rosslyn

Now you see it

Enabling procurement professionals turn insights into impact

Rosslyn Data Technologies plc
Annual Report & Accounts 2022

We are Rosslyn

At Rosslyn, we wrap our arms and minds around our customers' data. Then comes the big reveal— truths that make procurement decisions a whole lot easier and insights that change business for the better.

Our success has been built on a simple mission ingrained in our employees: to innovate data analytics in the interconnected world of procurement.

Data diligence.

Our diligence is the difference.

Nowadays, gathering data is simple. Our difference is doing the really hard part. Taking data from everywhere and piecing a story together. Pinpointing an insight that points users in the right direction. Helping them make real decisions for procurement excellence.

Innovation.

Innovation that never settles.

The procurement space has been our home for 15 years now. And instead of getting comfortable, we've continued asking "What if?". At Rosslyn, we're restless innovators who continue pushing boundaries and finding better ways to extract truth out of complex data.

Partnership.

More than a platform.
A partnership.

Yes, we have artificial intelligence and automated workflows. But we also have heart and soul. At our core, we're a people company working hand-in-hand with our clients to find solutions to their unique business challenges. With Rosslyn, our customers get more than a platform. They get the people behind it.

Contents

Financial summary*

Revenue from continuing and discontinued operations**

£5.9m

Revenue from continuing operations

£2.7m

2021: £3.6m

Adj. EBITDA* from continuing and discontinued** operations**

£(2.4)m

Adj. EBITDA* from continuing operations**

£(3.7)m

2021: £(1.8)m

Administrative expenses (continuing operations)

£4.5m

2021: £4.7m

Net cash as at 30 April 2022

£2.4m

2021: £5.8m

Operational and strategic highlights

- Major restructuring, enabling all efforts to be focussed on a single core product and a SaaS business model
- Launch of the new and improved Rosslyn Platform, with customer migration now nearing completion
- Rebranding to present Rosslyn as a modern visionary business, focussing on a single product comprising a best-in-class solution
- New operational leadership team, which now consists of 80% new employees all from the B2B SaaS enterprise software space, with proven track records of executing successful turnaround projects
- New go-to-market strategy focussed on leveraging partnerships to grow adoption of the Rosslyn Platform at scale resulting in some notable client wins
- New KPIs introduced from this year that are in line with the industry best practice and aimed at driving an entrepreneurial operating model in a fully collaborative environment
- Significant new client wins including a top 10 global pharmaceutical business, a top 3 global beverage company, a top 5 UK law firm and, post period, a Tier-1 Japanese bank via a partnership with ChainIQ and a three-year £500k contract with a multinational medtech corporation with an option to extend for a further two years
- Post period, value-accretive divestment of Langdon Systems for £100k in cash and in advanced discussions with regards to the sale of Integritie, which is expected to complete shortly

* Rosslyn has adopted a revised accounting policy on development costs, in line with industry best practices. See the Financial Review on page 16 for further detail.

** Integritie and Langdon Systems are classified as discontinued operations for the purpose of the statutory accounts.

*** Adjustments made are for exceptional items and share-based payments.

Rosslyn at a glance

We extract simple truths from complex data.

We combine data diligence, intelligent technology and a partnership approach.

We piece together the story from all our customers' data sources to allow them to make real decisions and extract genuine value.

Our purpose

Rosslyn automates critical business processes and analytics, helping organisations with complex supply chains manage and understand data from multiple sources to improve the quality of their decision making. Through its partnership approach, Rosslyn's team of technologists, data scientists, business consultants and industry specialists help customers piece together the insight from all their data sources, allowing them to concentrate on making real decisions and extracting genuine value.

Our platform

The Rosslyn Platform helps organisations with diverse supply chains mitigate risk and make informed strategic decisions. It leverages automated workflows, artificial intelligence and machine learning to extract and consolidate procurement data providing visibility of complex supplier data, enabling supplier spend savings and delivering rapid ROI.

Read more about our offering **on pages 06 to 07**

Our rebrand

Post year end, we completed a rebranding programme to refresh Rosslyn's appearance making it more engaging for today's market and aligning it with the strategic focus on a core SaaS platform.

We are already seeing great results in terms of interaction with the Rosslyn brand and in terms of the generation of new opportunities. Where a year ago there was very limited traffic on our website, now we are averaging 8,000 interactions a month.

