

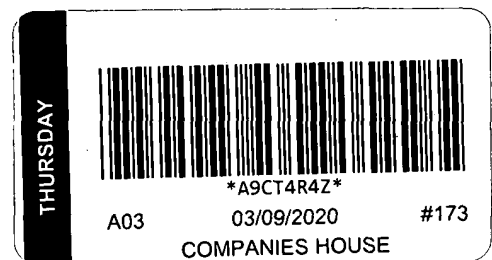
# GlobalWebIndex Holdings Limited

Annual Report and Financial Statements

Year Ended

31 December 2019

Company Number 10290233



# GlobalWebIndex Holdings Limited

## Company Information

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<b>Directors</b>	J Franks S S B Hedencrona A P M Little R Shah T C Smith S P Rowley
<b>Registered number</b>	10290233
<b>Registered office</b>	25 Farringdon Street London England EC4A 4AB
<b>Independent auditor</b>	BDO LLP 55 Baker Street London W1U 7EU

# GlobalWebIndex Holdings Limited

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# GlobalWebIndex Holdings Limited

## Group Strategic Report For the Year Ended 31 December 2019

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The directors present their strategic report together with the audited financial statements for the year ended 31 December 2019.

### Principal activity

The principal activity of the group is market research, supplying businesses with global and local data on consumer behaviours. Our mission is to give the opportunity to every business in the world the power of consumer insight.

### Review of the business and future developments

The results for the year are set out on page 10. The financial year ended 31 December 2019 saw the investment of the company's Series A funding into the core product, infrastructure and people whilst growing revenue. The investment in these areas was the first part of the plan towards profitability in 2021.

Group revenue for the year has increased by 31% to £19,806,114 (2018 - £15,157,205) with group subscription revenue increasing by 42% to £16,696,306 (2018 - £11,755,000).

The geographical split of revenue was in line with expectations as the group continued to reap the rewards of its growing North American presence. North America is still our largest market accounting for 56% (2018 - 54%) of Group Turnover, while the United Kingdom accounts for 22% (2018 - 25%).

Loss before tax was £10,139,158 (2018 - loss £6,176,241) due to the significant investment to enable future growth.

Operating expenses, excluding amortisation grew to £25,210,019 (2018 - £17,267,927). The group's EBITDA was in a loss position of £7,187,900 (2018 - loss £4,099,941) as a result of continued investment in operational expansion. The group grew average monthly number of employees to 215 people (2018 - 140) with focus on the sales and marketing organisation as well as expanding the global reach of the company.

In addition to organisational investment, the group grew its core survey to include 46 countries (2018 - 45) as well as the number of data points per interview to 40,000 by the end of 2019 (2018 - 25,000).

Deferred income in terms of subscriptions to the group increased to £8,574,120 in 2019 (2018 - £6,394,679) which will be released to the statement of comprehensive income during the year ending 31 December 2020.

The balance of cash as at the year-end was £6,370,979 (2018 - £8,346,418) which provides the resource for continuing investment into 2020.

The group had a negative net churn, being the effect of all growth and lapsed value from existing client base of 13% (2018 - 18%) on all subscription bookings throughout 2019, indicating exceptionally strong renewal and growth rates on the existing contract base.

### Key performance indicators

The company uses a range of financial and non financial performance measures to monitor and manage its business effectively. The key financial indicators (KPI) are turnover, gross profit, operating profit, EBITDA and net assets. These KPIs indicate the volume of business the company has undertaken as well as the efficiency and profitability of this business.

# GlobalWebIndex Holdings Limited

## Group Strategic Report (continued) For the Year Ended 31 December 2019

### Key performance indicators (continued)

The key financial performance indicators for the year ended 31 December 2019 are set out below:

	2019 £	2018 £
Turnover	19,806,114	15,157,205
Gross profit	17,743,869	12,936,324
Operating loss	(9,576,862)	(5,784,963)
Earnings before interest, taxation, depreciation and amortisation	(7,187,900)	(4,099,941)
Net assets	5,006,105	9,286,622

### Principal risks and uncertainties

The group uses various financial instruments including cash, asset financing and items such as trade debtors and trade creditors that arise directly from its operations.

The existence of these financial instruments exposes the business to a number of financial risks, which are described in more detail below. The main risks arising from the group's financial instruments are currency risk, credit risk, cash flow and interest rate risk and liquidity risk. The directors' review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

#### *Currency risk*

The group trades internationally and is exposed to movements in exchange rates. The finance director monitors and minimises as far as possible the net exposure on a daily basis.

#### *Credit risk*

The group's principal credit risk relates to the recovery of amounts from trade debtors. In order to manage credit risk the directors set limits for customers based on a combination of payment history and credit checks on new customers. Credit limits are reviewed on a regular basis. Debts are actively chased by the credit control department.

#### *Liquidity risk*

The business monitors cash flow as part of its day to day control procedures. The board considers cash flow projections on a monthly basis and ensures that appropriate facilities are available to be drawn upon as necessary.

# GlobalWebIndex Holdings Limited

## Group Strategic Report (continued) For the Year Ended 31 December 2019

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### Going concern disclosure

The global Coronavirus pandemic has had wide ranging implications across the group. The directors have made efforts to ensure GWI was able to move quickly to identify the risks of the pandemic to the business and mitigate the potential impact to the going concern of the group. Executive Management have been monitoring the situation daily as it is ever-changing and have continuously modelled different scenarios. The group has also considered the worst-case scenario to ensure it fully understands what actions are needed, if appropriate, to ensure it can continue its operations for the foreseeable future.

### Operations

The group operates in 4 territories which were impacted by the pandemic to varying degrees. To ensure the safety of all employees, the company moved to remote working in March 2020 across all offices, this change in the way of working was made with little impact on productivity and the Group continues to service customers to the same standard.

