

REGISTERED NUMBER: 03237682 (England and Wales)

Group Strategic Report,
Report of the Directors and
Consolidated Financial Statements
for the Year Ended 31 August 2022
for
MINESOFT LIMITED



MINESOFT LIMITED (REGISTERED NUMBER: 03237682)

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for the year ended 31 August 2022

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MINESOFT LIMITED

Company Information
for the year ended 31 August 2022

Directors: K V Jaeger
M P Slaine

Registered office: Shearwater House
The Green
Richmond
Surrey
TW9 1PX

Registered number: 03237682 (England and Wales)

Auditors: Haines Watts
Chartered Accountants
Statutory Auditor
Aissela
46 High Street
Esher
Surrey
KT10 9QY

Group Strategic Report
for the year ended 31 August 2022

The directors present their strategic report of the company and the group for the year ended 31 August 2022.

Review of business

During the year the Minesoft group, consisting of Minesoft Limited and its' two subsidiaries Minesoft GmbH and Minesoft LLC, went through a sale process on 16 February 2022. The group was acquired by a newly incorporated company, the owners for which consist of a group of private and corporate investors, US based Limited Partnerships and the previous ultimate beneficial owners.

The new ultimate beneficial owners of the group consist of limited partners invested in funds managed by Warburg Pincus LLC, and the previous majority shareholders.

Following its sale, the Minesoft group received growth investment from MLM 2, an information services and software platform, and Warburg Pincus LLC, a leading global growth investor. This growth investment is expected to accelerate the development of new products and enhance existing products with analytics, artificial intelligence, and machine learning.

The group finished the year with turnover increasing from £16.553m to £17.418m (growth of 5.2%). Business was won globally with particular focus on key markets of Europe, USA and South America. Retention of customers remained strong which drove resilient performance in an economy still recovering from Covid-19. Whilst it was not possible to visit all clients on site and a significant proportion of business was still required to be conducted virtually, more conferences and face to face meetings were possible than in the previous year.

The group continued to trade in the principal activity developing patent information software and solutions and related products, including databases and other services.

Principal risks and uncertainties

Rising inflation is becoming apparent across all global economies and, as financial pressures increase on both individuals and corporate vehicles, it is anticipated that many countries will enter a period of recession. This will likely prove a relevant factor in retaining existing customers, the negotiation of contract renewals and new business leads. Despite this, and following a review of existing customer contract renewal rates and the volume at which new business leads are being generated, management is confident that growth will continue.

The group continued to invest in the two subsidiaries overseas (in the USA and Germany) through staff and further product training as well as continuing to create more US-centric products that can be adapted for other growing international markets.

Development and performance

Minesoft experienced growth overall, in the UK, internationally and in the Eurozone. The main markets for Minesoft continue to be in advanced manufacturing nations with new business also won in Argentina, Colombia and Mexico, adding to the growing South American client base.

The group continues to develop and perform well in its core business with its own product range, developed and designed in-house at Minesoft.

Group Strategic Report
for the year ended 31 August 2022

Financial key performance indicators

The lasting impacts of Covid remained evident this year albeit management has seen that where most markets are now recovering, and where recession indicators have not yet significantly affected global economies, the group has achieved growth with its turnover increasing. The latest financial year shows an overall increase of 5.2% in turnover and a 13% increase in gross profit. The overall number of staff and distributors working in sales remains high and investment continues to be made to lay the foundation for increased sales.

The group overall realised net losses for the year as a result of one-off costs incurred in relation to the sale transaction. Adjusting for costs incurred as a result of the acquisition, the profit before tax for the group would have been £4,341,399. Excluding these one off costs the group remains profitable. The overall costs of the group have been well managed given rising costs and inflation.

On behalf of the board:

Karl V. Jaeger

Karl V Jaeger (Jan 27, 2023 16:24 ES1)

K V Jaeger - Director

Date: Jan 27, 2023

Report of the Directors
for the year ended 31 August 2022

The directors present their report with the financial statements of the company and the group for the year ended 31 August 2022.

Principal activity

The principal activity of the group in the year under review was that of software development, distribution and consultancy.

Dividends

There were no dividends declared during the year (2021: £1,592,500)

A breakdown of the dividends declared during the year are as follows:

Interim dividends totalling nil (2021: £1,000,000, £7,500, £525,000 and £60,000) were declared and paid in the year in respect of the Ordinary A shares, Ordinary B shares, Ordinary C and Ordinary D shares respectively.