Do you see it?

We help enterprises to see data in transformative ways so they can manage risk, simplify the supply chain and improve spend management. Our strength is our data diligence, which means we wrap our arms and minds around clients' data, then pinpoint insights that point them in the right direction. Around the clock, our robotic processes orchestrate and coordinate data management. We have intelligent technology and automated workflows, but we also have heart and soul. We are our clients' partners, by their side every step of the way.

Read more online at: **https://vimeo.com/717431461**

Our reach

Rosslyn operates in the enterprise market space, primarily serving large, multi-national organisations. We serve a broad range of sectors, with our customers falling particularly within the medical & pharmaceutical, transport & aerospace, professional services and food & beverage industries. Our customers operate globally, but are typically headquartered in the United Kingdom, elsewhere in Europe and the United States.

Offices serving clients globally

2

Total employees delivering value every single day

126

Spend under management & growing every month

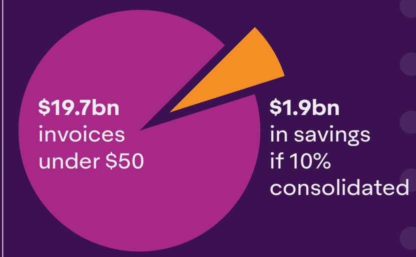
$1,385,150,000,000+

4,423,000+
Suppliers

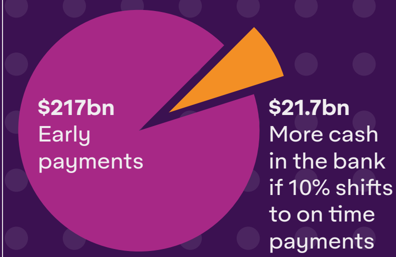
226,000,000+
Invoices

514,000,000+
Transactions

Low value invoices



Early payments



“We solidified Rosslyn’s leadership position in procurement analytics for the most complex and high-volume enterprise requirements, which is reflected in us having $1.4 trillion of spend under management on a month-to-month basis. Our product is relied on by some of the world’s leading companies, with new customers added this year including a top 10 global pharmaceutical business, a top 3 global beverage company and a top 5 UK law firm.”

Paul Watts
CHIEF EXECUTIVE OFFICER

Read more in the CEO’s review **on pages 14 to 15**

Chairman's statement

The year to 30 April 2022 has been one of transformation for Rosslyn. We started the year with a new CEO, Paul Watts, who implemented a full-scale strategic and operational review – taking into account our product set, our team and our go-to-market strategy. The outcome of this exercise was the decision to trim the business back to its core strengths – to focus on where we really excel and what we are best known for, which is spend analytics.

The delivery of this vision involved a significant restructuring of our company. A fundamental element of this was the decision to dispose of Integritie and Langdon Systems, which have limited crossover with our core business in terms of customer base or strategic rationale. Given the challenging market conditions that have prevailed over the past year, this process has taken longer than we had hoped. However, we were pleased to have completed the disposal of Langdon Systems at the beginning of October 2022 and we are in advanced negotiations regarding the disposal of Integritie, which we expect to complete in the coming weeks. A further announcement will be made on this as appropriate.

Alongside this, we put great effort into the development of our core Rosslyn product, with the upgraded platform being launched post period. As Paul discusses in his CEO Review, our product is now better designed to meet our customers' needs and we are receiving excellent feedback from those that have been migrated to the new platform.

Having reviewed our go-to-market strategy, we moved to a partner-led approach, which involves strengthening and expanding our existing partnerships as well as establishing others. Under this model, some partners serve as introducers while others service the end customer – both of which increase our reach within the market. While it is still relatively early days, we have already generated some notable wins from this approach.

A further element of our transformation was the restructuring of our core team. While working hard to retain certain key staff below the senior level, we have completely refreshed the management team with the aim of creating a culture of a high energy, high growth software business. Importantly, this new team was involved in helping to set the new strategy that we are now following. Under the leadership of Paul, who is an extremely experienced business builder with invaluable expertise in driving SaaS companies, we now believe we have the right core team in place with the energy to drive the business forward.

Accordingly, we believe we are now well positioned for growth. While it is still early days and our journey won't be without bumps in the road, we are starting to see results. We have a much stronger pipeline, a much stronger retention rate and a much happier customer base. We are focused on doing one thing and doing that one thing really well as a high-growth ARR-based software business.