### Revenue

The business has seen a delay in expected new business since the onset of the pandemic, this has resulted in a trivial fall in expected revenue growth for 2020. Current forecasts expect the effects of Covid-19 to be mainly concentrated over April 2020 - July 2020. The revenue streams which will be impacted are New Business, Partner Sales and Renewals. In the scenario planning, we forecasted New Business and Partner Sales falling to 25% of business target and renewal rates dropping to 80%. When looking at actual results for these months in 2020 we have not seen New Business and Renewal rates drop to these levels, but Partner Sales has been impacted by Covid-19. Even though we factored in decreases in revenue for both Custom and Expansion in our scenario planning to 60% of original business target, Custom is forecasted to reach original business targets and Expansion is not expected to fall to the level which we planned for.

The directors are still confident that the business can reach original business targets for 2020, however there will be an impact on Q2 2020. The directors believe we will show an immaterial decrease to business targets in this period picking up into Q3 and Q4 2020. In a worst-case scenario, we could see this be extended into Q3, however the directors consider it will not materially impact our predicted growth into 2021.

The group expects to continue its year on year revenue growth trajectory because of GWI's 'digital first' product suite, which allows delivery of the product to customers anywhere in the world.

### Cashflow

The business is in a strong position in terms of cash due to the drawing down of the second tranche of Series A in December 2019. The group also has a suitable debt facility which factors in the recurring revenue of the business under which there are further amounts which can be drawn down if the directors feel it is appropriate. The group has reviewed its cash flow and have taken measures to control costs shown below within this period of uncertainty. Financial modelling assumes an increase in payment terms to 90 days.

### Mitigating factors

In making the assessment above, the directors have made steps to anticipate and plan for the expected downturn in cashflow and performance. These measures include:

- Debt funding - the group has a debt facility available through its lenders. This was drawn down at the onset of the pandemic. As at the date of signing, the group has not had to utilise this cash.
- Working capital management - to ensure the group has sufficient liquidity to meet its liabilities as they fall due weekly debtor reviews are held to ensure receipts are made promptly and to mitigate any at risk debtors. The group has reached out to key suppliers and agreed reduced or deferred payment terms where necessary.

# GlobalWebIndex Holdings Limited

## Group Strategic Report (continued) For the Year Ended 31 December 2019

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### Going concern disclosure (continued)

- Employees - a hiring freeze apart from replacements has been applied across all territories the group operates as well as furloughing of employees whose roles have been materially affected.
- Scenario planning - rigorous modelling of all potential impacts of coronavirus on the group and the wider economy. Key metrics are reviewed weekly to ensure the business is performing as forecast, any material deviation on the KPIs is considered a trigger for additional mitigating action. Currently the business is performing as expected and has not required additional actions other than those outlined.

The directors believe the group is in a strong financial position and will be able to withstand the Covid-19 pandemic. The business has seen very little impact in all employees working from home and all services can be provided. Based on the information within the financial statements and including specific consideration to all risks with Covid-19, the directors believe that the group has sufficient resources to continue in operation for the foreseeable future.

### Approval

This report was approved by the board on 30 June 2020 and signed on its behalf.

*Tom Smith*

Tom Smith (Jun 30, 2020 16:06 GMT+1)

**T C Smith**  
Director

# GlobalWebIndex Holdings Limited

## Directors' Report For the Year Ended 31 December 2019

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The directors present their report and the financial statements for the year ended 31 December 2019.

### Business review

A review of the business and its principal risks and uncertainties is set out in the strategic report on pages 1 to 4 of these financial statements.

### Results and dividends

The loss for the year, after taxation, amounted to £10,368,122 (2018 - £5,838,901).

No dividends were paid or proposed in the current or prior financial year.

### Going concern

As discussed in the strategic report the directors have implemented plans to ensure the effect of the ongoing Coronavirus pandemic does not have a material adverse effect on the group.

### Directors

The directors who served during the year were:

J Franks  
S S B Hedencrona  
A P M Little  
R Shah  
T C Smith  
S P Rowley (appointed 20 March 2019)

### Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the company and the group's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

### Post statement of financial position events

The coronavirus pandemic has resulted in lockdowns across the globe with severe economic consequences. This is a non-adjusting event for the group due to the plans implemented as outlined in the strategic report.

### Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 30 June 2020 and signed on its behalf.

  
Tom Smith (Jun 30, 2020 16:06 GMT+1)

**T C Smith**  
Director

# **GlobalWebIndex Holdings Limited**

## **Directors' Responsibilities Statement For the Year Ended 31 December 2019**

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The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company and of the profit or loss of the group 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 accounting estimates that are reasonable and prudent; and
- 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.

# GlobalWebIndex Holdings Limited

## Independent Auditor's Report to the Members of GlobalWebIndex Holdings Limited

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### Opinion

We have audited the financial statements of GlobalWebIndex Limited ("the parent company") and its subsidiaries ("the group") for the year ended 31 December 2019 which comprise the consolidated statement of comprehensive income, the consolidated and company statement of financial position, the consolidated and company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 group's and of the parent company's affairs as at 31 December 2019 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

# GlobalWebIndex Holdings Limited

## Independent Auditor's Report to the Members of GlobalWebIndex Holdings Limited (continued)

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### Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

# GlobalWebIndex Holdings Limited

## Independent Auditor's Report to the Members of GlobalWebIndex Holdings Limited (continued)

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### Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 group's and the parent 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 group or the parent 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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://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.