Directors

The directors who have held office during the period from 1 September 2021 to the date of this report are as follows:

A F Chapman-Daniel - resigned 16 February 2022

O Daniel - resigned 16 February 2022

R A Hyatt - resigned 16 February 2022

K V Jaeger - appointed 16 February 2022

M P Slaine - appointed 16 February 2022

Statement of directors' responsibilities

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

MINESOFT LIMITED (REGISTERED NUMBER: 03237682)

Report of the Directors
for the year ended 31 August 2022

Auditors

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

Karl V. Jaeger

Karl V Jaeger (Jan 27, 2023 16:24 EST)

.....
K V Jaeger - Director

Date: Jan 27, 2023
.....

Report of the Independent Auditors to the Members of
Minesoft Limited

Opinion

We have audited the financial statements of Minesoft Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 August 2022 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 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.

Report of the Independent Auditors to the Members of
Minesoft 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Report of the Independent Auditors to the Members of
Minesoft Limited

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 a Report of the Auditors 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:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We discussed with the Directors the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance.

During the audit we focussed on laws and regulations which could reasonably be expected to give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation.

Our procedures in relation to fraud included but were not limited to: inquires of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Report of the Auditors.

Report of the Independent Auditors to the Members of
Minesoft Limited

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 a Report of the Auditors 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.

Haines Watts

Haines Watts (Jan 30, 2023 08:15 GMT)

Paul Hodgett BA (Hons) FCA (Senior Statutory Auditor)

for and on behalf of Haines Watts

Chartered Accountants

Statutory Auditor

Aissela

46 High Street

Esher

Surrey

KT10 9QY

Date: Jan 30, 2023

MINESOFT LIMITED (REGISTERED NUMBER: 03237682)

Consolidated
Statement of Comprehensive
Income
for the year ended 31 August 2022

	Notes	2022 £	2021 £
Turnover	3	17,417,925	16,552,657
Cost of sales		7,494,379	7,755,874
Gross profit		9,923,546	8,796,783
Administrative expenses		12,846,558	5,610,143
Operating (loss)/profit	6	(2,923,012)	3,186,640
Interest receivable and similar income		1,939	303
		(2,921,073)	3,186,943
Interest payable and similar expenses	8	41,097	-
(Loss)/profit before taxation		(2,962,170)	3,186,943
Tax on (loss)/profit	9	384,361	224,306
(Loss)/profit for the financial year		(3,346,531)	2,962,637
Other comprehensive income		-	-
Total comprehensive income for the year		(3,346,531)	2,962,637
(Loss)/profit attributable to: Owners of the parent		(3,346,531)	2,962,637
Total comprehensive income attributable to: Owners of the parent		(3,346,531)	2,962,637

The notes form part of these financial statements

MINESOFT LIMITED (REGISTERED NUMBER: 03237682)

Consolidated Balance Sheet
31 August 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Intangible assets	12		39,978		3,568
Tangible assets	13		156,892		236,321
Investments	14		-		-
			<u>196,870</u>		<u>239,889</u>
Current assets					
Debtors	15	3,059,966		2,630,943	
Cash at bank and in hand		6,207,403		10,719,697	
			<u>9,267,369</u>	<u>13,350,640</u>	
Creditors					
Amounts falling due within one year	16	3,502,255		4,318,762	
			<u>5,765,114</u>	<u>9,031,878</u>	
Net current assets			<u>5,765,114</u>	<u>9,031,878</u>	
Total assets less current liabilities			<u>5,961,984</u>	<u>9,271,767</u>	
Provisions for liabilities					
	18		55,385		54,939
Net assets			<u>5,906,599</u>	<u>9,216,828</u>	
Capital and reserves					
Called up share capital	19		5,046		4,978
Share premium	20		93,980		57,746
Retained earnings	20		5,807,573		9,154,104
			<u>5,906,599</u>	<u>9,216,828</u>	
Shareholders' funds			<u>5,906,599</u>	<u>9,216,828</u>	

The financial statements were approved by the Board of Directors and authorised for issue on
Jan 27, 2023 and were signed on its behalf by:

Karl V Jaeger
Karl V Jaeger (Jan 27, 2023 16:24 EST)
.....
K V Jaeger - Director

The notes form part of these financial statements

MINESOFT LIMITED (REGISTERED NUMBER: 03237682)

