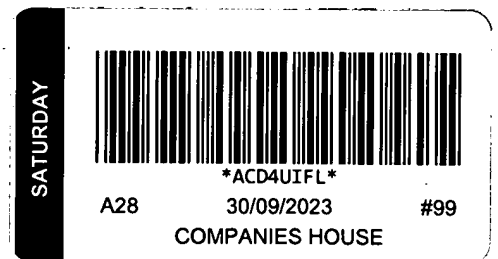


Company Registration No. 09984464 (England and Wales)

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	D Hook C Herzog S Leicht J Oei K Christian M Diwersy	(Resigned 31 October 2022)
Secretary	F J Niven	
Company number	09984464	
Registered office	The Campus 4 Crinan Street London N1 9XW	
Auditor	Ernst & Young LLP Grosvenor House Grosvenor Square Southampton SO15 2BE	
Bankers	National Westminster Bank Plc 3 London Street Basingstoke Hampshire	
Solicitors	Taylor Wessing 5 New Street Square London EC4A 3TW	

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

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DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present the strategic and directors' report and financial statements for the year ended 31 December 2022.

Business Review

In May 2019 a rationalisation of the wider Digital Science Group corporate structure was undertaken. The aim was for this structure to become more aligned with the way management views and assesses the business. This resulted in a transfer of trade, investments, assets and liabilities from Holtzbrinck Science & Technology Limited to the Company. During 2022 efforts were made to realise synergies from previous reorganisations and to further integrate existing products into the Digital Science portfolio.

Results for the year

The results for the year are set out on page 7 of the financial statements and show a loss for the year, after taxation, of £10,744,436 (2021: £5,566,755).

	2022 £	2021 £	Change %
Revenue	11,382,646	9,396,123	21
Operating Loss	9,737,030	7,090,526	37
Current assets	40,266,063	28,398,967	42
Current liabilities	51,716,625	36,359,179	42

Revenues remained stable in the year, the increase in operating loss is as a result of investment in additional headcount to drive future revenue growth. The principal reason for the increase in current assets relates to management of intercompany receivables to optimise working capital within the Digital Science group.

The statement of financial position on page 8 of the financial statements shows the company's financial position at the end of the year.

Principal risks and uncertainties

The company's business activities, together with the factors likely to affect its future development, its financial position, and financial risk management objectives, details of its financial instruments and derivatives, and its exposures to competitive, legislative and credit risk are described in the financial statements. The main financial risks to which the company are exposed are as follows:

Covid-19

The Covid-19 pandemic shows considerable signs of easing as many countries have lifted travel bans, ended lockdowns and eased quarantine measures. Many governments have announced curtailment of certain measures to provide financial and non-financial assistance to the affected entities. The principal risks identified from the pandemic were recoverability of assets through customer payments and reduction in revenues due to impacts on traditional physical sales channels. We worked closely with our customers during the year to ensure no significant customer payment issues arose, and revenue was not significantly impacted due to reasons mentioned above. The directors will continue to monitor the impacts. However, the Directors believe the Company is well positioned and do not expect significant impacts to arise.

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Market Conditions

Market conditions are good across the regions in which we operate. Long sales cycles and the scale of new investment required continue to pose challenges, but we have made efforts to mitigate these problems.

The UK market has established as we move into the new forecasting cycle. Clients (and potential clients) are showing a willingness to invest in products that can respond dynamically to the changing regulatory landscape, particularly around open access.

North America represents the largest available market by far, and so we continue to refine our sales and marketing strategy to address the specific need of this market. Additionally, Brexit has continued to create uncertainty across the UK market and will continue to do so until the issue(s) with the EU are finalized.

Clients

The company's most significant clients are top-tier research institutions throughout the English-speaking world. Our focus continues to be to target these institutions and develop long-term strategic partnerships with existing clients to help inform the development of the product in a direction that meets the changing needs of the market.

Quality assurances

The nature of the business conducted by the organisation involves exposure to quality problems. Management of these risks is critical to the success of the business and is implemented through the adoption and maintenance of operational procedures. The company is accredited with ISO 9001 and manages quality through procedures by the standard.

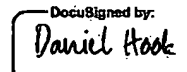
Competitive risk

The business of the company is spread across a number of different geographies. We continue to actively expand our product offering and have developed and refined our provision of hosted services. This is enabling the company to spread its risk more evenly.

Other

Financial, commercial, operational, social, environmental and ethical risk are all considered in the company's internal control. The company seeks to manage these effective policies, training and awareness programmes.

This report was approved by the board on and signed on its behalf by

DocuSigned by:

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D Hook

Director

28 September 2023

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the company is that of a software technology company.