BDO LLP

**Nicole Martin** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London  
United Kingdom

Date: 30 June 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# GlobalWebIndex Holdings Limited

## Consolidated Statement of Comprehensive Income For the Year Ended 31 December 2019

	Note	2019 £	2018 £
Turnover	4	19,806,114	15,157,205
Cost of sales		(2,062,245)	(2,220,881)
<b>Gross profit</b>		<b>17,743,869</b>	<b>12,936,324</b>
Administrative expenses		(27,336,005)	(18,721,287)
Other operating income	5	15,274	-
<b>Operating loss</b>	6	<b>(9,576,862)</b>	<b>(5,784,963)</b>
Interest receivable and similar income	9	10,838	10,167
Interest payable and similar charges	10	(573,134)	(401,445)
<b>Loss before taxation</b>		<b>(10,139,158)</b>	<b>(6,176,241)</b>
Tax on loss	11	(228,964)	337,340
<b>Loss for the financial year</b>		<b>(10,368,122)</b>	<b>(5,838,901)</b>
Currency translation differences		(19,390)	(368)
<b>Total comprehensive loss for the year</b>		<b>(10,387,512)</b>	<b>(5,839,269)</b>

The notes on pages 18 to 41 form part of these financial statements.

# GlobalWebIndex Holdings Limited

Registered number: 10290233

## Consolidated Statement of Financial Position As at 31 December 2019

	Note	2019 £	2019 £	2018 £	2018 £
<b>Fixed assets</b>					
Intangible assets	12		10,568,788		7,664,822
Tangible assets	13		764,761		766,528
			<u>11,333,549</u>		<u>8,431,350</u>
<b>Current assets</b>					
Debtors: amounts falling due within one year	15	7,161,838		5,245,797	
Cash at bank and in hand	16	6,370,979		8,346,418	
		<u>13,532,817</u>		<u>13,592,215</u>	
Creditors: amounts falling due within one year	18	(14,658,960)		(9,620,719)	
<b>Net current (liabilities)/assets</b>			<u>(1,126,143)</u>		<u>3,971,496</u>
<b>Total assets less current liabilities</b>			<u>10,207,406</u>		<u>12,402,846</u>
Creditors: amounts falling due after more than one year	19		(5,201,301)		(3,116,224)
<b>Net assets</b>			<u><u>5,006,105</u></u>		<u><u>9,286,622</u></u>
<b>Capital and reserves</b>					
Called up share capital	21		9,435		8,678
Share premium account	23		21,281,332		15,205,751
Foreign exchange reserve	23		(20,568)		(1,178)
Profit and loss account	23		(16,264,094)		(5,926,629)
<b>Total equity</b>			<u><u>5,006,105</u></u>		<u><u>9,286,622</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 June 2020.

*Tom Smith*

Tom Smith (Jun 30, 2020 16:06 GMT+1)

**T C Smith**

Director

The notes on pages 18 to 41 form part of these financial statements.

# GlobalWebIndex Holdings Limited

Registered number: 10290233

## Company Statement of Financial Position As at 31 December 2019

	Note	2019 £	2019 £	2018 £	2018 £
<b>Fixed assets</b>					
Investments	14		41,297		37,797
<b>Current assets</b>					
Debtors: amounts falling due within one year	15	20,162,461		10,183,717	
Cash at bank and in hand	16	6,102,764		7,396,656	
		<u>26,265,225</u>		<u>17,580,373</u>	
Creditors: amounts falling due within one year	18	(1,519,414)		(261,211)	
<b>Net current assets</b>			<u>24,745,811</u>		<u>17,319,162</u>
<b>Total assets less current liabilities</b>			<u>24,787,108</u>		<u>17,356,959</u>
Creditors: amounts falling due after more than one year	19		(5,201,301)		(3,116,224)
<b>Net assets</b>			<u>19,585,807</u>		<u>14,240,735</u>
<b>Capital and reserves</b>					
Called up share capital	21		9,435		8,678
Share premium account	23		21,281,332		15,205,751
Profit and loss account	23		(1,704,960)		(973,694)
<b>Total equity</b>			<u>19,585,807</u>		<u>14,240,735</u>

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The loss after tax of the parent company for the year was £731,266 (2018 - £725,803).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 June 2020.

  
Tom Smith (Jun 30, 2020 16:06 GMT+1)

**T C Smith**  
Director

The notes on pages 18 to 41 form part of these financial statements.

# GlobalWebIndex Holdings Limited

## Consolidated Statement of Changes in Equity For the Year Ended 31 December 2019

	Called up share capital	Share premium account	Foreign exchange reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2019	8,678	15,205,751	(1,178)	(5,926,629)	9,286,622
<b>Comprehensive loss for the year</b>					
Loss for the year	-	-	-	(10,368,122)	(10,368,122)
Currency translation differences	-	-	(19,390)	-	(19,390)
<b>Other comprehensive loss for the year</b>	-	-	(19,390)	-	(19,390)
<b>Total comprehensive loss for the year</b>	-	-	(19,390)	(10,368,122)	(10,387,512)
Shares issued during the year	757	6,075,581	-	-	6,076,338
Share based payment credit	-	-	-	30,657	30,657
<b>Total transactions with owners</b>	757	6,075,581	-	30,657	6,106,995
<b>At 31 December 2019</b>	<b>9,435</b>	<b>21,281,332</b>	<b>(20,568)</b>	<b>(16,264,094)</b>	<b>5,006,105</b>

The notes on pages 18 to 41 form part of these financial statements.