I would like to thank all our staff and our stakeholders for their support as we undergo this transition. We believe that by delivering on our vision, we will generate value for our shareholders and I look forward to doing so. Hugh Cox and Ash Mehta stepped down from the Board during the year under review and, as I said in my statement last year, we thank them for their contributions. I would also like to express my gratitude to Barney Quinn who, in line with best practice corporate governance, will be retiring from the Board before his ninth anniversary in April 2023. Barney is working with the Board to assist in the identification of a suitable successor.

With our refreshed product, team and strategy, we exited the year in a far stronger position than when we entered it – and, indeed, than at any point in our recent history. We are now working hard to deliver on this strategy and I look forward to reporting on our progress.

James Appleby
Chairman

31 October 2022

Why invest?

1 Well positioned in a rapidly growing market

- More and more companies understand the value of procurement analytics and the effect it has on supply chain resilience, bottom line and strategy. The global procurement analytics market size is expected to reach $18.2 billion by 2030, a CAGR of 23.6% from 2022 to 2030[1].
- Rosslyn has strong market recognition and high ranking in reputable ratings: our platform has been named on the "50 to know" list by Spend Matters for three consecutive years and recognised as a Solution Leader in their SolutionMap ranking.
- With the new well-endorsed platform, go-to market approach, management team and strong pipeline, Rosslyn is well positioned to expand in this market.

2 Head start on investment in data

- In 2017, The Economist published an article titled "The world's most valuable resource is no longer oil, but data." By that time, Rosslyn had been in the business of data for 10 years.
- 15 years of experience enables us to tackle the most complex cases – a key differentiator for our business.
- In 2022, we released the new and improved Rosslyn Platform, following significant investment, which we expect to be a catalyst for further growth.

3 Strong client list diversified across many industries

- We have large, blue-chip clients operating globally and across numerous sectors, including food and beverage, professional services, pharmaceutical and healthcare, and transport and retail.
- No single client accounts for more than 8% of revenues. This reduces the risk that a client loss could have a significant negative impact on revenues.

4 Renewed stakeholder alignment

- New KPIs in line with industry best practice for B2B SaaS enterprise businesses – enabling better benchmarking going forward.
- Rosslyn empowers the leadership team with an entrepreneurial operating model to drive their line of business in a fully collaborative environment.

5 Opportunity for accelerated growth through emerging technologies

- Our next stage of development will be leveraging machine learning, AI.
- Predictive analytics can open a whole new market – in which Rosslyn is well positioned to excel thanks to its experience in data innovation.

Investment highlights

$1.4tr
Spend under management

20+
Number of industries with blue-chip clients

15
Years in procurement data analytics

1 Report by Grand View Research Procurement Analytics Market Size, Share Report, 2030 (grandviewresearch.com)

Our business

What we sell

We licence our software to customers to give them access, via a web interface, to our platform that extracts and analyses procurement data to reveal business critical insights to help minimise risk and highlight inefficiencies in the supply chain.

Who we sell to

Our customers are primarily large, blue-chip organisations, both public and private bodies in a variety of industries, who operate globally and are headquartered in the UK, elsewhere in Europe and the US.

Increasingly, we also sell to partners who service the end customer.

How we sell

Our revenue is derived primarily from customers paying a fixed, recurring annual licence fee based on the number of input data sources/systems and frequency of refreshing the data on the platform. We generate a small proportion of revenue from the provision of professional services to assist customers with configuring or implementing our software.

At present, we primarily sell directly to the end customer.

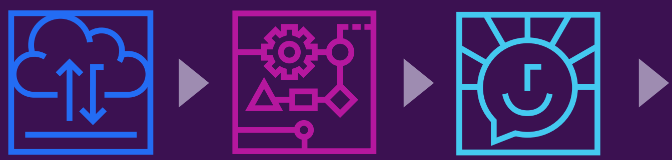
What we do

We piece together the story from all our customers' data sources to allow them to make real decisions and extract genuine value.

The Rosslyn Platform

Procurement analytics

The single source of truth, enabling procurement to make data driven decisions that will save money, reduce risk and improve efficiency across their supply chain.



Acquisition
Extract data from the source system

Aggregation
Mapping and merging the data together

Validation
Is it correct?