Company Balance Sheet
31 August 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Intangible assets	12		83,082		52,830
Tangible assets	13		156,888		236,317
Investments	14		146,968		146,968
			<u>386,938</u>		<u>436,115</u>
Current assets					
Debtors	15	3,018,302		2,550,269	
Cash at bank and in hand		<u>6,011,785</u>		<u>10,633,048</u>	
				<u>13,183,317</u>	
Creditors					
Amounts falling due within one year	16	<u>3,694,063</u>		<u>4,293,942</u>	
Net current assets			<u>5,336,024</u>		<u>8,889,375</u>
Total assets less current liabilities			<u>5,722,962</u>		<u>9,325,490</u>
Provisions for liabilities	18		<u>55,385</u>		<u>54,939</u>
Net assets			<u><u>5,667,577</u></u>		<u><u>9,270,551</u></u>
Capital and reserves					
Called up share capital	19		5,046		4,978
Share premium	20		93,980		57,746
Retained earnings	20		<u>5,568,551</u>		<u>9,207,827</u>
Shareholders' funds			<u><u>5,667,577</u></u>		<u><u>9,270,551</u></u>
Company's (loss)/profit for the financial year			<u><u>(3,639,276)</u></u>		<u><u>2,773,190</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on Jan 27, 2023 and were signed on its behalf by:

Karl V. Jaeger

Karl V. Jaeger (Jan 27, 2023 16:24 EST)

K V Jaeger - Director

The notes form part of these financial statements

MINESOFT LIMITED (REGISTERED NUMBER: 03237682)

Consolidated Statement of Changes in Equity
for the year ended 31 August 2022

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 September 2020	4,978	7,783,967	57,746	7,846,691
Changes in equity				
Dividends	-	(1,592,500)	-	(1,592,500)
Total comprehensive income	-	2,962,637	-	2,962,637
Balance at 31 August 2021	<u>4,978</u>	<u>9,154,104</u>	<u>57,746</u>	<u>9,216,828</u>
Changes in equity				
Issue of share capital	68	-	36,234	36,302
Total comprehensive income	-	(3,346,531)	-	(3,346,531)
Balance at 31 August 2022	<u><u>5,046</u></u>	<u><u>5,807,573</u></u>	<u><u>93,980</u></u>	<u><u>5,906,599</u></u>

The notes form part of these financial statements

MINESOFT LIMITED (REGISTERED NUMBER: 03237682)

Company Statement of Changes in Equity
for the year ended 31 August 2022

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 September 2020	4,978	8,027,137	57,746	8,089,861
Changes in equity				
Dividends	-	(1,592,500)	-	(1,592,500)
Total comprehensive income	-	2,773,190	-	2,773,190
Balance at 31 August 2021	<u>4,978</u>	<u>9,207,827</u>	<u>57,746</u>	<u>9,270,551</u>
Changes in equity				
Issue of share capital	68	-	36,234	36,302
Total comprehensive income	-	(3,639,276)	-	(3,639,276)
Balance at 31 August 2022	<u><u>5,046</u></u>	<u><u>5,568,551</u></u>	<u><u>93,980</u></u>	<u><u>5,667,577</u></u>

The notes form part of these financial statements

MINESOFT LIMITED (REGISTERED NUMBER: 03237682)

Consolidated Cash Flow Statement
for the year ended 31 August 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	(4,165,478)	3,565,203
Interest paid		(41,097)	-
Tax paid		(195,778)	(315,291)
Net cash from operating activities		<u>(4,402,353)</u>	<u>3,249,912</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(84,931)	(57,970)
Purchase of tangible fixed assets		(63,251)	(105,711)
Interest received		1,939	303
Net cash from investing activities		<u>(146,243)</u>	<u>(163,378)</u>
Cash flows from financing activities			
Share issue		36,302	-
Equity dividends paid		-	(1,592,500)
Net cash from financing activities		<u>36,302</u>	<u>(1,592,500)</u>
(Decrease)/increase in cash and cash equivalents		<u>(4,512,294)</u>	<u>1,494,034</u>
Cash and cash equivalents at beginning of year	2	10,719,697	9,225,663
Cash and cash equivalents at end of year	2	<u><u>6,207,403</u></u>	<u><u>10,719,697</u></u>

The notes form part of these financial statements

MINESOFT LIMITED (REGISTERED NUMBER: 03237682)