# GlobalWebIndex Holdings Limited

## Consolidated Statement of Changes In Equity For the Year Ended 31 December 2018

	Called up share capital	Share premium account	Foreign exchange reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2018	6,843	16,092	(810)	(74,783)	(52,658)
<b>Comprehensive loss for the year</b>					
Loss for the year	-	-	-	(5,838,901)	(5,838,901)
Currency translation differences	-	-	(368)	-	(368)
<b>Other comprehensive loss for the year</b>	-	-	(368)	-	(368)
<b>Total comprehensive loss for the year</b>	-	-	(368)	(5,838,901)	(5,839,269)
Shares issued during the year	1,835	15,189,659	-	-	15,191,494
Share based payment debit	-	-	-	(12,945)	(12,945)
<b>Total transactions with owners</b>	1,835	15,189,659	-	(12,945)	15,178,549
<b>At 31 December 2018</b>	<b>8,678</b>	<b>15,205,751</b>	<b>(1,178)</b>	<b>(5,926,629)</b>	<b>9,286,622</b>

The notes on pages 18 to 41 form part of these financial statements.

# GlobalWebIndex Holdings Limited

## Company Statement of Changes in Equity For the Year Ended 31 December 2019

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2019	8,678	15,205,751	(973,694)	14,240,735
<b>Comprehensive loss for the year</b>				
Loss for the year	-	-	(731,266)	(731,266)
<b>Total comprehensive loss for the year</b>	-	-	(731,266)	(731,266)
Shares issued during the year	757	6,075,581	-	6,076,338
<b>Total transactions with owners</b>	757	6,075,581	-	6,076,338
<b>At 31 December 2019</b>	<b>9,435</b>	<b>21,281,332</b>	<b>(1,704,960)</b>	<b>19,585,807</b>

## Company Statement of Changes in Equity For the Year Ended 31 December 2018

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2018	6,843	16,092	(247,891)	(224,956)
<b>Comprehensive loss for the year</b>				
Loss for the year	-	-	(725,803)	(725,803)
<b>Total comprehensive loss for the year</b>	-	-	(725,803)	(725,803)
Shares issued during the year	1,835	15,189,659	-	15,191,494
<b>Total transactions with owners</b>	1,835	15,189,659	-	15,191,494
<b>At 31 December 2018</b>	<b>8,678</b>	<b>15,205,751</b>	<b>(973,694)</b>	<b>14,240,735</b>

The notes on pages 18 to 41 form part of these financial statements.

# GlobalWebIndex Holdings Limited

## Consolidated Statement of Cash Flows For the Year Ended 31 December 2019

	2019 £	2018 £
<b>Cash flows from operating activities</b>		
Loss for the financial year	(10,368,122)	(5,838,901)
<b>Adjustments for:</b>		
Depreciation of tangible assets	262,976	231,661
Amortisation of intangible assets	2,125,987	1,453,362
Loss on disposal of tangible assets	(47,926)	-
Amortisation for capitalised debt issue costs	37,500	30,000
Taxation charge/(credit)	228,964	(337,340)
Interest payable and similar charges	573,134	401,445
Interest receivable and similar income	(10,838)	-
Share based payment charges	30,657	(12,945)
(Increase)/decrease in debtors	(1,916,041)	441,510
Increase in creditors	4,129,913	1,044,203
Foreign exchange	(48,339)	12,369
<b>Net cash generated from operating activities</b>	<b>(5,002,135)</b>	<b>(2,574,636)</b>
<b>Cash flows from Investing activities</b>		
Purchase of intangible fixed assets	(5,029,953)	(3,723,248)
Purchase of tangible fixed assets	(309,135)	(207,764)
<b>Net cash from Investing activities</b>	<b>(5,339,088)</b>	<b>(3,931,012)</b>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	6,076,338	15,191,495
New secured loans	5,761,210	-
Repayment of loans	(3,264,758)	(185,426)
Interest paid	(232,566)	(214,849)
<b>Net cash used in financing activities</b>	<b>8,340,224</b>	<b>14,791,220</b>

# GlobalWebIndex Holdings Limited

## Consolidated Statement of Cash Flows (continued) For the Year Ended 31 December 2019

	2019 £	2018 £
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(2,000,999)</b>	<b>8,285,572</b>
Cash and cash equivalents at beginning of year	<b>8,346,418</b>	73,582
Foreign exchange gains and losses	<b>25,560</b>	(12,736)
<b>Cash and cash equivalents at the end of year</b>	<b>6,370,979</b>	<b>8,346,418</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	<b>6,370,979</b>	<b>8,346,418</b>

The notes on pages 18 to 41 form part of these financial statements.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

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### 1. General Information

GlobalWebIndex Holdings Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the group's operations and its principal activities are set out in the strategic report.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

#### 2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the consolidated statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

#### 2.3 Going concern

The financial statements have been prepared on a going concern basis that assumes that the company will be able to meet its financial commitments as they fall due. The robustness of the going concern assumption has been tested rigorously since the onset of the Coronavirus pandemic with the directors reviewing multiple forecasts for the group on a variety of scenarios. The worst-case model has the pandemic affecting the group over the period April - December 2020. This assumes New Business and Partner Sales bookings fall to 25% of business target and Renewal rates fall to 80% with Custom and Expansion bookings to 60% of original target. As at the date of signing the accounts bookings have not been impacted to this level.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

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### 2. Accounting policies (continued)

#### 2.3 Going concern (continued)

As a result of this scenario planning the directors have implemented several measures to reduce the cost base and ensure the ongoing viability of the business. A summary of these measure is below, for a more detailed explanation please refer to the strategic report:

- Debt funding - in 2020 the group drew down all debt funding available to ensure sufficient liquidity. The group has not, as at the date of signing, had to utilise this cash.
- Working Capital Management - the group has re-negotiated charges and payment terms with key suppliers and has increased the focus on cash collection to ensure prompt payment of debtors.
- Government support - the group has utilised the UK governments employee furlough scheme where the employees role has been materially impacted by the pandemic and delayed payment of taxes owed in the territories it operates, where available.
- Employee costs - A hiring freeze has been implemented across the group from March 2020 and potential pay rises and bonuses have been delayed until 2021.

