

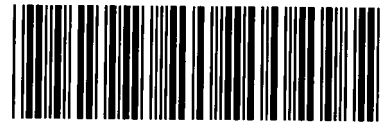
Registered number: 06999618

DUEDIL LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

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DUEDIL LIMITED

COMPANY INFORMATION

Directors	Justin William Fitzpatrick Patricia Kemp Alan Millard Christopher Edward Tottman Scanes Charles Bentley (resigned 8 August 2018) Eileen Burbidge (resigned 8 August 2018) Peter Damian Kimmelman (resigned 8 August 2018) Richard Matthews (appointed 8 May 2019)
Registered number	06999618
Registered office	10 Queen Street Place London EC4R 1AG
Independent auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

DUEDIL LIMITED

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DUEDIL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Market overview

DueDil exists to inform and connect the economy by telling the story behind every business.

Our clients use DueDil to accelerate their adoption of digital technology into all areas of their business, fundamentally changing how they operate and deliver value to their own customers. DueDil's purpose-built technology stack creates proprietary data and insights on tens of millions of companies, which is deeply embedded into our clients' core workflows. Our clients use our solutions to size their addressable market, compliantly onboard customers and risk rate counterparties at speed.

By balancing breadth and depth of insights and easy integration we help our clients replace business operations that have traditionally been manually driven and paper-based. Nowhere is this more apparent than with our clients who serve SMEs, the segment of the market most in need of richer sources of insight.

Greater regulation and sophistication in the use of technology to drive business growth, and in particular increasing rates of API (Application Programming Interface) adoption across many industries, are driving growing demand for DueDil's products, notably from businesses in the Financial Services sector.

2018 results

2018 was about recruiting a top leadership team, refining our growth strategy and completing our Series C equity financing round.

Trading

The leadership team was supplemented by top tier talent across all areas of the business.

Operating turnover (excluding grant income) increased by 40% to £4.0M, compared to £2.8M in 2017, continuing the trend of increasing year-on-year growth since the Company's formation.

Underlying gross margin (excluding the impact of grant income) increased to 69%, compared to 61% in 2017.

The operating loss for the year was consistent with Directors' expectations and reflects the Board's intention to continue investment into new products and solutions that complement DueDil's core web interface and API offering.

Financing

During 2018 the company completed a Series C equity financing, raising a total of £7.7M in new funding, and welcoming Augmentum Fintech plc, one of Europe's leading fintech venture capital investors, as a new investor alongside participation from existing investors.

As part of the new equity financing, £2.7M of convertible loans outstanding at the end of 2017 were converted into equity. During the year the Company also re-financed £1.8M of bank loans which were outstanding at the end of 2017.

DUEDIL LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

Post balance sheet

As well as continuing to improve the efficiency in the way we serve our core market, 2019 will see us complete major initiatives that provide us with a platform for international scale in 2020 and beyond:

- Market-leading insights on more than 50M European companies
- Bolder market positioning and updated messaging
- Increased focus on developing our API, particularly for clients in the Financial Services and Technology sectors
- Commercialising our matching technology to more deeply integrate with all our clients, not just those taking the API

Existing investors committed a further £2M via a Convertible Loan note to accelerate the progress of these initiatives. The CLN completed during the summer of 2019.

The first six months of trading in 2019 has continued the trajectory we saw in 2018 and the Directors remain enthusiastic about the company's future prospects.

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

The directors who served during the year were:

Justin William Fitzpatrick
Patricia Kemp
Alan Millard
Christopher Edward Tottman
Scanes Charles Bentley (resigned 8 August 2018)
Eileen Burbidge (resigned 8 August 2018)
Peter Damian Kimmelman (resigned 8 August 2018)

DUEDIL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Auditors

The auditors, Haysmacintyre LLP, 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 **21 AUGUST 2019** and signed on its behalf.



Justin William Fitzpatrick
Director

DUEDIL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DUEDIL LIMITED

Opinion

We have audited the financial statements of Duedil Limited (the 'Company') for the year ended 31 December 2018, which comprise the Statement of Comprehensive Income, the Statement of Financial Position 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 2018 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 Auditors' 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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the

DUEDIL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DUEDIL LIMITED (CONTINUED)

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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 2, 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.

