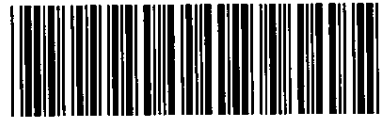


Vuture Ltd

Company Number 05641029 (England and Wales)

Annual Report and Unaudited Financial Statements for the year ended - 30 June 2021

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Vuture Ltd
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Vuture Ltd
Corporate directory
30 June 2021

Directors	David Anthony Brady John Wellford Dillard John Twomey
Company number	05641029 (England and Wales)
Registered office	Northern and Shell Building 10 Lower Thames Street London, EC3R 6EN United Kingdom
Website	www.vutu.rc www.cmgroup.com

Vuture Ltd
Strategic report
30 June 2021

The directors present their strategic report on the company for the year ended 30 June 2021.

Principal activities

The principal activity of the company during the financial period was that of cloud based online marketing services.

Review of operations

For the year ended 30 June 2021, the loss after income tax amounted to £1,821,339 (30 June 2020: loss of £481,351) and the revenue amounted to £5,163,476 (30 June 2020: £7,610,981).

There are no other key performance indicators ('KPIs'), apart from the profit before taxation and net assets, which are disclosed in the financial statements and as such further analysis is not required for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

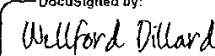
Principal risks and uncertainties of the group, to which the company belongs, is disclosed in the strategic report of the ultimate parent company Campaign Monitor Holdings (UK) Limited.

Likely future developments

Information on future developments of the company has not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

This report is made in accordance with a resolution of directors.

On behalf of the directors

DocuSigned by:

2411C507C8AF438

John Wellford Dillard
Director

31 May 2022

Vuture Ltd
Directors' report
30 June 2021

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2021.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

David Anthony Brady
John Wellford Dillard
John Twomey

Principal activities

Information on the company's principal activities are disclosed in the strategic report.

Results and dividends

The loss for the company after providing for income tax amounted to £1,821,339 (30 June 2020: £481,351).

There were no dividends paid, recommended or declared during the current period and previous financial period.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and financial position are given in the strategic report and in this report.

As at 30 June 2021, Vuture Ltd has net current liabilities of £2,177,375 (30 June 2020: £1,178,473) and net liabilities of £100,641 (30 June 2020: net assets of £1,720,698). The financial statements have been prepared on a going concern basis which contemplates the fact that the company is within the Campaign Monitor Holdings (UK) Limited group.

Furthermore, Campaign Monitor Holdings (UK) Limited has guaranteed the debts of the company in accordance with section 479C of the Corporations Act 2006.

The directors have, at the time of approving the financial statements, a reasonable expectation that the company will have adequate resources to continue in for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the company during the financial period.

Matters subsequent to the end of the financial year

The consequences of the Coronavirus (COVID-19) pandemic are continuing to be felt around the world, and its impact on the company, if any, has been reflected in its published results to date. Whilst it would appear that control measures and related government policies, including the roll out of the vaccine, have started to mitigate the risks caused by COVID-19, it is not possible at this time to state that the pandemic will not subsequently impact the company's operations going forward. The company now has experience in the swift implementation of business continuation processes should future lockdowns of the population occur, and these processes continue to evolve to minimise any operational disruption. Management will continue to monitor the situation both locally and internationally.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Charitable and political donations

Charitable or political donations of \$3,897 (2020: \$5,860) were made during the year.

Disabled employees

Due to the size of the company, no policy for the employment of disabled persons has been established.

Indemnity of directors

The company has indemnified the directors of the company for costs incurred, in their capacity as a director, for which they may be held personally liable, except where there is a lack of good faith.

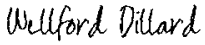
Vuture Ltd
Directors' report
30 June 2021

Disclosure of information to the auditors

This report has not been audited.

This report is made in accordance with a resolution of directors.

On behalf of the directors

DocuSigned by:

2411C507CBAF43B

John Wellford Dillard
Director

31 May 2022

Vuture Ltd
Directors' responsibilities statement
30 June 2021

The directors are responsible for preparing the strategic report, 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 period. 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, comprising FRS 101 'Reduced Disclosure Framework', and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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.