Based on these measures and the scenarios modelled the directors are confident, with the funding facilities and working capital available, that the group will be able to withstand a material reduction in revenue and continue trading over the next 12 months.

#### 2.4 Parent company exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the group and the parent company would be identical;
- No cash flow statement or net debt reconciliation has been presented for the parent company;
- Disclosures in respect of the parent company's income, expense, net gains and net losses on financial instruments measured at amortised cost have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- Disclosures in respect of the parent company's share-based payment arrangements have not been presented as equivalent disclosures have been provided in respect of the group as a whole.

#### 2.5 Foreign currency translation

##### Transactions and balances

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

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

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

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

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### 2. Accounting policies (continued)

#### 2.5 Foreign currency translation (continued)

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

#### 2.6 Revenue

Turnover represents amounts receivable in respect of subscriptions and data licenses, net of VAT.

Subscription revenue is recognised proportionately over the subscription period for the services sold.

In addition, the company licences data, limiting the use of the data to a predetermined contract term period. Revenue is recognised pro-rata over the term of the contract when the service is provided.

#### 2.7 Valuation of Investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 2.8 Intangible assets

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

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

Amortisation is provided on the following bases:

Research data	-	straight line over 12 years
Website development	-	straight line over 2 years
Software	-	straight line over 3 years

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

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### 2. Accounting policies (continued)

#### 2.9 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following basis:

Depreciation is provided on the following bases:

Leasehold improvements	-	20% on reducing balance
Motor vehicles	-	15% on reducing balance
Computer equipment	-	33% straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of comprehensive income.

#### 2.10 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the 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 an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

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### 2. Accounting policies (continued)

#### 2.11 Debtors

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

#### 2.12 Cash and cash equivalents

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

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the group's cash management.

#### 2.13 Financial Instruments

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

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

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

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

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

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

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

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### 2. Accounting policies (continued)

#### 2.14 Creditors

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

#### 2.15 Equity Instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 2.16 Operating leases: the group as lessee

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the consolidated statement of comprehensive income so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### 2.17 Interest Income

Interest income is recognised in the consolidated statement of comprehensive income using the effective interest method.

#### 2.18 Finance costs

Finance costs are charged to the consolidated statement of 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. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 2.19 Borrowing costs

All borrowing costs are recognised in the consolidated statement of comprehensive income in the year in which they are incurred.

#### 2.20 Share based payments

The fair value of equity-settled share based payments to employees is determined at the date of grant and is expensed on a straight-line basis over the vesting period based on the company's estimate of shares or options that will eventually vest.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

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### 2. Accounting policies (continued)

#### 2.21 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 2.22 Provisions for liabilities

Provisions are made where an event has taken place that gives the group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the consolidated statement of comprehensive income in the year that the group becomes aware of the obligation, and are measured at the best estimate at the statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the statement of financial position.

#### 2.23 Pensions

##### Defined contribution pension plan

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

The contributions are recognised as an expense in the consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the group in independently administered funds.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

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### 2. Accounting policies (continued)

#### 2.24 Current and deferred taxation

Tax is recognised in the consolidated statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 company and the group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 3. Judgements In applying accounting policies and key sources of estimation uncertainty

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

- Determine whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

#### Other key sources of estimation uncertainty

- Intangible and tangible fixed assets are amortised and depreciated respectively over their useful 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 asset 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.
- There is estimation uncertainty in calculating bad debt provisions. A full line by line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provision does not match the level of debts which ultimately prove to be uncollectable.
- When determining whether there are indicators of impairment of the company's investment in its subsidiary and the group's tangible and intangible assets, factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

### 4. Turnover

The turnover is wholly attributable to the company's main activities. An analysis of turnover by geographical destination is as follows:

	2019 £	2018 £
United Kingdom	4,265,897	3,738,886
North America	11,053,005	8,201,614
Rest of Europe	2,435,594	1,944,571
Rest of the world	2,051,618	1,272,134
	<u>19,806,114</u>	<u>15,157,205</u>

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 5. Other operating income

	2019 £	2018 £
Other operating income	15,274	-

### 6. Operating loss

The operating loss is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets (Note 13)	262,976	231,661
Amortisation of intangible assets (Note 12)	2,125,987	1,453,362
Fees payable to the company's auditor for the following services:		
- Audit of the group and company's annual accounts	55,400	40,000
- Account preparation services	5,500	5,000
- Tax compliance	7,000	6,000
Exchange differences	57,789	(192,963)
Share based payment	30,657	(12,945)
Other operating lease rentals - land and buildings	1,265,549	1,079,363

### 7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Wages and salaries	14,294,072	9,620,220	-	-
Social security costs	1,625,742	1,046,223	-	-
Cost of defined contribution pension scheme	277,563	135,945	-	-
Share based payments	30,657	(12,945)	-	-
	<u>16,228,034</u>	<u>10,789,443</u>	<u>-</u>	<u>-</u>

The average monthly number of employees, including the directors, during the year was as follows:

	Group 2019 No.	Group 2018 No.	Company 2019 No.	Company 2018 No.
Employees	215	140	-	-

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 8. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	900,491	1,193,224
Company contributions to defined contribution pension schemes	31,577	16,423
	<u>932,068</u>	<u>1,209,647</u>

The amounts set out above include remuneration in respect of the highest paid director as follows:

	2019 £	2018 £
Emoluments	387,602	514,092
Cost of defined contribution pension scheme	14,250	10,150
	<u>401,852</u>	<u>524,242</u>

During the year retirement benefits were accruing to 5 directors (2018 - 4) in respect of defined contribution pension schemes.