Results and dividends

The directors do not recommend the payment of a dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D Hook
C Herzog
S Leicht
J Oei (Resigned 31 October 2022)
K Christian
M Diwersy

Qualifying third party indemnity provisions

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with UK adopted International Financial Reporting Standards (IFRSs) in conformity with the requirements of the Companies Act 2006. 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, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in UK adopted IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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.

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of disclosure to auditor

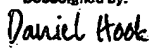
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

In their assessment of Going Concern the directors have given consideration to the impacts of economic uncertainties related to the war in Russia and Ukraine on the company's financial position, for which consideration has to be given to the company and its direct subsidiaries collectively referred to as the Digital Science group on the basis that the company controls the resources and cashflows of the subsidiaries, due to the operating structure of the entities in the group.

Due to the structure of the entity there is reliance on intercompany financing for the day to day operations via a central treasury function, the entity also has intercompany loan balances that are repayable on demand. As such the directors have obtained a letter of support from the ultimate parent company GvH Vermögensverwaltungsgesellschaft XXXIII mbH. Based on enquiries performed and review of parent company going concern forecasts the directors are confident that the ultimate parent can provide such support for the period to 30 September 2024. On this basis they continue to adopt the going concern basis of accounting in preparing the financial statements up to 30 September 2024.

On behalf of the board

DocuSigned by:

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D Hook

Director

28 September 2023

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

Opinion

We have audited the financial statements of Digital Science & Research Solutions Limited for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 29, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Accounting Standards.

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with UK adopted International Accounting Standards; 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the period to 30 September 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 there is 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

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 are those that relate to the reporting framework (UK adopted IFRS and the Companies Act 2006) and the relevant direct and indirect tax compliance regulations in the United Kingdom.
- In addition, the Company has to comply with laws and regulations relating to UK Anti-bribery act, Competition laws, The Money Laundering (Amendment) Regulations 2012 and Guidelines issued by GDPR.
- We understood how Digital Science & Research Solutions Limited is complying with those frameworks by making enquiries of management, internal legal counsel and those charged with governance. We corroborated our enquiries through our review of board minutes, inspection of the code of conduct and noted that there was no contradictory evidence.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and assessing revenue as a fraud risk, which could be perpetrated by early recognition of intercompany revenue before a product key has been provided to a customer. Customers are billed by a group company (Digital Science & Research Solutions Inc.) for services provided by Digital Science & Research Solutions Limited with revenue recorded in group company at time of billing. This will be then recharged as revenue to DSRSLS on a monthly basis. Due to this, there is a risk that the group company will recognise revenue in advance of providing access keys to customers, thereby inflating the amount of intercompany revenue recharged to DSRSLS. Our procedures to address this involved:
 - Understanding the revenue recognition process, policy and how it is applied;
 - We performed audit of revenue at a group level in order to gain assurance over the completeness and accuracy of revenue to be allocated. This included the testing of revenue cut-off at either side of the year by selecting a sample of revenue transactions (including credit notes) and testing whether revenue was recorded in the correct period through agreement to third party evidence validating the passing of control to the customer to confirm the period that the revenue relates to and;
 - Reperformed the calculation of revenue allocation using the details from the agreement;
 - We incorporated data analytics into our testing of manual journals, including segregation of duties, and into our testing of revenue recognition, investigating journals posted to revenue as part of our journal entry testing work, with focus on transactions recorded at or close to the year-end date.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiries of the management, internal legal counsel and those charged with governance. We also reviewed the board minutes to identify any non-compliance with laws and regulations and ensuring that dividend payments complied with the relevant accounting and legal requirements.

A further description of our responsibilities for the audit of the financial statements is located on 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.

Ernst & Young LLP

Ryan Squires (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Southampton

28 September 2023

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
Revenue	3	11,382,646	9,396,123
Other operating income		100,000	98,000
Administrative expenses		(21,219,676)	(16,584,649)
Operating loss	4	(9,737,030)	(7,090,526)
Loss on disposal of investments	13	-	(65,374)
Reversal of Impairment	13	-	1,145,218
Finance income	7	541,996	378,656
Finance costs	8	(1,873,692)	(1,019,163)
Loss before taxation		(11,068,726)	(6,651,189)
Income tax credit	9	324,290	1,084,434
Total comprehensive loss for the year		(10,744,436)	(5,566,755)

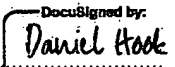
The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2022**