Notes to the Consolidated Cash Flow Statement
for the year ended 31 August 2022

1. Reconciliation of (loss)/profit before taxation to cash generated from operations	2022	2021
	£	£
(Loss)/profit before taxation	(2,962,170)	3,186,943
Depreciation charges	191,201	122,375
Finance costs	41,097	-
Finance income	(1,939)	(303)
	<u>(2,731,811)</u>	<u>3,309,015</u>
(Increase)/decrease in trade and other debtors	(429,023)	570,079
Decrease in trade and other creditors	(1,004,644)	(313,891)
	<u>(1,433,667)</u>	<u>(4,237,903)</u>
Cash generated from operations	<u><u>(4,165,478)</u></u>	<u><u>3,565,203</u></u>

2. Cash and cash equivalents

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 August 2022

	31/8/22	1/9/21
	£	£
Cash and cash equivalents	6,207,403	10,719,697
	<u>6,207,403</u>	<u>10,719,697</u>

Year ended 31 August 2021

	31/8/21	1/9/20
	£	£
Cash and cash equivalents	10,719,697	9,225,663
	<u>10,719,697</u>	<u>9,225,663</u>

3. Analysis of changes in net funds

	At 1/9/21	Cash flow	At 31/8/22
	£	£	£
Net cash			
Cash at bank and in hand	10,719,697	(4,512,294)	6,207,403
	<u>10,719,697</u>	<u>(4,512,294)</u>	<u>6,207,403</u>
Total	<u><u>10,719,697</u></u>	<u><u>(4,512,294)</u></u>	<u><u>6,207,403</u></u>

The notes form part of these financial statements

Notes to the Consolidated Financial Statements
for the year ended 31 August 2022

1. **Statutory information**

Minesoft Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **Accounting policies**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The financial statements have been prepared on a going concern basis.

In considering whether it continues to be appropriate to prepare the financial statements on a going concern basis the Directors have considered the lasting effects of Covid-19, the war between Ukraine and Russia, and rising inflation rates and the possibility of global recessions, and concluded that the group has sufficient financial reserves, income and expenditure controls to avoid any liquidity issues for at least 12 months from the date of approval of these financial statements.

The Directors do not consider that any of the above circumstances will have a significant impact on their core business activity. Trading has continued strongly post year-end and this is expected to be the case into the future generating ongoing profits and based on management's trading and cash flow forecasts.

More information is set out in the Group Strategic Report within the principal risks and uncertainties section on pages 2 and 3.

The financial statements do not include any adjustments that would be required if the going concern concept was not deemed appropriate.

Basis of consolidation

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

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

2. **Accounting policies - continued**

Key source of estimation, uncertainty and judgement

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgement 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.

There is estimation uncertainty in calculating deferred income. The group analyses their deferred income on a monthly basis based on the period of the subscription which has been purchased by the customer. Whilst every attempt is made to ensure that the deferred income is as accurate as possible, there remains a risk that the incorrect period has been used to calculate deferred income.

Revenue

Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue relating to the licencing of the group's patent database is recognised in full at the commencement of the relevant licence period. Sales invoices are raised at this stage, at which the group has fulfilled its obligations under the sales contract.

Deferred income recognised within the balance sheet relates to invoices raised prior to the year end for licence periods commencing after the year end.

Revenue from professional services (consultancy and training) is recognised as the services are performed/delivered.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2020, is being amortised evenly over its estimated useful life of ten years.

Intangible assets

A proportion of the data expenditure incurred by the group is capitalised each year, on the basis that the expenditure will produce future economic benefits for the group. The capitalised expenditure is amortised over 3 years on a straight line basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property - 20% on cost
Fixtures and fittings - 20% on cost
Computer equipment - 33% on cost

2. **Accounting policies - continued**

Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the group becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the group will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank and bank overdrafts.

Financial liabilities and equity instruments issued by the group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The group is a beneficiary of Research & Development (R&D) tax relief from the UK Government in the form of reductions in its annual tax liability, as well as repayable tax credits. Current tax assets of reductions in current tax liabilities for R&D claims are only recognised when the amount can be reliably determined and the probability of HM Revenue & Customs accepting the claim is considered high.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2. **Accounting policies - continued**

Pension costs and other post-retirement benefits

The group 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 group has no future payment obligations.