### 9. Interest receivable and similar income

	2019 £	2018 £
Other interest receivable	<u>10,838</u>	<u>10,167</u>

### 10. Interest payable and similar charges

	2019 £	2018 £
On bank loans and overdrafts	<u>573,134</u>	<u>401,445</u>

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 11. Taxation

	2019 £	2018 £
<b>Corporation tax</b>		
Current tax on losses for the year	(194,615)	(74,117)
Adjustments in respect of previous periods	7,722	(243,472)
<b>Total UK corporation tax</b>	<u>(186,893)</u>	<u>(317,589)</u>
<b>Foreign tax</b>		
Foreign tax on income for the year	252,967	3,996
Foreign tax in respect of prior periods	162,890	-
<b>Total current tax</b>	<u>228,964</u>	<u>(313,593)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	(23,747)
<b>Total deferred tax</b>	<u>-</u>	<u>(23,747)</u>
<b>Taxation on loss on ordinary activities</b>	<u><u>228,964</u></u>	<u><u>(337,340)</u></u>

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 11. Taxation (continued)

#### Factors affecting tax charge/(credit) for the year

The tax assessed for the year is higher than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Loss on ordinary activities before tax	<u>(10,139,158)</u>	<u>(6,176,241)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	<b>(1,926,440)</b>	<b>(1,173,486)</b>
<b>Effects of:</b>		
Fixed asset differences	-	42,699
Expenses not deductible for tax purposes-	<b>8,048</b>	73,564
Income not taxable for tax purposes	<b>75</b>	(1,525)
Other permanent differences	<b>(6,824)</b>	(97,676)
Rate difference on overseas tax	<b>67,728</b>	-
Additional deduction for R&D expenditure	<b>(143,682)</b>	(54,893)
Surrender of tax losses for R&D tax credit refund	<b>60,207</b>	23,002
Adjustments to tax charge in respect of previous periods	<b>170,612</b>	(243,472)
Deferred tax not recognised	<b>1,999,240</b>	1,094,447
<b>Total tax charge/(credit) for the year</b>	<u><b>228,964</b></u>	<u><b>(337,340)</b></u>

#### Factors that may affect future tax charges

There are no factors that may affect future tax charges.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 12. Intangible assets

#### Group

	Software £	Research data £	Website development £	Total £
<b>Cost</b>				
At 1 January 2019	14,575	8,039,504	3,609,761	11,663,840
Additions	-	3,206,068	1,823,885	5,029,953
At 31 December 2019	<u>14,575</u>	<u>11,245,572</u>	<u>5,433,646</u>	<u>16,693,793</u>
<b>Amortisation</b>				
At 1 January 2019	2,806	1,515,216	2,480,996	3,999,018
Charge for the year	4,809	798,940	1,322,238	2,125,987
At 31 December 2019	<u>7,615</u>	<u>2,314,156</u>	<u>3,803,234</u>	<u>6,125,005</u>
<b>Net book value</b>				
At 31 December 2019	<u>6,960</u>	<u>8,931,416</u>	<u>1,630,412</u>	<u>10,568,788</u>
At 31 December 2018	<u>11,769</u>	<u>6,524,288</u>	<u>1,128,765</u>	<u>7,664,822</u>

The parent company did not have any intangible fixed assets.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 13. Tangible fixed assets

#### Group

	Motor vehicles £	Computer equipment £	Leasehold Improvements £	Total £
<b>Cost</b>				
At 1 January 2019	73,942	441,898	668,185	1,184,025
Additions	75,916	221,381	11,838	309,135
Disposals	(73,942)	-	-	(73,942)
At 31 December 2019	<u>75,916</u>	<u>663,279</u>	<u>680,023</u>	<u>1,419,218</u>
<b>Depreciation</b>				
At 1 January 2019	26,016	206,938	184,543	417,497
Charge for the year	7,592	152,755	102,629	262,976
Disposals	(26,016)	-	-	(26,016)
At 31 December 2019	<u>7,592</u>	<u>359,693</u>	<u>287,172</u>	<u>654,457</u>
<b>Net book value</b>				
At 31 December 2019	<u>68,324</u>	<u>303,586</u>	<u>392,851</u>	<u>764,761</u>
At 31 December 2018	<u>47,926</u>	<u>234,960</u>	<u>483,642</u>	<u>766,528</u>

The parent company did not have any tangible fixed assets.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 14. Fixed asset investments

#### Company

	Investments in subsidiary companies £
<b>Cost</b>	
At 1 January 2019	37,797
Additions	3,500
At 31 December 2019	<u>41,297</u>
<b>Net book value</b>	
At 31 December 2019	<u>41,297</u>
At 31 December 2018	<u>37,797</u>

#### Subsidiary undertakings

On 15 February 2019, the company acquired 100,000 Ordinary CZK1.00 shares in GlobalWebIndex s.r.o for consideration of CZK100,000, which represented 100% of the ordinary share capital of the company.

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Trendstream Limited	Ordinary	100%	Technology
GlobalWebIndex Limited	Ordinary	100%	Dormant
GlobalWebIndex Inc.	Ordinary	100%	Technology
GlobalWebIndex Labs Limited	Ordinary	100%	Technology
GlobalWebIndex Hellas	Ordinary	100%	Technology
GlobalWebIndex s.r.o. Limited	Ordinary	100%	Technology

The registered office address of Trendstream Limited is 25 Farrington Street, London, England, EC4A 4AB.

The registered office address of GlobalWebIndex Limited is 25 Farrington Street, London, England, EC4A 4AB.

The registered office address of GlobalWebIndex Inc. is 45 West 25th Street, 8th Floor, New York, NY 10010, USA.