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.

Vuture Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2021

	Note	2021 £	2020 £
Sales revenue	4	5,163,476	7,610,981
Other income		21,690	-
Interest revenue calculated using the effective interest method		-	243
Expenses			
Hosting expense		(970,548)	(777,124)
Other direct costs		(49,826)	(13,491)
Employee benefits expense	5	(4,684,119)	(5,110,375)
Depreciation and amortisation expense		(799,938)	(624,367)
Recovery/(impairment) of receivables		105,985	(60,229)
Loss on disposal of assets		(4,064)	(35,305)
Net foreign exchange gain/(loss)		289,402	(69,675)
Accounting and legal fees		(192,772)	(108,837)
Advertising and marketing expense		(137,952)	(135,750)
Travel and course expense		(33,063)	(134,903)
Occupancy expense		(12,906)	(34,853)
Software expense		(395,545)	(213,762)
Consultancy expenses		(231,607)	(353,579)
Restructuring expense		-	(8,142)
Other expenses		(231,802)	(152,456)
Finance costs		(82,538)	(70,081)
Loss before income tax benefit/(expense)		(2,246,127)	(291,705)
Income tax benefit/(expense)	7	424,788	(189,646)
Loss after income tax benefit/(expense) for the year attributable to the owners of Vuture Ltd		(1,821,339)	(481,351)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to the owners of Vuture Ltd		<u>(1,821,339)</u>	<u>(481,351)</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Vuture Ltd
Balance sheet
As at 30 June 2021

	Note	2021 £	2020 £
Non-current assets			
Intangibles	8	258,309	190,668
Property, plant and equipment	9	637,896	796,024
Right-of-use assets	10	1,236,507	1,598,412
Investment in subsidiary	11	79	62
Receivable from related parties	12	6,228,282	6,295,351
Deferred tax asset	7	367,127	29,874
Customer acquisition costs	13	101,529	136,276
Total non-current assets		<u>8,829,729</u>	<u>9,046,667</u>
Current assets			
Trade and other receivables	14	612,951	619,889
Prepayments and deposits	15	381,032	412,241
Cash and cash equivalents		191,463	361,832
Total current assets		<u>1,185,446</u>	<u>1,393,962</u>
Current liabilities			
Trade and other payables	16	522,243	303,663
Contract liabilities		1,740,829	1,486,651
Lease liabilities		376,460	358,672
Income tax payable	7	167,930	167,930
Employee benefits		555,359	255,519
Total current liabilities		<u>3,362,821</u>	<u>2,572,435</u>
Net current liabilities		<u>(2,177,375)</u>	<u>(1,178,473)</u>
Total assets less current liabilities		<u>6,652,354</u>	<u>7,868,194</u>
Non-current liabilities			
Payable to related parties	17	5,675,074	4,705,996
Contract liabilities		15,842	9,830
Lease liabilities		916,711	1,293,171
Provisions	18	145,368	138,499
Total non-current liabilities		<u>6,752,995</u>	<u>6,147,496</u>
Net assets/(liabilities)		<u>(100,641)</u>	<u>1,720,698</u>
Equity			
Called up share capital	19	2,000	2,000
Capital redemption reserve		79	79
Retained profits/(accumulated losses)		(102,720)	1,718,619
Total equity/(deficiency)		<u>(100,641)</u>	<u>1,720,698</u>

The above balance sheet should be read in conjunction with the accompanying notes

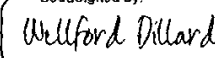
Vuture Ltd
Balance sheet
As at 30 June 2021

For the year ended 30 June 2021 the company was entitled to the exemption under section 479A of the Companies Act 2006 (the 'Act') not to have its financial statements audited.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts as detailed in the directors' responsibilities statement.

The financial statements of Vuture Ltd (company number 05641029) were approved by the Board of Directors and authorised for issue on 31 May 2022. They were signed on its behalf by:

DocuSigned by:

2411C507C8AF438 ..