The contributions are recognised as an expense in the profit or loss account 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 group in independently administered funds.

3. **Turnover**

The turnover and loss (2021 - profit) before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2022	2021
	£	£
United Kingdom	1,874,223	1,805,736
Europe	10,304,216	10,094,662
United States of America	3,887,481	3,385,527
Rest of World	1,352,005	1,266,732
	<u>17,417,925</u>	<u>16,552,657</u>

4. **Employees and directors**

	2022	2021
	£	£
Wages and salaries	3,766,811	4,675,151
Social security costs	371,918	718,274
Other pension costs	102,862	90,160
	<u>4,241,591</u>	<u>5,483,585</u>

The average number of employees during the year was as follows:

	2022	2021
Administration	29	24
Management	7	7
Research and development	11	9
	<u>47</u>	<u>40</u>

Notes to the Consolidated Financial Statements - continued
for the year ended 31 August 2022

5. **Directors' emoluments**

The directors' aggregate remuneration in respect of qualifying services was:

	2022	2021
	£	£
Remuneration	355,032	2,044,560
Company contribution to defined contribution pension plans	11,424	24,186
	<u>366,456</u>	<u>2,068,746</u>

During the year retirement benefits were accruing to 3 directors (2021: 3) in respect of defined contribution pension schemes.

Remuneration of the highest paid director in respect of qualifying services:

	2022	2021
	£	£
Aggregate remuneration	163,197	1,038,158
Company contribution to defined contribution pension plans	3,792	8,062
	<u>166,989</u>	<u>1,046,220</u>

6. **Operating (loss)/profit**

The operating loss (2021 - operating profit) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation - owned assets	142,680	95,471
Goodwill amortisation	(6,158)	(6,158)
Computer software amortisation	54,679	33,000
Foreign exchange differences	(286,956)	531,682
	<u>(145,755)</u>	<u>643,005</u>

7. **Auditors' remuneration**

Auditors remuneration received £50,000 (2021: £17,500) for year ending 31 August 2022.

Non audit fees received of £112,807 (2021: nil) for year ending 31 August 2022.

8. **Interest payable and similar expenses**

	2022	2021
	£	£
Loan	41,097	-
	<u>41,097</u>	<u>-</u>

Notes to the Consolidated Financial Statements - continued
for the year ended 31 August 2022

9. Taxation

Analysis of the tax charge

The tax charge on the loss for the year was as follows:

	2022	2021
	£	£
Current tax:		
UK corporation tax	367,930	199,938
USA tax	15,985	9,534
German tax	-	8,145
	<u>383,915</u>	<u>217,617</u>
Total current tax		
Deferred tax	446	6,689
	<u>384,361</u>	<u>224,306</u>
Tax on (loss)/profit		

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2022	2021
	£	£
(Loss)/profit before tax	<u>(2,962,170)</u>	<u>3,186,943</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(562,812)	605,519
Effects of:		
Expenses not deductible for tax purposes	1,347,916	1,858
Depreciation in excess of capital allowances	-	6,689
Enhanced research and development relief	(90,552)	(361,396)
Deferred Tax	446	(6,689)
Foreign income not taxed at UK rates	(55,933)	(39,354)
Foreign tax paid	25,417	17,679
Share based payment transactions	(280,121)	-
	<u>384,361</u>	<u>224,306</u>
Total tax charge		

10. Individual statement of comprehensive income

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

Notes to the Consolidated Financial Statements - continued
for the year ended 31 August 2022

11. Dividends

Dividends paid during the year:

	2022	2021
	£	£
Equity dividends on Ordinary A shares	-	1,000,000
Equity dividends on Ordinary B shares	-	7,500
Equity dividends on Ordinary C shares	-	525,000
Equity dividends on Ordinary D shares	-	60,000
	<u>-</u>	<u>1,592,500</u>

12. Intangible fixed assets

Group

	Goodwill	Computer software	Totals
	£	£	£
Cost			
At 1 September 2021	(61,578)	203,732	142,154
Additions	-	84,931	84,931
	<u>(61,578)</u>	<u>288,663</u>	<u>227,085</u>
At 31 August 2022	(61,578)	288,663	227,085
Amortisation			
At 1 September 2021	(12,316)	150,902	138,586
Amortisation for year	(6,158)	54,679	48,521
	<u>(18,474)</u>	<u>205,581</u>	<u>187,107</u>
At 31 August 2022	(18,474)	205,581	187,107
Net book value			
At 31 August 2022	<u>(43,104)</u>	<u>83,082</u>	<u>39,978</u>
At 31 August 2021	<u>(49,262)</u>	<u>52,830</u>	<u>3,568</u>

Goodwill has been recognised on consolidation, in respect of the US subsidiary, Minesoft LLC. Goodwill on consolidation is being amortised on a straight line basis over a period of ten years.

