
DUEDIL LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

DUEDIL LIMITED

COMPANY INFORMATION

Directors	M Blackadder (appointed 31 July 2021) S Borthwick (appointed 31 July 2021) J W Fitzpatrick A Yates (appointed 31 July 2021)
Registered number	06999618
Registered office	2 Winnersh Fields Gazelle Close Winnersh Wokingham RG41 5QS
Independent auditor	Nortons Assurance Limited Chartered Accountants and Statutory Auditor Highlands House Basingstoke Road Spencers Wood Reading Berkshire RG7 1NT

DUEDIL LIMITED

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**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

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

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

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Business review

On 31 July 2021, the Company was acquired by Artesian Solutions Limited (Company Number: 05667880) ('Artesian'). The acquisition creates a solid platform from which the Company intends to build on the commercial successes realised to date by both companies.

Following the acquisition both companies rebranded as 'FullCircl'. FullCircl is a Customer Lifecycle Intelligence (CLI) platform that helps B2B companies in regulated industries do better business, faster. Its solutions allow front and middle office teams to win the right customers, accelerate onboarding and keep them for life. Best-in-class data enrichment provides a comprehensive customer view and a powerful, low-code decision engine reduces the regulatory burden and drives greater automation. Through its web applications and APIs, FullCircl drastically reduces the cost to acquire and serve the right business customers. Backed by top tier investors including Octopus Investments, Notion Capital, Augmentum Fintech and notable angel investors, FullCircl brings together decades of combined experience serving UK financial institutions. Today, it serves some 600 customers and 15,000 users.

On the acquisition date:

- The Company's issued share capital classes in existence prior to this date were re-classed as S1 Deferred Shares, with no voting, dividend or pre-emption rights attaching. These S1 Deferred Shares were redeemed on 29 November 2021.
- Existing convertible loan notes were converted into Ordinary shares;
- The Company raised £1.6M to support short-term working capital requirements; and
- Artesian purchased all of the Company's Ordinary share capital.

On 3 December 2021, the Company's existing bank debt was repaid and refinanced by a replacement facility arranged by Artesian, on more favourable terms, guaranteed by both companies and secured by fixed and floating charges on the assets of both companies.

During 2021, the Company reached an agreement with its landlord for the early surrender of the lease on its office, and an onerous lease provision for £780,312 was created in the accounts for 2020. The 2021 accounts reflect the completion of the early surrender and a release of the provision.

Directors

The directors who served during the year were:

M Blackadder (appointed 31 July 2021)
S Borthwick (appointed 31 July 2021)
J W Fitzpatrick
A Yates (appointed 31 July 2021)
J Gale (resigned 31 July 2021)
P Kemp (resigned 31 July 2021)
R Matthews (resigned 31 July 2021)
I Milbourn (appointed 11 February 2021, resigned 31 July 2021)
A Millard (resigned 31 July 2021)
C Tottman (resigned 31 July 2021)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Qualifying third party indemnity provisions

Directors' and officers' insurance cover has been established for all Directors to provide appropriate cover for their reasonable actions on behalf of the Company. The indemnities, which constitute a qualifying third-party indemnity provision as defined by section 234 of the Companies Act 2006, were in force during the 2021 financial year and remain in force for all current and past Directors of the Company.

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'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's auditor is aware of that information.

Post balance sheet events

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

Auditor

The auditor, Nortons Assurance Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 10 November 2022 and signed on its behalf.

.....
A Yates
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUEDIL LIMITED

Opinion

We have audited the financial statements of DueDil Limited (the 'Company') for the year ended 31 December 2021, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes, 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 Company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUEDIL LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

DUEDIL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUEDIL LIMITED (CONTINUED)

Responsibilities of directors

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUEDIL LIMITED (CONTINUED)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The objectives of our audit, in respect to fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework including the Companies Act 2006 and the relevant tax compliance regulations in the UK.
- We understood how the Company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by discussing with management from various parts of the business to understand where it considered there was a susceptibility to fraud. We considered the controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud and error.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations identified in the paragraphs above. Our procedures involved journal entry testing, with a focus on journals indicating large or unusual transactions based on our understanding of the business, enquiries of Company management and focused testing. In addition, we completed procedures to conclude on the compliance of the disclosures in the Annual Report and Accounts with the requirements of the relevant accounting standards and UK legislation.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUEDIL LIMITED (CONTINUED)

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.