John Wellford Dillard
Director

31 May 2022

Vuture Ltd
Statement of changes in equity
For the year ended 30 June 2021

	Called up share capital £	Capital redemption reserve £	Retained profits £	Total equity £
Balance at 1 July 2019	2,000	79	2,199,970	2,202,049
Loss after income tax expense for the year	-	-	(481,351)	(481,351)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(481,351)	(481,351)
	-	-	-	-
Balance at 30 June 2020	<u>2,000</u>	<u>79</u>	<u>1,718,619</u>	<u>1,720,698</u>

	Called up share capital £	Capital redemption reserve £	Retained profits/ (Accumulated losses) £	Total deficiency in equity £
Balance at 1 July 2020	2,000	79	1,718,619	1,720,698
Loss after income tax benefit for the year	-	-	(1,821,339)	(1,821,339)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(1,821,339)	(1,821,339)
Balance at 30 June 2021	<u>2,000</u>	<u>79</u>	<u>(102,720)</u>	<u>(100,641)</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Vuture Ltd
Notes to the financial statements
30 June 2021

Note 1. General information

The financial statements cover Vuture Ltd as an individual entity. The financial statements are presented in Pound sterling, which is Vuture Ltd's functional and presentation currency.

Vuture Ltd is a company limited by shares, incorporated and domiciled in the United Kingdom. Its registered office and principal place of business is:

Northern and Shell Building
10 Lower Thames Street
London, EC3R 6EN
United Kingdom

A description of the nature of the company's operations and its principal activities are included in the strategic report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 31 May 2022. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Financial Reporting Council ('FRC') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company and required no adjustments to opening retained profits.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the company:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The company has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the company's financial statements.

Definition of a Business (Amendments to IFRS 3)

The company has adopted this amendment from 1 July 2020. The amendment applies to annual periods beginning on or after 1 July 2020. The amendment revises the definition of a business contained in IFRS 3 'Business Combinations' thereby affecting whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create goods or services to customers, generating investment income or other income from ordinary activities. The amendments provide guidance to assist entities assess whether a substantive process has been acquired; and adds an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The amendments apply to asset acquisitions and business combinations for which the acquisition date is on or after the first annual reporting period beginning on or after 1 July 2020. It therefore does not affect prior periods.

Basis of preparation

These financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework' and the Companies Act 2006.

Vuture Ltd
Notes to the financial statements
30 June 2021

Note 2. Significant accounting policies (continued)

As permitted by FRS 101, the company has taken advantage of all of the disclosure exemptions available to it, including (where applicable): statement of cash flows, new Accounting Standards not yet mandatory, disaggregation of revenue, reconciliations of contract assets and liabilities, unsatisfied performance obligations, presentation of comparative information for certain assets, impairment of assets, capital risk management, financial instruments, fair value measurement, key management personnel, related party transactions, business combinations and share-based payments.

The company's ultimate parent entity is Campaign Monitor Holdings (UK) Limited (incorporated in the United Kingdom) and its consolidated financial statements, which the company forms part of, are available from Companies House.

Historical cost convention

The financial statements have been prepared under the historical cost convention and on a going concern basis. Details of the directors' consideration in relation to going concern is included in the directors' report.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Foreign currency translation

The financial statements are presented in Pound sterling, which is Vuture Ltd's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into the company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Subscriptions

Subscription-based arrangements generally have a contractual term of 12 to 36 months. Subscription revenue is recognised on a proportional basis as the services are performed, commencing with the date the service is made available to customers and all other revenue recognition criteria have been satisfied. The company generally provides net 30 days payment terms.

Professional services

Professional services are recognised when the service has been delivered. Professional services billed in advance are recognised in the balance sheet as contract liabilities and brought to account when the performance obligation has been satisfied.

Vuture Ltd
Notes to the financial statements
30 June 2021

Note 2. Significant accounting policies (continued)

Management fees

Management fees are recognised when received or when the right to receive payment is established.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the reporting date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the reporting date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax is measured on a non-discounted basis. The taxation liabilities are reduced wholly or in part by the surrender of tax losses by fellow group undertakings for which payment is made.