Data

Insights

Source-to-Contract

Strategic sourcing	Supplier relationship management	Contract management

Source-to-pay process

Underpinned by our values

Our values are embedded throughout our business and are reflected in every action we take.

1. We have curious minds, and are entrepreneurs at heart

We're driven to find better ways to help our customers and peers. Every new challenge is an opportunity to learn something valuable. We'll never stop looking for more efficient and powerful ways to improve ourselves.

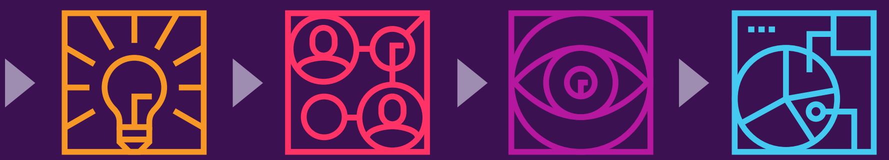
2. We go the extra mile every time

We always strive to better help organisations build resiliency for future challenges. That's why we'll always challenge ourselves to be better and do better and dare to be different.

Source-to-pay is the end-to-end value stream that encompasses all the activities required for an organisation to obtain and pay for goods and services from other entities: it is a process that starts with finding, negotiating with, and contracting the supplier (source-to-contract), and culminates in the invoice/PO generation process and payment for those goods and services (procure-to-pay).

The source-to-pay process generates data... and a lot of it! This data landscape is complex: comprising different systems, geographies, currencies, formats and more. Getting visibility of this data in an impactful way can be incredibly challenging for our clients.

This is where Rosslyn's procurement analytics comes in – providing clients with insights, based on their data, that can enable improvements across the source-to-pay process of their supply chain.



Enrichment
What can we improve?

Normalisation
What can be standardised?

Classification
Where is money being spent?

Visualisation
Now you see it!

Data **Insights**

Procure-to-Pay

Requisition creation & approval	PO management	Invoice reciept and processing	Payments managed

3. We believe in delivering tangible results

We exist to make our clients successful. Together, we think and function as one team, and even though we come from many parts of the world, a common mission unites us: to make a genuine impact.

4. We are on a journey together

We make sure our team feels appreciated and valued. We celebrate our people. We take the time to stop and acknowledge where we came from so that we don't miss how impressive the climb is.

Our success

Our value proposition

- 15 years' experience – we have previous exposure to all kinds of data landscapes
- Automation technology – process automation (and seeking to automate as much as possible) reduces the requirement for manual inputs and improves output through increased refreshing of data
- Based on the combination of the strength of our tools (such as automation) and experience, we have:
  - Best-in-class extraction capability – able to get data that some competitors cannot access
  - Unique ability to deal with complex data landscapes

How we plan to grow

- Partner-led go-to-market approach
- Enhanced marketing
- Reference-based selling
- Broadening the application of our platform, such as incorporating ESG factors

Our insights

In conversation with Sam Clive

Head of Product Strategy & Solution Engineering

Q. What is your vision for the product?

A. We want to become the leader in procurement analytics. It all starts with the underlying spend data – which is where we have been really strong throughout the history of Rosslyn – but organisations need to bring together more than just spend data. This means incorporating more data sets, such as ESG, and also applying analytical technology that can generate actionable intelligence.

Q. What do you aim to provide to customers?

A. We provide customers with a single source of truth from all their internal and external procurement data. Across the source-to-pay process, clients will get data from many sources, with multiple different technologies – most of which won't be interconnected – and they need to be able to make sense of this complex landscape. Our role is to bring all that data together and to provide visibility and insights – with the Rosslyn Platform providing everything in one place.

Q. What is your current focus?

A. Over the past six months, our focus has been on migrating clients to the new platform and training them in how to use it. Lots of our clients have used this as an opportunity to relaunch the platform internally, which has meant more people using it and across different parts of the organisation. This is great validation and also embeds us further within the client.

Q. Where to next?

A. We have already begun looking at how to incorporate more data sets, particularly with regards to ESG as this is fundamental when assessing risk within the supply chain. Given what the world has faced over the last couple of years, the importance of procurement and of understanding your supply chain and where it might be at risk has never been higher. So this will be a focus for us.

We also want to leverage machine learning and AI to make processes more autonomous as well as to move into proactive and predictive analytics as opposed to just a historical view of data. We have ideas in the product roadmap as to how we can start moving that forward next year, which we're excited about.