		2022	2021
	Note	£	£
Non-current assets			
Right-of-use assets	10	237,529	474,401
Property, Plant and Equipment	11	307,001	316,177
Investments	12,13	39,283,355	39,826,188
Intangibles	12	17,163,789	17,167,265
		<u>56,991,674</u>	<u>57,784,031</u>
Current assets			
Trade and other receivables	15	39,090,701	27,696,406
Cash and cash equivalents	24	1,175,362	702,561
		<u>40,266,063</u>	<u>28,398,967</u>
Total assets		<u>97,257,737</u>	<u>86,182,998</u>
Equity and liabilities			
Equity			
Called up share capital	21	66,351	66,351
Share premium account	22	57,571,558	57,571,558
Merger reserve	23	4,052,774	4,052,774
Accumulated losses		(35,970,549)	(25,226,113)
Total equity		<u>25,720,134</u>	<u>36,464,570</u>
Non-current liabilities			
Lease liabilities	18	-	226,928
Other payables	17	19,820,978	13,132,321
Total non-current liabilities		<u>19,820,978</u>	<u>13,359,249</u>
Current liabilities			
Trade and other payables	17	51,489,697	36,071,395
Lease liabilities	18	226,928	287,784
Total current liabilities		<u>51,716,625</u>	<u>36,359,179</u>
Total equity and liabilities		<u>97,257,737</u>	<u>86,182,998</u>

The financial statements were approved by the Board of directors and authorised for issue on 28 September 2023

Signed on its behalf by:

DocuSigned by:


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D Hook

Director

Company Registration No. 09984464

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Share capital £	Share premium account £	Merger Reserve £	Accumulated Losses £	Total £
Balance at 1 January 2021		50,066	57,587,843	4,052,774	(18,380,117)	43,310,566
Loss and total comprehensive loss for the year		-	-	-	(5,566,755)	(5,566,756)
Issue of share capital		16,285	(16,285)	-	-	-
Group reorganisation	12	-	-	-	(1,279,241)	(1,279,241)
Balance at 31 December 2021		66,351	57,571,558	4,052,774	(25,226,113)	36,464,570
Balance at 1 January 2022		66,351	57,571,558	4,052,774	(25,226,113)	36,464,570
31 December 2022:						
Loss and total comprehensive loss for the year		-	-	-	(10,744,436)	(10,744,436)
Issue of share capital		-	-	-	-	-
Balance at 31 December 2022		66,351	57,571,558	4,052,774	(35,970,549)	25,720,134

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022	2021
	Notes	£	£
Cash flows used in operating activities			
Cash used in operations	28	(4,794,556)	(1,998,277)
Interest paid		(11,228)	-
Net cash used in operating activities		<u>(4,805,784)</u>	<u>(1,998,277)</u>
Investing activities			
Purchase of property, plant and equipment		(162,355)	(178,399)
Purchase of intangibles		(102,124)	(6,000)
Investment in subsidiaries		(605,327)	(165,000)
Disposal of investments		1,148,160	-
Other investments		-	266,487
Net cash from/(used in) investing activities		278,354	(82,912)
Financing activities			
Payment of principal portion of lease liabilities		(287,784)	(279,893)
Drawdown on intercompany borrowing facilities		5,288,016	2,741,522
Net cash from financing activities		<u>5,000,232</u>	<u>2,461,629</u>
Net increase in cash and cash equivalents		472,802	380,440
Cash and cash equivalents at beginning of the year		702,560	322,121
Cash and cash equivalents at end of the year		<u>1,175,362</u>	<u>702,561</u>

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Digital Science & Research Solutions Limited is a limited liability company incorporated in England and Wales and domiciled in the United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with UK adopted International Financial Reporting Standards (IFRS) in conformity with the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Covid-19

The Covid-19 pandemic shows considerable signs of easing as many countries have lifted travel bans, ended lockdowns and eased quarantine measures. Many governments have announced curtailment of certain measures to provide financial and non-financial assistance to the affected entities. The principal risks identified from the pandemic were recoverability of assets through customer payments and reduction in revenues due to impacts on traditional physical sales channels. We worked closely with our customers during the year to ensure no significant customer payment issues arose, and revenue was not significantly impacted due to reasons mentioned above. The directors will continue to monitor the impacts. However, the Directors believe the Company is well positioned and do not expect significant impacts to arise.

1.2 Going concern

In their assessment of Going Concern the directors have given consideration to the impacts of economic uncertainties related to the war in Russia and Ukraine on the company's financial position, for which consideration has to be given to the company and its direct subsidiaries collectively referred to as the Digital Science group on the basis that the company controls the resources and cashflows of the subsidiaries, due to the operating structure of the entities in the group.

Due to the structure of the entity there is reliance on intercompany financing for the day to day operations via a central treasury function, the entity also has intercompany loan balances that are repayable on demand. As such the directors have obtained a letter of support from the ultimate parent company GvH Vermögensverwaltungsgesellschaft XXXIII mbH. Based on enquiries performed and review of parent company going concern forecasts the directors are confident that the ultimate parent can provide such support for the period to 30 September 2024. On this basis they continue to adopt the going concern basis of accounting in preparing the financial statements up to 30 September 2024.

1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Non-current investments

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.

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

1.5 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the Company uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the Company. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting end date.

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

Derecognition of financial assets

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

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

1.8 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 the cost of inventories or non-current 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.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the year.