Anthony Campbell (Senior Statutory Auditor)

for and on behalf of

Nortons Assurance Limited

Chartered Accountants and Statutory Auditor

Highlands House
Basingstoke Road
Spencers Wood
Reading
Berkshire
RG7 1NT

10 November 2022

DUEDIL LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	2020
	£	£
Turnover	4,541,710	5,497,150
Cost of sales	(1,002,424)	(936,818)
Gross profit	3,539,286	4,560,332
Administrative expenses	(6,562,347)	(8,883,809)
Credit/(Cost) associated with onerous lease provision	618,292	(780,312)
Other operating income	71,314	-
Operating loss	(2,333,455)	(5,103,789)
Interest payable and similar expenses	(683,645)	(676,654)
Loss before tax	(3,017,100)	(5,780,443)
Tax on loss	276,809	250,000
Loss for the financial year	<u>(2,740,291)</u>	<u>(5,530,443)</u>

The notes on pages 13 to 23 form part of these financial statements.

DUEDIL LIMITED
REGISTERED NUMBER: 06999618

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	5	-	321,038
Tangible assets	6	43,294	94,955
		<u>43,294</u>	<u>415,993</u>
Current assets			
Debtors: amounts falling due within one year	7	2,367,800	2,295,828
Cash at bank and in hand	8	258,196	1,520,524
		<u>2,625,996</u>	<u>3,816,352</u>
Creditors: amounts falling due within one year	9	(8,141,132)	(8,572,114)
Net current liabilities		<u>(5,515,136)</u>	<u>(4,755,762)</u>
Total assets less current liabilities		<u>(5,471,842)</u>	<u>(4,339,769)</u>
Creditors: amounts falling due after more than one year	10	(244,079)	(6,549,720)
Provisions for liabilities			
Other provisions	12	-	(618,292)
		<u>-</u>	<u>(618,292)</u>
Net liabilities		<u><u>(5,715,921)</u></u>	<u><u>(11,507,781)</u></u>

DUEDIL LIMITED
REGISTERED NUMBER: 06999618

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Capital and reserves			
Called up share capital		17	7,937
Share premium account		37,260,577	28,806,044
Profit and loss account		(42,976,515)	(40,321,762)
		<u>(5,715,921)</u>	<u>(11,507,781)</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 November 2022.

.....
A Yates
Director

The notes on pages 13 to 23 form part of these financial statements.

DUEDIL LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	7,937	28,806,044	(40,321,762)	(11,507,781)
Loss for the year	-	-	(2,740,291)	(2,740,291)
Shares issued	24	8,446,589	-	8,446,613
Share based payments	-	-	85,538	85,538
Shares redeemed during the year	(7,944)	7,944	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	17	37,260,577	(42,976,515)	(5,715,921)

The notes on pages 13 to 23 form part of these financial statements.

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

1. General information

DueDil Limited is a company incorporated in the United Kingdom under the companies act. The company is a private limited company, limited by shares and registered in England and Wales. The registered office is 2 Winnersh Fields Gazelle Close, Winnersh, Wokingham, RG41 5QS.

The principle activity of the company in the period under review is to provide access to information on companies through an easy to integrate API and intuitive web application.

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 following principal accounting policies have been applied:

2.2 Going concern

The financial statements of the Company are prepared on a going concern basis which assumes that the Company will continue in operational existence for the foreseeable future.

During the year ended 31 December 2021, the Company reported a loss of GBP 2,740,291 (2020: loss of GBP 5,530,430) and a negative equity of GBP 42,976,515 (2020: a negative equity GBP 40,321,749) as at 31 December 2021, the Directors have considered the company's future obligations and cash flows and remain confident in the continued success of the business.

The immediate parent company, Artesian Solutions Limited, has confirmed its intention to provide financial support to the Company to meet its financial obligations as and when they fall due for at least 12 months from the approval of this report.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Operating leases: the Company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 Finance costs

Finance costs are charged to profit or loss 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.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.9 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.10 Taxation

Tax is recognised in profit or loss 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 balance sheet date in the countries where the Company operates and generates income.

2.11 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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.

The estimated useful lives range as follows:

Development expenditure	-	3 years
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2.12 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.12 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	- Over the leasehold term
Fixtures and fittings	- 4 years
Office equipment	- 3 years
Computer equipment	- 3 years

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 profit or loss.

2.13 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.14 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.

2.15 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.

2.16 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company 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 profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet 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 Balance Sheet.

2.18 Financial instruments

The Company 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 Profit and Loss Account.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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.