How disruptive technologies are transforming procurement

The rise of disruptive technologies is changing the world of procurement. Cloud computing, AI, machine learning, and blockchain, to name just a few, are redefining the industry.

As these digital technologies become more commonplace, procurement teams are finding themselves with fewer tactical, labour-intensive tasks and more time to focus on strategic activities that increase operational efficiency, innovation and ultimately revenue, through reinvented workflows and a more agile business agility.

Read more on our website at: **www.rosslyn.ai/our-insights/how-disruptive-technologies-are-transforming-procurement**

The benefits of improving supply chain performance monitoring

In the world of business, knowledge is power. The more you know about the market you operate in, the better decisions you'll be able to make.

By understanding its supply chain, an organisation can solidify its strengths and identify its weaknesses. This allows the creation of a leaner, benefit-enabling procurement function that saves costs and drives growth.

Read more on our website at: www.rosslyn.ai/our-insights/benefits-improving-supply-chain-performance-monitoring

Achieving sustainability across the supply chain

The imminent effects of climate change have put responsible procurement on the top of most businesses' agendas.

By utilising data sources – including supplier data, regular supplier assessments and third-party specialist data – as well as clearly communicating their sustainability goals, companies can develop environmentally-friendly processes across the supply chain.

Read more on our website at: www.rosslyn.ai/our-insights/achieve-sustainability-across-supply-chain-rosslyns-data-solutions

Sustainability

We strive to meaningfully engage with all our stakeholders, including shareholders, customers, employees, partners, and the communities in which we work and live. Our stakeholder engagement allows us to identify which aspects of our businesses are considered most relevant to each and enable us to build our sustainability framework around them.

Stakeholder	Topics	Channel
Customers	▪ Feedback ▪ Ideas how to improve service ▪ Cybersecurity and Data Privacy ▪ Complaints policy	▪ Customer Advisory Board ▪ Customer support ▪ Social media ▪ Customer Success Management ▪ Quarterly Business Reviews
Employees	▪ Career growth and opportunities ▪ Diversity and inclusion ▪ Training ▪ Well-being	▪ HR ▪ Corporate events ▪ External Training Courses ▪ Employee Well Being Platform
Communities & NGOs	▪ Financial support for NGOs ▪ Volunteering initiatives	▪ Charity Events ▪ Pro-bono activities ▪ Sponsorships
Shareholders	▪ Medium and long-term projections for the Company ▪ Competitive landscape ▪ Cybersecurity and Data Protection ▪ Corporate governance	▪ One-on-one calls ▪ Investor presentations
Government bodies and regulators	▪ Modern Slavery Policy ▪ EU General Data Protection Regulation ▪ Anti-bribery and anti-corruption practices	▪ Monitoring procedures
Government bodies and regulators	▪ Transparent processes and conditions ▪ Modern Slavery Policy ▪ Anti-bribery and anti-corruption practices	▪ Bids ▪ Meetings ▪ Conferences

Our approach to sustainability

Our business starts with data, and it is what our platform can do with it that can empower businesses and make a difference in the world. We recognise that our social, economic and environmental responsibilities are integral to our business. We aim to demonstrate these responsibilities through our actions and within our corporate policies. Our policies run hand-in-hand with our ISO 9001:2015 accreditation and are as follows:

- Complaints Policy
- Corporate Social Responsibility
- GDPR Compliance
- Modern Slavery Policy
- Privacy Policy
- Anti-bribery and anti-corruption practices

We are committed to conducting our business with integrity and respect to human rights. We will ensure that modern slavery is not taking place anywhere in our own business, or in any of our supply chains, we will promote anti-bribery and anti-corruption practices.

Our company will:

- Respect the law
- Honour its internal policies
- Ensure that all its business operations are legitimate

Our company preserves a budget to make monetary donations. These donations will aim to:

- Support environmental causes
- Alleviate those in need

We actively encourage our employees to volunteer. They can volunteer through programs organised externally or internally. Our company may sponsor volunteering events from other organisations.

Additionally:

- We shall strive to improve our environmental performance;
- We shall strive to reduce waste by the use of recycling;
- We shall operate an equal opportunities policy for all present and potential future employees;
- We will offer our employees clear and fair terms of employment and provide resources to enable their continual development;
- We shall provide, and strive to maintain, a clean, healthy and safe working environment;
- We shall uphold the values of honesty, partnership and fairness in our business relationships;
- We shall encourage suppliers to adopt responsible business policies and practices.