Current and non-current classification

Assets and liabilities are presented in the balance sheet based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Vuture Ltd
Notes to the financial statements
30 June 2021

Note 2. Significant accounting policies (continued)

Customer acquisition costs

Customer acquisition costs are capitalised as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortised on a straight-line over five years, being consistent with the transfer to the customer of the goods or services to which the asset relates.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained or which are not otherwise recoverable from a customer are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Investment in subsidiary

Investment in subsidiary is shown at cost, less accumulated impairment.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Leasehold improvements	4 - 5 years
Computer equipment	2 - 4 years
Furniture	5 years
Dilapidation costs capitalised	4 - 5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Vuture Ltd
Notes to the financial statements
30 June 2021

Note 2. Significant accounting policies (continued)

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Software internally developed

An intangible asset arising from software development expenditure on an internal project is recognised only when the company can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the intangible asset during its development. Following the initial recognition, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Software internally developed is amortised on a straight-line basis over the period of its expected benefit, being a finite useful life between two and five years. Amortisation commences when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Provisions

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Vuture Ltd
Notes to the financial statements
30 June 2021

Note 2. Significant accounting policies (continued)

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Called up share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Value-Added Tax ('VAT') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated VAT, unless the VAT incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT recoverable from, or payable to, the tax authority is included in other receivables or other payables in the balance sheet.

Commitments and contingencies are disclosed net of the amount of VAT recoverable from, or payable to, the tax authority.

Comparatives

Comparatives have been realigned where necessary, to agree with current year presentation. There was no effect on profit, net assets or equity.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

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Note 3. Critical accounting judgements, estimates and assumptions (continued)

Income tax

The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Note 4. Sales revenue

	2021 £	2020 £
<i>Turnover</i>		
Software revenue	3,146,912	3,331,247
Support services	540,657	803,706
	<u>3,687,569</u>	<u>4,134,953</u>
<i>Other revenue</i>		
Management fees	<u>1,475,907</u>	<u>3,476,028</u>
Sales revenue	<u><u>5,163,476</u></u>	<u><u>7,610,981</u></u>

Note 5. Staff costs

	2021 £	2020 £
Aggregate remuneration:		
Wages and salaries	3,917,715	4,394,034
Social security costs	172,834	184,672
Other staff costs and benefits	<u>593,570</u>	<u>531,669</u>
Total staff costs	<u><u>4,684,119</u></u>	<u><u>5,110,375</u></u>
	2021 Number	2020 Number
The average monthly number of employees (including executive directors and those on a part-time basis)	<u><u>57</u></u>	<u><u>59</u></u>

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Note 6. Directors' remuneration

	2021 £	2020 £
Total directors' remuneration	<u>268,472</u>	<u>281,146</u>

The number of directors who received shares in respect of qualifying services was none (30 Jun 2020: none).

The number of directors who exercised share options was none (30 Jun 2020: none).

	2021 £	2020 £
In respect of highest paid director: Aggregate remuneration	268,472	281,146

Note 7. Income tax

	2021 £	2020 £
<i>Income tax expense/(benefit)</i>		
Current tax	(87,535)	(35,143)
Deferred tax - origination and reversal of temporary differences	(337,253)	(20,281)
Adjustment recognised for prior periods	-	245,070
Aggregate income tax expense/(benefit)	<u>(424,788)</u>	<u>189,646</u>
Deferred tax included in income tax expense/(benefit) comprises:		
Increase in deferred tax assets	<u>(337,253)</u>	<u>(20,281)</u>
<i>Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate</i>		
Loss before income tax benefit/(expense)	<u>(2,246,127)</u>	<u>(291,705)</u>
Tax at the statutory tax rate of 19%	(426,764)	(55,424)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses and employee perks	194	-
Employee perks	1,522	-
Non-deductible expenses	<u>260</u>	<u>-</u>
Adjustment recognised for prior periods	<u>(424,788)</u>	<u>(55,424)</u>
Income tax expense/(benefit)	<u>(424,788)</u>	<u>189,646</u>