1.11 New Standards adopted in the year

The company has adopted the following new and amended IFRS and IFRIC standards and interpretations during the year, mandatory as at 1 January 2022 unless otherwise stated. Adoption of these revised standards and interpretations did not have any material impact on the company's financial statements.

Amendments to IAS 16	Property, Plant and Equipment
Amendments to IAS 37	Onerous contracts
Amendments to IFRS 9	Financial Instruments
Amendments to IAS 41 Agriculture	Agriculture
Amendments to FRS 3	Reference to the Conceptual Framework

IASB have issued the following standards and interpretations with an effective date after the date of these financial statements:

Standard or interpretations	Title
Effective from 1 January 2023	
IFRS 17	Insurance contracts
IAS 8	Definition of Accounting Estimates
Amendments to IAS 1	Classification of liabilities as Current or Non-current
Amendments to IAS 1 & IFRS practice	Disclosure of Accounting Policies

The Directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the Company's financial statements in the year of initial application.

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Significant accounting judgements, assumptions and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Intercompany Loan

The Company has loan financing in place from its parent company Holtzbrinck Investment Limited. These loans have been in place since 2015, are repayable on demand, but roll over annually on 29 December each year. The directors have an expectation at the yearend that the loan will be rolled over for another 12 months in line with past practices and as such present the outstanding balance as a non-current liability. A parent company support letter is obtained each year confirming continued support for the entity for a period of at least 12 months from the date of signing of the financial statements, which further supports the treatment of this balance as long-term in nature.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use. We have elected to apply value in use as the recoverable amount as there is no active market to determine the fair value of investments and goodwill. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets being tested. The recoverable amount is sensitive to the expected future cash-inflows with the most sensitive assumptions being revenue compound annual growth rate (CAGR), gross margin and the terminal growth rate used to calculate terminal value. The key assumptions used to determine the recoverable amount, including sensitivity analysis are disclosed and further explained in Note 12.

3 Revenue

Turnover attributable to geographical markets outside the United Kingdom amounted to £11,382,646 (2021: £9,225,332)

Analysis of revenue:	2022	2021
	£'000	£'000
Rendering of services	11,382,646	9,396,123

4 Operating loss

	2022	2021
	£	£
Operating loss for the year is stated after charging:		
Exchange losses	350,859	238,988
Fees payable to the company's auditor for the audit of the company's	122,665	59,920

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****5 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
The average number of monthly employees	116	95
	<u>116</u>	<u>95</u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	14,360,202	9,364,526
Social security costs	1,796,715	984,693
Pension costs	679,614	468,994
	<u>16,836,531</u>	<u>10,818,213</u>

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****6 Directors' remuneration**

	2022	2021
	£'000	£'000
Remuneration for qualifying services	587,500	546,000
Phantom share option plan expense	698,441	1,800,981
Company contribution to defined contribution pension scheme	14,725	16,225

Directors accruing benefits under

	2022	2021
	Number	Number
Defined benefit pension schemes	-	-
Defined Contribution pension schemes	4	2
Phantom share option plan	2	3

Highest paid director

	2022	2021
	£'000	£'000
Emoluments and other benefits	307,500	1,253,808
Company contribution to defined contribution pension scheme	4,000	5,500

This individual had accrued pension at the year-end relating to the defined benefit scheme of £nil (2021: £nil).

Phantom share option plan was adopted during 2020. The plan gives a participant the right to receive a bonus based on certain contracted calculations, depending on the manner in which the option will be exercised, subject to the satisfaction of certain conditions and continued employment. Under this plan, phantom options in respect of a total of 944 (2021: 1,237) notional shares in the Company were granted to two (2021: three) Directors of the Company. The expense of £698,441 (2021: £1,800,981) was recognised in the current year, which represents the portion of the total bonus receivable by Directors, attributable to 2022, calculated based on the most likely method of exercise, expected exercise date and expected future value of the bonus at that time, discounted to year end date. The total expected payment will be recognised over the service period until exercise date.

7 Investment income

	2022	2021
	£	£
Interest income		
Other interest income	541,996	378,656

8 Finance costs

	2022	2021
	£	£
Other interest payable	1,873,692	1,019,163

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

9 Income tax credit	2022	2021
	£'000	£'000
Tax credit on the income statement		
Current income tax:		
Current income tax	(969,967)	(1,163,756)
Adjustments in respect of current income tax of previous years	645,677	79,322
	<u>(324,290)</u>	<u>(1,084,434)</u>
Total current income tax		
Deferred income tax:		
Relating to origination and reversal of temporary differences	-	-
Relating to change in tax rates	-	-
	<u>-</u>	<u>-</u>
Total deferred income tax		
Income tax credit reported in income statement	<u>(324,290)</u>	<u>(1,084,434)</u>

Reconciliation of the total tax credit

The credit for the year can be reconciled to the loss per the income statement as follows:

	2022	2021
	£	£
Loss before taxation	<u>(11,068,726)</u>	<u>(6,651,190)</u>
Expected tax credit based on a corporation tax rate of 19% (19%)	(2,103,058)	(1,263,726)
Income not subject to corporation tax	(226,450)	(313,743)
Expenses not deductible in determining taxable profit	349,811	526,450
Unutilised tax losses carried forward	2,301,084	45,907
Adjustments in respect of prior years	(645,677)	(79,322)
	<u>(324,290)</u>	<u>(1,084,434)</u>
Tax credit for the year		

Further information on the effect of taxes in future years can be seen in Note 18.

