equivalents

	31 December 2021	31 December 2020
	£	£
Cash at bank	3,184,272	11,184,129

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

10 Creditors

	31 December 2021	31 December 2020
Note	£	£
Due within one year		
Trade creditors	729,560	267,859
Social security and other taxes	360,022	170,520
Outstanding defined contribution pension costs	17,228	3,323
Accrued expenses	765,688	56,993
Deferred income	2,988,866	923,285
	4,861,364	1,421,980
Due after one year		
Loans and borrowings- Convertible loan	15,702,873	-

11 Loans and borrowings

	31 December 2021	31 December 2020
	£	£
Non-current loans and borrowings		
Convertible Loan note	15,702,873	-

Included in the loans and borrowings are the following amounts due after more than five years:

Convertible loan note

The loan notes are known as Convertible 10% Fixed Rate Unsecured loan notes 2023. The company acknowledges that the loan notes have been created for a total sum of US\$25,000,000 which shall be used solely for the expansion and development of the business in accordance with the company's budgets and business plan.

12 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £27,213 (2020: £8,881).

Contributions totalling £17,228 (2020: £3,323) were payable to the scheme at the end of the year and are included in creditors.

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

13 Share capital

Allotted, called up and fully paid shares

	31 December 2021		31 December 2020	
	No.	£	No.	£
Ordinary shares of £0.0001 each	15,720,047	1,572.0047	15,720,047	1,572.00
Ordinary A shares of £0.0001 each	5,311,401	531.1401	5,311,401	531.14
	<u>21,031,448</u>	<u>2,103.14</u>	<u>21,031,448</u>	<u>2,103.14</u>

14 Share-based payments

The company operates an equity-settled share based remuneration scheme for employees. All UK employees are eligible to participate in the long term incentive scheme, the only vesting condition being that the individual remains an employee of the group for at least two years over the four year vesting period. Once vested, certain conditions need to be fulfilled by the company's directors, before the options can be exercised by the employee. By default the options lapse 10 years after the date they were granted.

Of the total number of options outstanding at the year end, no shares (2020: no shares) had vested and as such, there was no P&L charge incurred. During the year 672,870 options were granted (2020: 904,611); at the period end, 1,764,981 options were outstanding at the period end.

15 Financial risk review

The Company has exposure to the following risks arising from financial instruments:

- credit/ counterparty risk
- liquidity risk
- currency risk
- interest rate risk

This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for measuring and managing risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors receives monthly reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below:

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

15 Financial risk review (continued)

Credit/counterparty risk

Credit risk is the risk of financial loss to the company if a customer/counterparty fails to meet its contractual obligations. It is also known as default risk. The risk is mitigated by the company by Credit risk arises principally from trade receivables and also arises from cash held with banks. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company monitors the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company's trade and other receivables are actively monitored to review creditworthiness of the customers to whom credit terms are granted and also avoid significant concentrations of credit risks. The Company's trade receivables are spread over a number of customers and has had no previous experience of default.

Liquidity risk

The Company's definition of liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its financial liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's liquidity position would be at risk due to the net loss of their largest customer.

All financial assets are considered liquid short term in nature, with the exception of the investments in Subsidiary Companies. The Company expects to meet its short term liquidity requirements.

Market risk

Foreign exchange risk

The functional currency of the Company is GBP£. Foreign currency exposures arise primarily from sales earned in US\$. The Company continues to monitor this risk on an on-going basis. The Company does not hedge their currency risk.

Interest rate risk

This is the risk that changes in the variable interest rate will affect the Company. The Company's current bank borrowings bear a fixed rate of interest and therefore interest risk is deemed to be low. The Company continues to monitor this risk on an on-going basis.

16 Related party transactions

The company has taken advantage of the exemption available under FRS 102 not to disclose related party transactions with wholly owned subsidiaries within the group.

Summary of transactions with subsidiaries

At the balance sheet date the company was owed £14,787,534 (2020: £82,576) and £590,343 (2020:£217,644) by its USA and Estonia subsidiaries respectively. The amounts due from these related parties are interest free and unsecured.

17 Ultimate controlling party

The ultimate controlling party is Mr William Cowell De Gruchy by virtue of his majority shareholding.

Information Grid Ltd.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

18 Post balance sheet events

There have been no significant events affecting the Company since the year end.

19 Transition to FRS 102

This is the first year the company is preparing accounts under FRS 102. The policies applied under the entities previous accounting framework are not materially different to FRS 102 and have not impacted on the equity or profit or loss.

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