UN SDGs

We are committed to leverage our innovative technology in processing and analysing data to assist in building a more sustainable future.

We embrace the United Nations Sustainable Development Goals (SDGs) as an opportunity to drive socioeconomic change through our services. We identified three of the 17 SDGs that Rosslyn can have a direct impact on achieving:

SDG	Contribution
5 GENDER EQUALITY	▪ Equal pay and equal opportunity to all our employees ▪ Encouraging use of our services for tracking and eliminating inequality
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	▪ Building up the business resilience through efficient management of the supply chain
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	▪ Reducing food waste through optimised and well tracked procurement ▪ Tracking scope 3 emissions through the upstream supply chain

Sustainability continued

Our employees

Employee recognition

Rosslyn continues to celebrate the achievements of its staff through an employee recognition programme. This gives staff the opportunity to nominate up to three colleagues, who they believe have gone above and beyond in either helping them or a client.

Employee engagement

It is the Group's policy to involve employees in its progress, development and performance. During the year a series of briefings took place to keep employees informed of developments, financial performance and technical changes. The Group is committed to ensuring that equal opportunities are accorded to all its employees irrespective of age, gender and nationality in respect of training, career development and advancement.

Support for individual volunteering and charity fundraising

Rosslyn supports and encourages its employees in their individual volunteering and fundraising activities. During the reporting period employees doing mentoring work with the school reading groups were granted time-off for this initiative.

Data privacy and cybersecurity

Cybersecurity is of critical importance to the Group as it protects all categories of data from theft, unauthorised access and damage. It is fundamental to achieving our strategic objectives, which is why we maintain both ISO 27001 and ISO 9001 accreditations.

Our goal is to maintain and enhance the protection of customers data and resources and to monitor the security threats. In order to do so we are constantly working on perimeter security, analysing potential threats and working on ransomware security. Rosslyn remains vigilant through regular third-party penetration testing, improvements in security management and daily vulnerability scanning.

The Rosslyn cloud platform uses a "defence-in-depth" security strategy, in which a series of security layers are implemented so that no single solution is relied upon to provide security.

Our partnership with Microsoft and our use of the MS Azure platform allows us to fully utilise the Azure Security Intelligence services, which combined with our engagement with specialised Cyber Security firms, ensures that our Information Security Policy (ISP) is maintained to the highest levels. The ISP covers the physical and cyber security of Rosslyn and third-party information and addresses business continuity and disaster recovery procedures. The ISP also encompasses our responsibilities in respect of the General Data Protection Regulation (GDPR) and other non-personal information we handle.

Threat Landscape

Rosslyn identifies these as the most pressing information security risks:

- Attacks on remote access, remote users
- Bribing employees to sell data
- Ransomware attacks
- Crime as a service

As predicted in last year's report, the growth in ransomware attacks has reached new heights. The recent attack on Colonial Pipeline, part of the US critical infrastructure, by an affiliate of Ransomware as a Service (RaaS) group named DarkSide, was a step too far and made the US Government deal with the matter firmly and decisively. Russia and other ransomware host countries have been compelled to shut down some of the groups they were harbouring. These cybercriminals are now aware to not attack assets known to be part of any nation's critical infrastructure. However this means that smaller companies might be targeted 'en-masse' for smaller ransoms.

ESG products

Rosslyn strives to anticipate its customers' needs and deliver cutting-edge multi-functional product.

We formed a Customer Advisory Board, to marry our strategic product roadmap with the customer's experiences and objectives. At its first meeting the Board recommended incorporating broader ESG data such as supply chain risk, sustainability and diversity into the analytics alongside supplier spend data. Rosslyn followed the advice and at the end of the reporting period this feature was implemented for our first customer with others in development.

More and more companies are trying to integrate ESG parameters into their business processes, facing a number of challenges. We believe we can reduce the barriers to tracking ESG through the procurement by making it as easy as possible for people to use our platform for this.

As the primary interface with the upstream supply chain, the procurement function has a decisive role to play in shaping company's ESG footprint. According to McKinsey, for most products, 80-90% of greenhouse-gas emissions are "Scope 3". Of these emissions, two-thirds are usually from the upstream supply chain.