Computer software costs represents data expenditure incurred by the company, that is expected to generate future economic benefits in future years. This is amortised on a straight line basis, over a period of three years.

MINESOFT LIMITED (REGISTERED NUMBER: 03237682)

Notes to the Consolidated Financial Statements - continued
for the year ended 31 August 2022

12. Intangible fixed assets - continued

Company

	Computer software £
Cost	
At 1 September 2021	203,732
Additions	84,931
At 31 August 2022	<u>288,663</u>
Amortisation	
At 1 September 2021	150,902
Amortisation for year	54,679
At 31 August 2022	<u>205,581</u>
Net book value	
At 31 August 2022	<u>83,082</u>
At 31 August 2021	<u>52,830</u>

13. Tangible fixed assets

Group

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
Cost				
At 1 September 2021	189,676	42,708	647,319	879,703
Additions	-	1,219	62,032	63,251
At 31 August 2022	<u>189,676</u>	<u>43,927</u>	<u>709,351</u>	<u>942,954</u>
Depreciation				
At 1 September 2021	75,870	32,683	534,829	643,382
Charge for year	37,934	5,708	99,038	142,680
At 31 August 2022	<u>113,804</u>	<u>38,391</u>	<u>633,867</u>	<u>786,062</u>
Net book value				
At 31 August 2022	<u>75,872</u>	<u>5,536</u>	<u>75,484</u>	<u>156,892</u>
At 31 August 2021	<u>113,806</u>	<u>10,025</u>	<u>112,490</u>	<u>236,321</u>

MINESOFT LIMITED (REGISTERED NUMBER: 03237682)

Notes to the Consolidated Financial Statements - continued
for the year ended 31 August 2022

13. Tangible fixed assets - continued

Company	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
Cost				
At 1 September 2021	189,676	40,646	636,534	866,856
Additions	-	1,219	62,032	63,251
At 31 August 2022	<u>189,676</u>	<u>41,865</u>	<u>698,566</u>	<u>930,107</u>
Depreciation				
At 1 September 2021	75,870	30,624	524,045	630,539
Charge for year	37,934	5,708	99,038	142,680
At 31 August 2022	<u>113,804</u>	<u>36,332</u>	<u>623,083</u>	<u>773,219</u>
Net book value				
At 31 August 2022	<u>75,872</u>	<u>5,533</u>	<u>75,483</u>	<u>156,888</u>
At 31 August 2021	<u>113,806</u>	<u>10,022</u>	<u>112,489</u>	<u>236,317</u>

14. Fixed asset investments

Company	Shares in group undertakings £
Cost	
At 1 September 2021 and 31 August 2022	<u>146,968</u>
Net book value	
At 31 August 2022	<u>146,968</u>
At 31 August 2021	<u>146,968</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Minesoft GmbH

Registered office: Neuss, Germany

Nature of business: Development and operation of databases

Class of shares:	%
Ordinary	holding 100.00

MINESOFT LIMITED (REGISTERED NUMBER: 03237682)

Notes to the Consolidated Financial Statements - continued
for the year ended 31 August 2022

14. Fixed asset investments - continued

Minesoft LLC (f.k.a. Tempus IP LLC)

Registered office: USA

Nature of business: Development and operation of databases

Class of shares:	%
Ordinary	holding 100.00

15. Debtors: amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	2,576,639	2,226,181	2,563,014	2,176,267
Other debtors	13,851	97,254	6,000	77,624
VAT	236,564	192,354	232,818	192,354
Prepayments	232,912	115,154	216,470	104,024
	<u>3,059,966</u>	<u>2,630,943</u>	<u>3,018,302</u>	<u>2,550,269</u>

16. Creditors: amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	1,148,221	863,630	1,143,471	860,567
Amounts owed to group undertakings	335,228	-	735,031	181,892
Tax	282,615	94,478	271,021	75,113
Social security and other taxes	84,803	63,821	84,803	63,821
Other creditors	52,251	105,540	42,523	14,627
Accruals and deferred income	1,599,137	3,191,293	1,417,214	3,097,922
	<u>3,502,255</u>	<u>4,318,762</u>	<u>3,694,063</u>	<u>4,293,942</u>