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

10 Right-of-use assets	Land and buildings £
Cost	
At 1 January 2022	1,184,356
Additions	-
	<hr/>
At 31 December 2022	1,184,356
	<hr/>
Accumulated depreciation and impairment	
At 1 January 2022	709,955
Charge for the year	236,872
	<hr/>
At 31 December 2022	946,827
	<hr/>
Carrying amount	
At 31 December 2021	474,401
At 31 December 2022	237,529
	<hr/> <hr/>
 11 Property, plant and equipment	 Office Equipment £
Cost	
At 1 January 2022	538,651
Additions	162,355
Disposals	-
	<hr/>
At 31 December 2022	701,006
	<hr/>
Accumulated depreciation and impairment	
At 1 January 2022	222,474
Charge for the year	171,531
	<hr/>
At 31 December 2022	394,005
	<hr/>
Carrying amount	
At 31 December 2021	316,177
At 31 December 2022	307,001
	<hr/> <hr/>

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****12 Intangibles**

	Intangibles
	£
Cost	
At 1 January 2022	311,800
Additions	102,204
	<u>414,004</u>
At 31 December 2022	414,004
Accumulated amortisation	
At 1 January 2022	229,275
Charge for the year	105,601
	<u>334,876</u>
At 31 December 2022	334,876
Carrying amount	
At 31 December 2021	82,605
At 31 December 2022	<u>79,128</u>

	2022	2021
	£	£
Goodwill	<u>17,084,661</u>	<u>17,084,661</u>

In 2017 the Company acquired the trade and assets of Symplectic Limited and Altmetric LLP. The Company has recognised a goodwill of £14,261,658, as result of this acquisition.

In 2021 as part of a group reorganisation, the trade and assets of subsidiary CC Technology Limited were transferred into the company. Consideration for this was £859,674, representing the Net assets acquired. The related investment has been impaired down to the carrying value of CC Technology Limited being £636,347. This has been replaced by the Goodwill of £2,823,002 (representing the goodwill created at group level on the original acquisition) with the balance of £1,279,241 being recorded within equity.

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****12 Intangibles (continued)**

The Company assesses goodwill for impairment on an annual basis. The Company also assesses all significant investments in subsidiaries for indicators of impairment on an annual basis and performs and impairment testing by calculating recoverable amount, if required. In the current year, a discounted cashflow forecast was prepared for the investment and goodwill impairment assessment and it was concluded that the investment and goodwill were not impaired. The recoverable amount exceeded the carrying amounts for all assets tested. The following changes in key assumptions, each calculated with the other assumptions held constant, would lead to a situation where the value in use would equate to the carrying amount:

Investee	Assumptions	Management assumption	Breakeven assumption
Symplectic Limited and CC Technology Limited	Terminal growth rate	2.0%	1.95%
	Gross margin	62.5%	62.0%
	Revenue CAGR	14.0%	14.0%
Figshare LLP	Revenue CAGR	24.9%	16.4%
Altmetric LLP and Altmetric 2015	Revenue CAGR	18.8%	7.2%
DS Digital Science GmbH GmbH	Revenue CAGR	36.5%	24.1%

13 Investments

	2022	2021
	£	£
Investments in subsidiaries	38,573,192	37,967,865
Investments in associates	688,000	688,000
Loans as investments	22,163	1,170,323
	<u> </u>	<u> </u>

During the year an agreement was entered into by the minority investment in Gigantum Inc. to sell the majority of its assets and IP, in 2020 this investment was fully impaired, therefore a reversal of this impairment was recognised in the profit and loss account in 2021. An amount of £1,116,160 was received in relation to this transaction.

During the year additional share capital was subscribed for in DS Digital Science GmbH for a consideration of £440,328.

Since 2016, there is a balance of £165,000 recognised annually as 15% interest, based on £1.1m contribution of DSRSL to Figshare LLP. This balance is added to the cost of investment of Figshare.