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Note 7. Income tax (continued)

	2021 £	2020 £
<i>Deferred tax asset</i>		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Tax losses	544,123	167,776
Property, plant and equipment	(139,206)	(164,874)
Right-of-use assets	36,467	13,869
Accrued expenses	(22,598)	-
Unrealised foreign exchange differences	(51,659)	13,103
Deferred tax asset	<u>367,127</u>	<u>29,874</u>
Movements:		
Opening balance	29,874	9,593
Credited to profit or loss	337,253	20,281
Closing balance	<u>367,127</u>	<u>29,874</u>
	2021 £	2020 £
<i>Provision for income tax</i>		
Provision for income tax	<u>167,930</u>	<u>167,930</u>

Note 8. Non-current assets - intangibles

	2021 £	2020 £
Software internally developed - at cost	494,674	247,202
Less: Accumulated amortisation	(236,365)	(56,534)
	<u>258,309</u>	<u>190,668</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Software developed £
Balance at 1 July 2020	190,668
Additions	247,472
Amortisation expense	(179,831)
Balance at 30 June 2021	<u>258,309</u>

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Note 9. Non-current assets - property, plant and equipment

	2021	2020
	£	£
Leasehold improvements - at cost	255,000	347,988
Less: Accumulated depreciation	<u>(66,626)</u>	<u>(35,360)</u>
	<u>188,374</u>	<u>312,628</u>
Computer equipment - at cost	192,837	164,921
Less: Accumulated depreciation	<u>(105,433)</u>	<u>(53,058)</u>
	<u>87,404</u>	<u>111,863</u>
Furniture - at cost	436,699	436,699
Less: Accumulated depreciation	<u>(166,587)</u>	<u>(65,166)</u>
	<u>270,112</u>	<u>371,533</u>
Dilapidation costs capitalised	134,643	-
Less: Accumulated depreciation	<u>(42,637)</u>	<u>-</u>
	<u>92,006</u>	<u>-</u>
	<u><u>637,896</u></u>	<u><u>796,024</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

	Leasehold improvements	Computer equipment	Furniture	Dilapidation costs capitalised	Total
	£	£	£	£	£
Balance at 1 July 2020	312,628	111,863	371,533	-	796,024
Additions	41,655	27,916	-	-	69,571
Transfers in/(out)	(118,935)	-	-	118,935	-
Depreciation expense	<u>(46,974)</u>	<u>(52,375)</u>	<u>(101,421)</u>	<u>(26,929)</u>	<u>(227,699)</u>
Balance at 30 June 2021	<u><u>188,374</u></u>	<u><u>87,404</u></u>	<u><u>270,112</u></u>	<u><u>92,006</u></u>	<u><u>637,896</u></u>

Note 10. Non-current assets - right-of-use assets

	2021	2020
	£	£
Land and buildings - right-of-use	1,812,133	1,998,217
Less: Accumulated depreciation	<u>(575,626)</u>	<u>(399,805)</u>
	<u><u>1,236,507</u></u>	<u><u>1,598,412</u></u>

The company leases land and buildings for its offices, warehouses and retail outlets under agreements of between 2 to 5 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

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Note 10. Non-current assets - right-of-use assets (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land and buildings £
Balance at 1 July 2020	1,598,412
Depreciation expense	<u>(361,905)</u>
Balance at 30 June 2021	<u><u>1,236,507</u></u>

Note 11. Non-current assets - investment in subsidiary

	2021 £	2020 £
Shares in Vuture Inc.	<u>79</u>	<u>62</u>

Interests in subsidiary

Name	Principal place of business / Country of incorporation	Holding	Proportion held %
Vuture, Inc.	United States of America	Ordinary	100%

Note 12. Non-current assets - receivable from related parties

	2021 £	2020 £
Receivable from related parties	<u>6,228,282</u>	<u>6,295,351</u>

The receivable from related parties are non-interest bearing and do not have a fixed date of repayment.