17. Leasing agreements

Minimum lease payments fall due as follows:

Company

	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	274,700	274,700
Between one and five years	338,215	92,315
	<u>612,915</u>	<u>367,015</u>

MINESOFT LIMITED (REGISTERED NUMBER: 03237682)

Notes to the Consolidated Financial Statements - continued
for the year ended 31 August 2022

18. Provisions for liabilities

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Deferred tax				
Accelerated capital allowances	54,939	54,939	54,939	54,939
Deferred tax	446	-	446	-
	<u>55,385</u>	<u>54,939</u>	<u>55,385</u>	<u>54,939</u>

Group

	Deferred tax £
Balance at 1 September 2021	54,939
Charge to Statement of Comprehensive Income during year	446
Balance at 31 August 2022	<u>55,385</u>

Company

	Deferred tax £
Balance at 1 September 2021	54,939
Charge to Income Statement during year	446
Balance at 31 August 2022	<u>55,385</u>

19. Called up share capital

Issued, called up and fully paid

	2022		2021	
	No.	£	No.	£
Ordinary A shares of £0.10 each	42,500	4,250	42,500	4,250
Ordinary B shares of £0.10 each	750	75	750	75
Ordinary C shares of £0.10 each	5,000	500	5,000	500
Ordinary D shares of £0.10 each	1,000	100	1,000	100
Ordinary E shares of £0.10 each	1,200	120	525	53
	<u>50,450</u>	<u>5,045</u>	<u>49,775</u>	<u>4,978</u>

Ordinary A shares have full voting rights and a right to receive dividends and capital distributions.

All other share classes have a right to receive dividends and capital distributions but do not entitle the holder to voting rights.

MINESOFT LIMITED (REGISTERED NUMBER: 03237682)

Notes to the Consolidated Financial Statements - continued
for the year ended 31 August 2022

20. Reserves

Group

	Retained earnings £	Share premium £	Totals £
At 1 September 2021	9,154,104	57,746	9,211,850
Deficit for the year	(3,346,531)		(3,346,531)
Bonus share issue	-	36,234	36,234
	<u>5,807,573</u>	<u>93,980</u>	<u>5,901,553</u>
At 31 August 2022	<u>5,807,573</u>	<u>93,980</u>	<u>5,901,553</u>

Company

	Retained earnings £	Share premium £	Totals £
At 1 September 2021	9,207,827	57,746	9,265,573
Deficit for the year	(3,639,276)		(3,639,276)
Bonus share issue	-	36,234	36,234
	<u>5,568,551</u>	<u>93,980</u>	<u>5,662,531</u>
At 31 August 2022	<u>5,568,551</u>	<u>93,980</u>	<u>5,662,531</u>

21. Related party disclosures

As at 31 August 2022, Minesoft Limited owed Maltese Bidco 2 Limited, the immediate parent company, £335,228 (2021: nil) plus accrued interest of £41,097 (2021: nil).

The amounts due are subject to interest at a rate of 10%, and repayable on demand.

A parent company in the group took out a bank loan during the year. The bank loan is secured by a fixed and floating charge over the Minesoft group's present and future assets.

22. Ultimate controlling party

The ultimate controlling party is considered to be Warburg Pincus LLC, an entity registered in the United States of America, on behalf of the limited partners which have invested in the funds managed by Warburg Pincus LLC.

23. Share-based payment transactions

During the year share options previously granted to provide incentives to certain employees vested following the sale of the company on 16 February 2022.

The options vested consisted of 595 new Ordinary 'E' shares of 10p each, which were granted under H M Revenue & Customers Enterprise Management Incentive Scheme Rules to 7 employees, including 1 former director, at £53.78 per share. Additional unapproved options vested of 80 new Ordinary 'E' shares of 10p each under the same terms to 2 non-UK resident employees.

As a result, a total of 675 Ordinary 'E' shares at a nominal value of 10p each were issued at a premium with a share value of £67.50, and corresponding share premium value of £36,234. This is shown within Note 20 of the accounts.

Following the vesting of the above share options there were no further options outstanding and the Enterprise Management Incentive Scheme under which these options had previously been registered closed down.