The registered office address of GlobalWebIndex Labs Limited is 25 Farrington Street, London, England, EC4A 4AB.

The registered office address of GlobalWebIndex Hellas is 53 Solonos Street, 10672, Athens, Greece.

The registered office address of GlobalWebIndex s.r.o. Limited is Panská 854/2, Praha 1 - Nové Mesto, 11000 Czech Republic.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 15. Debtors: amounts falling due within one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade debtors	4,733,341	3,400,936	-	-
Amounts owed by group undertakings	-	-	19,999,770	10,106,899
Prepayments and accrued income	1,159,385	654,372	70,741	-
Other taxation and social security recoverable	164,529	281,380	41,464	35,212
Other debtors	1,047,099	909,109	50,486	41,606
Corporation tax receivable	57,484	-	-	-
	<u>7,161,838</u>	<u>5,245,797</u>	<u>20,162,461</u>	<u>10,183,717</u>

The impairment loss recognised in profit or loss for the year in respect of bad and doubtful trade debtors was £165,367 (2018 - £113,992).

### 16. Cash and cash equivalents

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Cash at bank and in hand	6,370,979	8,346,418	6,102,764	7,396,656
	<u>6,370,979</u>	<u>8,346,418</u>	<u>6,102,764</u>	<u>7,396,656</u>

### 17. Deferred tax

Deferred tax assets have not been recognised in respect of the following items:

	2019 £	2018 £
Fixed asset timing differences	15,076	7,717
Short term timing differences	10,430	-
Losses and other deductions	2,775,502	1,004,497
	<u>2,801,008</u>	<u>1,012,214</u>

Deferred tax assets have not been recognised on the basis that it is uncertain that future taxable profits will be available against which the group can utilise the benefits there from.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 18. Creditors: amounts falling due within one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade creditors	3,307,618	2,027,117	7,956	-
Pension payable	114,481	13,495	-	-
Other creditors	133,389	49,714	-	-
Accruals and deferred income	10,197,930	7,441,381	23,220	18,936
Amounts owed to group undertakings	-	-	641,096	170,128
Bank loans	847,142	72,147	847,142	72,147
Other taxation and social security	58,400	16,865	-	-
	<u>14,658,960</u>	<u>9,620,719</u>	<u>1,519,414</u>	<u>261,211</u>

The bank overdrafts are secured by a floating charge over the assets of the group and the company.

### 19. Creditors: amounts falling due after more than one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Bank loans and overdrafts	4,893,391	3,116,224	4,893,391	3,116,224
Other long term provision	307,910	-	307,910	-
	<u>5,201,301</u>	<u>3,116,224</u>	<u>5,201,301</u>	<u>3,116,224</u>

As part of the financing agreement entered into by the group, an exit fee is required to be paid either on an exit event (flotation, change of control, or asset sale) or after five years from the date of the financing agreement. This exit fee shall be calculated by reference to the equity value of the group at the date of the exit event or after five years. The exit fee shall not be more than £3,000,000, dependent on the value of the group.

The directors have determined that the liability meets the criteria to be recognised in the financial statements. This has resulted in an exit charge for the year of £307,910.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 19. Creditors: amounts falling due after more than one year (continued)

The maturity of bank loans and overdrafts are as follows:

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
In one year or less, or on demand	847,142	72,147	847,142	72,147
In more than two years but no more than five years	4,893,391	3,116,224	4,893,391	3,116,224
	<u>5,740,533</u>	<u>3,188,371</u>	<u>5,740,533</u>	<u>3,188,371</u>

The bank overdrafts are secured by a floating charge over the assets of the group and the company.

### 20. Financial instruments

	Group 2019 £	Group 2018 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	<u>12,193,487</u>	<u>12,788,031</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(10,616,961)</u>	<u>(6,112,620)</u>

Financial assets measured at amortised cost comprise cash, trade debtors, accrued income and other debtors.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, other creditors and accruals.

Information regarding the group's exposure to and management of credit risk, liquidity risk, market risk, cash flow interest rate risk, and foreign exchange risk is included in the strategic report.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 21. Share capital

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
5,536,000 (2018 - 5,536,000) 'A' ordinary shares of £0.001 each	5,536	5,536
334,500 (2018 - 334,500) 'C' ordinary shares of £0.001 each	335	335
913,800 (2018 - 711,000) 'G' ordinary shares of £0.001 each	914	711
30,000 (2018 - Nil) 'H' ordinary shares of £0.001 each	30	-
2,620,000 (2018 - 2,096,000) Preferred shares of £0.001 each	2,620	2,096
	<u>9,435</u>	<u>8,678</u>

On 15 July 2019, the company issued 16,000 'G' ordinary shares with a nominal value of of 0.1p each for consideration of 3.0p per share.

On 15 July 2019, the company issued 10,000 'G' ordinary shares with a nominal value of of 0.1p each for consideration of 4.0p per share.

On 16 July 2019, the company issued 30,000 'H' ordinary shares with a nominal value of of 0.1p each for consideration of 0.1p per share.

On 12 September 2019, the company issued 26,000 'G' ordinary shares with a nominal value of of 0.1p each for consideration of 4.0p per share.

On 12 September 2019, the company issued 150,400 'G' ordinary shares with a nominal value of of 0.1p each for consideration of 4.3p per share.

On 27 December 2019, the company issued 524,000 preferred shares with a nominal value of of 0.1p each for consideration of £11.58 per share.

The share class rights are set out below:

A ordinary shares have attached to them full voting rights, dividend and capital distribution (including winding up) rights; they do not confer any rights of redemption.

C ordinary shares shall rank pari passu with the A ordinary shares save that they carry no voting rights.