DUEDIL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DUEDIL LIMITED (CONTINUED)

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

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



David Cox (Senior Statutory Auditor)

for and on behalf of
Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 27 August 2019

DUEDIL LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 £	2017 £
Turnover	4,497,484	4,101,689
Cost of sales	(955,870)	(806,367)
Gross profit	<u>3,541,614</u>	<u>3,295,322</u>
Administrative expenses	(8,874,951)	(8,608,930)
Operating loss	<u>(5,333,337)</u>	<u>(5,313,608)</u>
Interest payable and expenses	(414,315)	(258,398)
Loss before tax	<u>(5,747,652)</u>	<u>(5,572,006)</u>
Tax on loss	199,656	344,676
Loss for the financial year	<u><u>(5,547,996)</u></u>	<u><u>(5,227,330)</u></u>

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 9 to 13 form part of these financial statements.

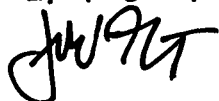
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	148,723	130,657
		<u>148,723</u>	<u>130,657</u>
Current assets			
Debtors: amounts falling due within one year	6	2,068,766	1,662,782
Cash at bank and in hand		3,726,217	930,460
		<u>5,794,983</u>	<u>2,593,242</u>
Creditors: amounts falling due within one year	7	(3,544,577)	(8,014,306)
Net current assets/(liabilities)		<u>2,250,406</u>	<u>(5,421,064)</u>
Total assets less current liabilities		<u>2,399,129</u>	<u>(5,290,407)</u>
Creditors: amounts falling due after more than one year		(3,108,000)	-
Net liabilities		<u>(708,871)</u>	<u>(5,290,407)</u>
Capital and reserves			
Called up share capital		6,524	360
Share premium account		28,794,756	18,731,390
Profit and loss account		(29,510,151)	(24,022,157)
		<u>(708,871)</u>	<u>(5,290,407)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

21 AUGUST 2019



Justin William Fitzpatrick
 Director

The notes on pages 9 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. General information

Duedil Limited is a private limited company, limited by shares and registered in England and Wales. Its principal place of business is 25 Christopher Street, London, EC2A 2BS.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

Based on forecasts produced by management, and the fundraising completed in August 2018, as well as the new convertible loan notes issued in July 2019, the directors have a reasonable expectation that the company will have adequate resources to continue operating for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

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.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.6 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Statement of Comprehensive Income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Statement of Financial Position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to Statement of Comprehensive Income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Statement of Comprehensive Income is charged with fair value of goods and services received.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.8 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Short-term leasehold property	- Over the leasehold term
Fixtures and fittings	- 20% straight line
Office equipment	- 25% straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

3. Turnover

An analysis of turnover by class of business is as follows:

	2018 £	2017 £
Operating income	3,980,067	2,842,750
Grant income	517,417	1,258,939
	<u>4,497,484</u>	<u>4,101,689</u>

All turnover arose within the United Kingdom.

4. Employees

The average monthly number of employees, including directors, during the year was 70 (2017: 74).

DUEDIL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Tangible fixed assets

	Short-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 January 2018	263,487	2,084	137,229	229,085	631,885
Additions	60,000	9,867	-	5,599	75,466
At 31 December 2018	<u>323,487</u>	<u>11,951</u>	<u>137,229</u>	<u>234,684</u>	<u>707,351</u>
Depreciation					
At 1 January 2018	263,487	2,084	86,171	149,486	501,228
Charge for the year on owned assets	5,833	561	26,844	24,162	57,400
At 31 December 2018	<u>269,320</u>	<u>2,645</u>	<u>113,015</u>	<u>173,648</u>	<u>558,628</u>
Net book value					
At 31 December 2018	<u>54,167</u>	<u>9,306</u>	<u>24,214</u>	<u>61,036</u>	<u>148,723</u>
At 31 December 2017	<u>-</u>	<u>-</u>	<u>51,058</u>	<u>79,599</u>	<u>130,657</u>

6. Debtors

	2018 £	2017 £
Trade debtors	1,147,860	757,903
Other debtors	416,538	571,955
Prepayments and accrued income	504,368	332,924
	<u>2,068,766</u>	<u>1,662,782</u>

DUEDIL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans	329,000	1,750,301
Other loans	-	2,653,463
Trade creditors	573,808	837,802
Other taxation and social security	127,781	283,220
Other creditors	22,383	11,321
Accruals and deferred income	2,491,605	2,478,199
	<u>3,544,577</u>	<u>8,014,306</u>

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

	2018 £	2017 £
Bank loans	3,108,000	-
	<u>3,108,000</u>	<u>-</u>

The bank loan was acquired in December 2018 with Shawbrook Bank and is repayable over 36 months with an interest rate of 9.25%. The loan is secured on the business's assets.

9. Guarantees and other financial commitments

The company had total guarantees and commitments at the year end of £803,723 of which £535,815 is due within 1 year and the remaining due within 2 to 5 years.