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****14 Subsidiaries**

Details of the company's principal subsidiaries at 31 December 2022 are as follows:

	Country of incorporation (or residence)	Proportion of ownership	Proportion of voting power held (%)	Nature of business
Symplectic Limited	England and Wales	100.00%	100.00%	Software services
Figshare LLP	England and Wales	100.00%	50.00%	Software services
Digital Science & Research Solutions	USA	100.00%	100.00%	Software services
DS Digital Science GmbH GmbH	Germany	100.00%	100.00%	Software services
Altmetric:2015 Limited	England and Wales	100.00%	100.00%	Software services
Altmetric LLP*	England and Wales	100.00%	100.00%	Software services
Digital Science & Research SRL	Romania	100.00%	85.00%	Software development
Digital Science UK Limited	England and Wales	100.00%	-	Software services
Digital Science & Research Pty Limited	Australia	100.00%	-	Software services
CC Technology Limited	Scotland	100.00%	-	Software development
Digital Science & Research ooo	Russia	100.00%	-	Software services

*Shares held by subsidiary undertakings

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****14 Subsidiaries (continued)**

Investments in the following companies are stated as follows:

	Intercompany holdings (%)	Cost	Impairment	Net
Figshare LLP	100.00%	4,338,939	-	4,338,939
Altmetric 2015 Limited	100.00%	2,782,135	-	2,782,135
Digital Science & Research Solutions Inc	100.00%	4,462,300	-	4,462,300
DS Digital Science GmbH	100.00%	11,500,540	-	11,500,540
UberResearch Inc	100.00%	638,794	-	638,794
Digital Science & Research SRL	85.00%	38,858	-	38,858
Digital Science UK Limited	68.63%	14,031,742	-	14,031,742
Digital Science & Research PTY Limited	100.00%	91,000	-	91,000
CC Technology Limited	100.00%	636,347	-	636,347
Digital Science & Research ooo	100.00%	52,537	-	52,537
Total		38,573,192	-	38,573,192

The investments in subsidiaries are all stated at cost. The investments were tested for impairment during the period and the cost was considered equal to the recoverable value of these investments.

15 Trade and other receivables

	2022 £	2021 £
Trade receivables	6,981	37,781
Other receivables	246,817	288,566
Amounts due from subsidiary undertakings	38,296,271	27,216,164
Amounts due from fellow group undertakings	498	498
Prepayments	540,134	153,397
	<u>39,090,701</u>	<u>27,696,406</u>

Included within amounts due from subsidiary undertakings are loans repayable from the subsidiary undertakings with an aggregate value of £29,285,653 (2021: £19,859,593). These loans are interest bearing and repayable on demand. The interest rates are as follows: 2.43% for UK loans, 2.48% for US loans and 2.35% for EU loans. Other receivables from related parties amounting to £9,011,115 (2021: £7,357,069) are not interest bearing and repayable on demand.

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****16 Trade receivables - credit risk****Fair value of trade receivables**

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

17 Trade and other payables

	2022	2021
Current	£	£
Trade payables	644,686	241,995
Amounts due to parent company	3,788,530	3,788,530
Amounts due to subsidiary undertakings	40,352,883	26,599,359
Amounts due to fellow group undertakings	2,780,276	1,690,676
Accruals and deferred revenue	2,560,645	2,904,636
Social security and other taxation	6,505	14,683
Other payables	1,356,172	831,516
	<u>51,489,697</u>	<u>36,071,395</u>

Included within amounts due to related parties are loans payable to subsidiary undertakings with an aggregate value of £35,534,054 (2021: £22,814,805). These loans are interest bearing and repayable on demand. The interest rates are as follows: 2.43% for UK loans, 2.48% for US loans and 2.35% for EU loans. Other amounts due to related parties amounting to £11,387,635 (2021: £9,501,019), are not interest bearing and repayable on demand.

	2022	2021
Non-current	£	£
Amounts due to parent company	15,785,741	9,483,943
Amounts payable under long term incentive plans	4,035,237	3,648,378
	<u>19,820,978</u>	<u>13,132,321</u>

Included within amounts due to parent company are loans payable to a parent company with an aggregate value of £15,785,741 (2021: £9,483,943). These loans are interest bearing and repayable on 29 December 2023 and 30 December 2024. The interest rates range from 7.5% to 10%.

Amounts payable under long term incentive plans includes, £3,648,425 (2021: £3,394,378) relating to share option liabilities. The remaining £386,812 relates to other long term incentive plan.