DUEDIL LIMITED

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

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements in conformity with UK generally accepted accounting practice (UKGAAP) requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Key judgements made by management include:

Recognition of Intangible fixed assets

The Company capitalises development expenditure in accordance with FRS102 s18. Amounts capitalised include the total cost of any external products or services and labour costs directly attributable to the development programme. Management judgement is involved in determining the appropriate internal costs to capitalise and the amounts involved. If there is any uncertainty in terms of the technical feasibility, ability to sell the product or any other risk that means the programme does not meet the requirements of the standard the development costs are expensed within the statement of comprehensive income.

4. Employees

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

	2021 No.	2020 No.
	<u>50</u>	<u>61</u>
Employees		

5. Intangible assets

	Development expenditure £
Cost	
At 1 January 2021	471,741
	<hr/>
At 31 December 2021	471,741
	<hr/>
Amortisation	
At 1 January 2021	150,703
Charge for the year on owned assets	91,727
Impairment charge	229,311
	<hr/>
At 31 December 2021	471,741
	<hr/>

Net book value

At 31 December 2021

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DUEDIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

5. Intangible assets (continued)

6. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2021	358,594	137,229	235,243	114,427	845,493
Disposals	(358,594)	(137,229)	-	(15,290)	(511,113)
At 31 December 2021	-	-	235,243	99,137	334,380
Depreciation					
At 1 January 2021	358,594	136,658	212,958	42,328	750,538
Charge for the year on owned assets	-	571	11,100	38,078	49,749
Disposals	(358,594)	(137,229)	-	(13,378)	(509,201)
At 31 December 2021	-	-	224,058	67,028	291,086
Net book value					
At 31 December 2021	-	-	11,185	32,109	43,294

7. Debtors

	2021 £	2020 £
Trade debtors	1,646,201	1,514,134
Other debtors	529,017	590,235
Prepayments and accrued income	192,582	191,459
	<u>2,367,800</u>	<u>2,295,828</u>

DUEDIL LIMITED

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

8. Cash and cash equivalents

	2021	<i>2020</i>
	£	<i>£</i>
Cash at bank and in hand	258,196	<i>1,520,524</i>
	<u>258,196</u>	<u><i>1,520,524</i></u>

9. Creditors: Amounts falling due within one year

	2021	<i>2020</i>
	£	<i>£</i>
Bank loans	-	<i>3,990,884</i>
Trade creditors	780,000	<i>759,682</i>
Amounts owed to group undertakings	4,399,112	-
Other taxation and social security	665,175	<i>928,506</i>
Other creditors	18,302	<i>38,500</i>
Accruals and deferred income	2,278,543	<i>2,854,542</i>
	<u>8,141,132</u>	<u><i>8,572,114</i></u>

10. Creditors: Amounts falling due after more than one year

	2021	<i>2020</i>
	£	<i>£</i>
Other loans	-	<i>6,549,720</i>
Accruals and deferred income	244,079	-
	<u>244,079</u>	<u><i>6,549,720</i></u>

Other loans relates to Convertible Loan Notes, which were converted into Ordinary shares on 31 July 2021.

DUEDIL LIMITED

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

11. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	-	3,990,884
Amounts falling due 2-5 years		
Other loans	-	6,549,720
	<u>-</u>	<u>10,540,604</u>

12. Provisions

	Onerous Lease Provision £
At 1 January 2021	618,292
Charged to profit or loss	(618,292)
At 31 December 2021	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Share based payments

Employee share options were granted with vesting periods of 36 months, contingent on continuing employment of the company. Employees who leave the company prior to vesting of the share options will be considered to have forfeited these options. On 31 July 2021 the company was acquired, as part of this agreement all remaining share options were cancelled.

	Weighted average exercise price (pence) 2021	Number 2021	Weighted average exercise price (pence) 2020	Number 2020
Outstanding at the beginning of the year	0.25	68,729,373	0.28	77,043,245
Granted during the year	-	-	0.001	114,108,453
Forfeited during the year	0.001	(2,764,786)	0.25	(5,305,291)
Exercised during the year	0.001	(2,177,807)	0.001	(117,117,034)
Cancelled during the year	0.001	(63,786,780)	-	-
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Outstanding at the end of the year	-	-	0.25	68,729,373

14. 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 £48,611 (2020: £69,004). Pension contribution payable to the fund at the balance sheet date amounted to £7,464 (2020: £17,117).

15. Commitments under operating leases

The Company had no commitments under non-cancellable operating leases at the balance sheet date.

16. Controlling party

The company's immediate parent is Artesian Solutions Limited, a company incorporated in the United Kingdom.

The directors do not consider any one individual to have ultimate control.

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