Note 13. Non-current assets - customer acquisition costs

	2021 £	2020 £
Customer acquisition costs	<u>101,529</u>	<u>136,276</u>

Movement of the carrying amount at the beginning and end of the current and previous financial year are set out below:

	2021 £	2020 £
<i>Customer acquisition costs</i>		
Carrying amount at the start of the year	136,276	-
Additions	-	153,957
Impairment	(4,243)	-
Amortisation expense	<u>(30,504)</u>	<u>(17,681)</u>
Carrying amount at the end of the year	<u>101,529</u>	<u>136,276</u>
	<u><u>101,529</u></u>	<u><u>136,276</u></u>

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Note 14. Current assets - trade and other receivables

	2021	2020
	£	£
Trade receivables	644,589	829,265
Less: Allowance for expected credit losses	<u>(31,638)</u>	<u>(209,376)</u>
	<u>612,951</u>	<u>619,889</u>

Note 15. Current assets - prepayments and deposits

	2021	2020
	£	£
Prepayments	252,435	248,433
Security deposits	<u>128,597</u>	<u>163,808</u>
	<u>381,032</u>	<u>412,241</u>

Note 16. Current liabilities - trade and other payables

	2021	2020
	£	£
Trade payables	59,214	39,429
Other taxation and social security	195,528	162,616
Accruals	267,501	93,710
Other payables	<u>-</u>	<u>7,908</u>
	<u>522,243</u>	<u>303,663</u>

Note 17. Non-current liabilities - payable to related parties

	2021	2020
	£	£
Payable to related parties	<u>5,675,074</u>	<u>4,705,996</u>

The payable to related parties are non-interest bearing and do not have a fixed date of repayment.

Note 18. Non-current liabilities - provisions

	2021	2020
	£	£
Dilapidation provision	<u>145,368</u>	<u>138,499</u>

Dilapidation

The provision represents the present value of the estimated costs to make good the premises leased by the company at the end of the respective lease terms.

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Notes to the financial statements
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Note 18. Non-current liabilities - provisions (continued)

Movements in provisions

Movements in the provision during the current financial period are set out below:

2021	Dilapidation £
Carrying amount at the start of the year	138,499
Unwinding of discount	<u>6,869</u>
Carrying amount at the end of the year	<u><u>145,368</u></u>

Note 19. Equity - called up share capital

	2021 Shares	2020 Shares	2021 £	2020 £
A Class shares of £1.00 each - issued and fully paid	500	500	500	500
B Class shares of £1.00 each - issued and fully paid	500	500	500	500
C Class shares of £1.00 each - issued and fully paid	500	500	500	500
D Class shares of £1.00 each - issued and fully paid	500	500	500	500
	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>

A, B, C and D Ordinary shares

A, B, C and D Ordinary shares entitle the holder to participate in dividends and any proceeds attributable to shareholders should the company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. They do not confer any rights of redemption.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 20. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 21. Contingent liabilities

The company had no contingent liabilities as at 30 June 2021 and 30 June 2020.

Note 22. Parent entity and ultimate controlling party

The company's immediate parent entity is Vuture Group Limited (incorporated in United Kingdom).

The ultimate parent entity is Campaign Monitor Holdings (UK) Limited (incorporated in United Kingdom) and its consolidated financial statements, which the company forms part of, are publicly available from Companies House or can be obtained from Northern and Shell Building, 10 Lower Thames Street, London, EC3R 6EN

The controlling party is Campaign Monitor Investor Holdings, L.P.

The ultimate controlling party is Insight Venture Partners VIII, L.P.

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Note 23. Events after the reporting period

The consequences of the Coronavirus (COVID-19) pandemic are continuing to be felt around the world, and its impact on the company, if any, has been reflected in its published results to date. Whilst it would appear that control measures and related government policies, including the roll out of the vaccine, have started to mitigate the risks caused by COVID-19, it is not possible at this time to state that the pandemic will not subsequently impact the company's operations going forward. The company now has experience in the swift implementation of business continuation processes should future lockdowns of the population occur, and these processes continue to evolve to minimise any operational disruption. Management will continue to monitor the situation both locally and internationally.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.