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

18 Lease liabilities

	2022 £	2021 £
Current	226,927	287,784
Non-current	1	226,928
	<u>226,928</u>	<u>514,712</u>

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities at 31 December 2022 is as follows:

	2022 £'000	2021 £'000
Minimum Lease Payments:		
Within one year	230,073	299,012
After one year but not more than five years	-	230,073
More than five years	-	-
	<u>230,073</u>	<u>529,085</u>
Finance charges:		
Within one year	3,145	11,228
After one year but not more than five years	-	3,145
More than five years	-	-
	<u>3,145</u>	<u>14,373</u>
Present Value of payments:		
Within one year	226,928	287,784
After one year but not more than five years	-	226,928
More than five years	-	-
	<u>226,928</u>	<u>514,712</u>

The Company has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****19 Deferred taxation**

There is no deferred tax asset or liability recognised in the accounts of the company. Deferred tax balances are calculated at the latest enacted rate of 25%. There is an un-recognised deferred tax asset in the company which is compromised as follows

	2022 £	2021 £
Tax losses	(7,984,529)	(3,155,867)
	<u>(7,984,529)</u>	<u>(3,155,867)</u>

This deferred tax asset is not recognized due to the losses incurred by the company in the current year, and the uncertainty as to exactly when the carried forward deferred tax assets will be available for use against future taxable profits.

Factors affecting future tax charges

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. These changes were substantively enacted at the balance sheet date. It is not anticipated that these changes will have a material impact on the company's/group's deferred tax balances.

The effect on the Company of these further proposed changes of the UK tax system will be reflected in the Company's financial statements in future years, as appropriate, once the proposals have been substantively enacted.

20 Retirement benefit schemes**Defined contribution schemes**

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The total costs charged to income in respect of defined contribution plans is £679,614, (2021: £466,994).

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

21 Share capital	2022	2021
	£	£
Ordinary share capital		
<i>Issued and fully paid</i>		
66,351 Ordinary shares of £1 each	66,351	66,351
	<u>66,351</u>	<u>66,351</u>
22 Share premium account		£
At 1 January 2022		57,571,558
Issue of new shares		-
At 31 December 2022		<u>57,571,558</u>
23 Merger reserve		£
At 1 January 2021		4,052,774
Issue of new shares		-
At 31 December 2021		4,052,774
At 1 January 2022		4,052,774
Issue of new shares		-
At 31 December 2022		<u>4,052,774</u>

In previous years, 657 additional shares were issued as part of the consideration for acquiring the remaining share capital in Figshare LLP with a total value of £2,016,306 and 664 additional shares were issued as part of the consideration for acquiring the remaining share capital in Digital Science UK Limited with a total value of £2,037,789. An amount of £2,015,649 and £2,037,125 were recognised in a merger reserve in relation to these transactions.

24 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include cash on hand and in banks. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2022	2021
	£	£
Cash and bank balances	<u>1,175,362</u>	<u>702,561</u>

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

25 Capital risk management

The Company's principal financial instruments comprise related party borrowings, cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Company's operations.

It is, and has been throughout the year under review, the Company's policy that no trading in financial instruments shall be undertaken.

The main risk arising from the company's financial instruments are foreign currency risk, credit risk, interest rate risk and liquidity risk. The board reviews and agrees policies for managing each of these risk and they are summarised below.

Foreign currency risk

The company is exposed to foreign exchange risk in a number of currencies, principally the US Dollar and the Euro.

The company operates with in foreign management policies agreed with the company's ultimate holding company.

Credit risk

Credit risk is the risk that a counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities and from its financing activities, foreign exchange transaction and other financial instruments.

Trade receivables

Customer credit risk is managed subject to the company's established policy, procedures and control relating to customers' credit risk management. Formal credit limits are in place for all major customers. It is not the company's policy to enter into credit insurance arrangements due mainly to restriction on countries covered and the cost of arranging insurance cover. However, the company's historic bad debt experience has been low.

Interest rate risk

The Company's exposure to market risk for changes in interest rates relates primarily to the Company's long-term debt obligations. All of the Company's long term debt obligations are funded through the company's ultimate holding company. Banking facilities at the level of the company are arranged mainly by means of uncommitted credit facilities in order to manage the Company's working capital funding requirements. Management of the interest rate exposure on long-term debt obligation is undertaken at the level of the Company's ultimate holding company.

The sensitivity to a reasonable possible change in interest rates, with all other variables, held constant of the company's profit before tax (through the impact of floating rate borrowings) has been tested, but as the effect was immaterial this has not been disclosed.

Liquidity risk

Long-term Company's financial facilities are arranged at the level of the company's ultimate holding company. The company arranges adequate short and medium-term liquidity through its immediate and ultimate holding companies to fund forecast working capital requirements.

The Company's financial liabilities as at 31 December 2022, detailed in note 16, are expected to be settled within 1 year.