G ordinary shares have attached to them full voting rights, dividend and capital distribution (including winding up) rights; they do not confer any rights of redemption.

H ordinary shares have attached to them no voting rights, nor do they confer any rights of redemption, any right to receive dividends and shall have no right to capital, except for the right to participate in any surplus assets or any proceeds of sale in excess of the hurdle value on the application of article 6 or article 7 of the articles of association.

The preferred shares shall carry a right to receive a dividend. The shares shall carry full rights, as respect capital, to participate in distribution (including winding up). The shares carry full voting rights. The shares are non-redeemable and not to be redeemed.

After the date of the statement of financial position, on 24 January 2020, the company issued 70,000 'G' ordinary shares with a nominal value of of 0.1p each for consideration of 4.0p per share, and 20,000 'G' ordinary shares with a nominal value of of 0.1p each for consideration of 4.3p per share.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 22. Share based payments

During the year ended 31 December 2013, the company established an Enterprise Management Incentive (EMI) scheme for employees of the company. Up to September 2017 the company issued share options to employees in the company, however following a group restructure in the year ended 31 December 2018 the options are in the name of the parent, GlobalWebIndex Holdings Limited, but the charge has continued to be shown within Trendstream Limited where all employees are based.

The principal terms of the options are:

- Options will expire ten years after grant date
- The range of exercise prices of the options are from £0.0108 to £1.860
- The options vest in equal increments between 2 and 5 years

Movement in the EMI Share options and their weighted average exercise price are as follows:

	Weighted average exercise price (pence) 2019	Number 2019	Weighted average exercise price (pence) 2018	Number 2018
Outstanding at 1 January	0.01	1,261,300	0.01	2,282,000
Granted	1.56	175,000	0.01	173,000
Exercised	0.03	(202,400)	0.04	(1,177,200)
Forfeited	0.03	(2,000)	0.02	(16,500)
<b>Outstanding at 31 December</b>	<b>0.01</b>	<b>1,231,900</b>	<b>0.01</b>	<b>1,261,300</b>

In accordance with the FRS 102 the fair value of these options has been accounted for 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.

Total charge of £30,657 related to equity settled share based payment transactions were recognised in the year (2018 - credit of £12,945).

### 23. Reserves

The company's reserves are as follows:

#### Share premium account

The share premium account includes the premium on issue of equity shares, net of any issue costs.

#### Foreign exchange reserve

Gains or losses arising in retranslation of the net assets of the overseas operations into sterling.

#### Retained earnings

Retained earnings represents cumulative profits or losses, net of dividends paid and other adjustments.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 24. Analysis of net debt

	At 1 January 2019 £	Cash flows £	At 31 December 2019 £
Cash at bank and in hand	8,346,418	(1,975,439)	6,370,979
Debt due after 1 year	(3,116,224)	(1,777,167)	(4,893,391)
Debt due within 1 year	(72,147)	(774,995)	(847,142)
	<u>5,158,047</u>	<u>(4,527,601)</u>	<u>630,446</u>

### 25. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £277,563 (2018 - £135,945). Contributions totalling £113,010 (2018 - £13,495) were payable to the fund at the reporting date and are included in creditors.

### 26. Commitments under operating leases

At 31 December 2019 the group and the company had future minimum lease payments under non-cancellable operating leases in relation to land and buildings as set out below:

	Group 2019 £	Group 2018 £
Within one year	2,125,094	1,292,150
Between two and five years	4,354,766	3,445,864
Later than five years	2,148,600	3,007,680
	<u>8,628,460</u>	<u>7,745,694</u>

The company had no commitments under non-cancellable operating leases as at the statement of financial position date.

# GlobalWebIndex Holdings Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 27. Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 102 Section 33 "Related Party Disclosures" paragraph 33.1A not to disclose transactions with certain group companies on the grounds that 100% of the voting rights in the company are controlled by GlobalWebIndex Holdings Limited.

The following transactions took place between the group and its directors and their related persons during the year:

	2019 £	2018 £
Net movement in short-term receivable balances	7,139	210,317
Interest receivable on outstanding advances	9,113	7,678
	<u>16,252</u>	<u>217,995</u>

The following receivable balances relating to transactions with directors were included in the consolidated balance sheet at 31 December:

	2019 £	2018 £
T Smith loan account	212,822	206,241
S Hedencrona loan account	36,676	35,436
A Little loan account	24,220	16,759
J Franks loan account	1,845	906
S Rowley loan account	31	-
	<u>275,594</u>	<u>259,342</u>

The directors are the key management personnel of the company and the group.

### 28. Post statement of financial position events

The coronavirus pandemic has resulted in lockdowns across the globe with severe economic consequences. This is a non-adjusting event for the group due to the plans implemented as outlined in the strategic report.

After the date of the statement of financial position, on 24 January 2020, the company issued 70,000 'G' ordinary shares with a nominal value of 0.1p each for consideration of 4.0p per share and 20,000 'G' ordinary shares with a nominal value of 0.1p each for consideration of 4.3p per share.

On 15 April 2020, the company issued the following shares:

- 16,000 'G' ordinary shares with a nominal value of 0.1p each for consideration of 3.0p per share.
- 98,000 'G' ordinary shares with a nominal value of 0.1p each for consideration of 4.3p per share.
- 118,800 'G' ordinary shares with a nominal value of 0.1p each for consideration of 4.0p per share.
- 1,000 'H' ordinary shares with a nominal value of 0.1p each for consideration of £1.54 per share.

# **GlobalWebIndex Holdings Limited**

## **Notes to the Financial Statements For the Year Ended 31 December 2019**

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### **29. Ultimate parent and controlling party**

The ultimate controlling party is T Smith as a result of his majority shareholding.