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**SCHEDULE OF ADMINISTRATIVE EXPENSES****FOR THE YEAR ENDED 31 DECEMBER 2022****26 Related party transactions**

At the year end, the company had the following balances with related parties:

	Loans receivable		Trade receivables	
	2022	2021	2022	2021
	£	£	£	£
Altmetric 2015 Limited	4,831,440	4,677,531	-	-
Digital Science & Research Solutions Inc	16,020,500	12,533,547	3,929,692	3,450,471
Digital Science & Research SRL	221,769	209,636	39,892	14,066
DS Digital Science GmbH	6,267,036	1,415,114	312,001	294,931
Holtzbrinck Science & Technology Limited	-	-	152,489	152,489
Digital Science UK Limited	1,109,921	454,298	140,468	156,366
Biodata Inc	-	-	498	498
Figshare LLP	834,987	569,467	4,436,075	3,288,248
CC Technology Limited	-	-	-	-
	<u>29,285,653</u>	<u>19,859,593</u>	<u>9,011,115</u>	<u>7,357,069</u>

	Loans payable		Trade payables	
	2022	2021	2022	2021
	£	£	£	£
Digital Science & Research Solutions Inc	1,177,393	1,055,767	6,874,130	5,068,724
Digital Science & Research SRL	-	-	468,035	44,680
Holtzbrinck Science & Technology Limited	3,788,530	3,788,530	846	846
CC Technology Limited	628,211	720,634	-	-
Macmillan Publishers international Limited	2,762,564	1,612,907	38,039	71,841
Altmetric LLP	6,204,826	6,024,565	-	-
Georg von Holtzbrinck GmbH & Co. KG	-	-	24,953	55,709
DS Digital Science GmbH	-	-	98,755	234,763
Digital Science & Research Pty Limited	-	-	537,381	363,477
Digital Science UK Limited	14,993,183	7,560,892	-	-
Holtzbrinck Investment Limited	15,735,961	9,483,942	-	-
	<u>45,290,668</u>	<u>30,247,237</u>	<u>8,042,139</u>	<u>5,840,040</u>

The Company had the following transactions with related parties:

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED**SCHEDULE OF ADMINISTRATIVE EXPENSES****FOR THE YEAR ENDED 31 DECEMBER 2022****26 Related party transactions (continued)**

The Company had the following transactions with related parties:

	Revenue		Other income		Interest income	
	2022	2021	2022	2021	2022	2021
Digital Science and Research Solutions Inc	11,164,437	9,155,609	3,150,385	2,605,490	80,222	50,053
Digital Science UK Limited	-	-	2,383,308	162,052	-	-
Figshare LLP	-	-	956,522	948,766	196,264	180,135
CC Technology Limited	-	-	-	5,225	-	-
Georg Von Holtzbrinck GmbH & Co KG	-	-	-	-	58,449	33,251
Digital Science & Research SRL	-	-	-	-	5,302	5,199
Altmetric 2015 Ltd	-	-	-	-	140,401	99,494
	<u>11,164,437</u>	<u>9,155,609</u>	<u>6,490,215</u>	<u>3,721,533</u>	<u>480,638</u>	<u>368,132</u>

	Other expenses		Interest expense	
	2022	2021	2022	2021
Digital Science and Research Solutions Inc.	1,230,037	1,098,849	279,575	99,940
Digital Science UK Limited	-	-	428,866	119,757
CC Technology Limited	-	306,938	-	30,762
Georg Von Holtzbrinck GmbH & Co KG	258,033	118,992	-	-
Macmillan Publishers International Ltd	833,519	740,551	-	-
Digital Science & Research SRL	564,224	410,589	-	-
Digital Science & Research PTY Ltd.	481,324	330,003	-	-
DS Digital Science GmbH	201,445	209,808	-	-
Altmetric LLP	-	-	190,020	134,655
Holtzbrinck Investment Limited	-	-	964,004	614,930
	<u>3,568,582</u>	<u>3,215,730</u>	<u>1,862,465</u>	<u>1,000,044</u>

DIGITAL SCIENCE & RESEARCH SOLUTIONS LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2022

27 Controlling party

The company's immediate parent undertaking is Digital Science & Research Limited which holds 75% of the issued share capital of the company. The Address of their registered office is The Campus, 4 Crinan Street, London, United Kingdom, N1 9XW.

The company's ultimate parent undertaking and controlling party is Georg von Holtzbrinck GmbH & Co KG, a German partnership.

Georg Von Holtzbrinck GmbH & Co KG is the parent undertaking of the largest group of undertaking of which the company is a subsidiary undertaking for which group financial statements are prepared.

28 Cash used in operations

	2022	2021
	£	£
Loss for the year	(10,744,436)	(5,566,755)
Adjustments for:		
Finance income	(541,996)	(378,656)
Finance costs	1,873,692	1,019,163
Depreciation	171,531	87,176
Depreciation on right-of-use assets	236,871	236,871
Amortisation of intangibles	105,601	98,598
Reversal of impairment	-	(1,145,218)
Movements in working capital:		
Increase in trade and other receivables	(10,852,298)	(8,893,535)
Increase/(Decrease) in trade and other payables	14,956,480	(12,544,079)
Cash used in operations	(4,794,556)	(1,998,277)

29 Post balance sheet events

There were no material or significant events which occurred subsequent to the year end.