Yet many chief procurement officers feel they are lacking the necessary tools and data. Rosslyn can help with that. Our clients recognise us for our innovative approach to helping organisations create business value from previously inaccessible data.

Environmental protection

Rosslyn has plans to raise awareness of environmental issues within the organisation. The Company is planning to launch training for employees on waste sorting, to be implemented either internally or with the involvement of external consultants.

CEO's review

The last financial year was an important turning point in our business development. We are now at the very end of a major restructuring, resulting in a refocusing on a single core product and a SaaS business model. With a refreshed operational leadership team, we have also renewed our go-to-market strategy to a partner-led approach.

We solidified Rosslyn's leadership position in procurement analytics for the most complex and high-volume enterprise requirements, which is reflected in us having $1.4 trillion of spend under management on a month-to-month basis. The ability to help enterprises with the most complex problems through making data visible, understandable and insightful for procurement departments is what Rosslyn is known for. Our product is relied on by some of the world's leading companies, with new customers added this year including a top 10 global pharmaceutical business, a top 3 global beverage company and a top 5 UK law firm.

We heavily invested during the financial year to build a solid foundation and, whilst this had a corresponding impact on our earnings for this year, we now have a solid platform for growth and expect to start seeing the fruits of this investment come through in the current and next financial year.

Market opportunity

We feel that our investments are well-timed as the market opportunity for Rosslyn continues to grow. The macroeconomic and geopolitical landscape is the most complex it has ever been. With stretched supply chains, compounded by events such as the conflict in Russia-Ukraine, it is crucial to leverage all data available to manage risks and make strong strategic procurement decisions. Combined with this, there is a growing requirement for taking ESG factors into account in procurement – from a risk management and ethical business perspective. This can only be achieved with specialised technology with strong data aggregation and analytical capabilities. At the same time, there has been an under investment by corporates in procurement and risk technology, which is further driving demand for solutions such as ours.

Rosslyn has an advantage of 15 years' experience in the space. We are very good at helping enterprises clean and digest their data easily to make strategic decisions deep within their supply chain. Coupled with other competitive advantages and a timely restructuring, I believe that Rosslyn is well positioned to capitalise on these market opportunities in the coming years.

Platform

Focusing on our platform, I would like to emphasise our unique selling proposition:

- 15 years' experience means that we've seen it all and have built a platform that can cater for even the most unexpected scenarios.
- We can handle the most complex data landscapes with multiple sources and source locations.
- We have unmatched data extraction capabilities, which we strive to continuously improve and automate as much as possible to improve our utility to larger scale organisations.

We've put the customer experience at the centre of our business, with a laser focus on ensuring they extract maximum value from our solution.

We have now migrated almost all of our clients to the new platform, and I am happy to report strong customer, partner and analyst endorsement. For the last three years, Rosslyn has been named on the "50 to know" list by Spend Matters, a provider of procurement solutions intelligence, where the overall score combines analysts' evaluation and customers' feedback.

This recognition is a testament to how we have been able to make continuous improvements within our own platform, enabling our clients to make data driven decisions with confidence. Hitherto, in Spend Matters' SolutionMap ranking, we have been a Solution Leader, which is based on product strength. This year's ranking is expected to be published in the coming months and I am hopeful that the refreshed Rosslyn will transition to a Value Leader, which reflects the level of service we give to our customers as well as the strength of our product.

The new Rosslyn Platform delivers a simplified, more intuitive interface and streamlined navigation, making it easier for users to quickly gather the insight they need. The collaboration functions have been improved to facilitate the sharing of dashboards and reports with key stakeholders across a business. There is also a closer integration between data and visualisation, including features such as enabling specialist teams within customer organisations to have their own tailored view of procurement data. Users want to spend more time on the new platform and we are also pleased to see customers growing the number of users of the platform, reflecting the value that it offers. Our aim is to provide our customers with a single source of truth, from all of their internal and external data, that can be leveraged across their organisation.

Customer Advisory Board and ESG

Towards the end of the year, Rosslyn held the inaugural meeting of its Customer Advisory Board and immediately began implementing some of the recommendations. In particular, we have started incorporating a broader range of data - such as related to supply chain risk, sustainability and diversity - into the analytics alongside supplier spend data. We still have a way to go in terms of tracking and analysing a wide range of ESG metrics across the supply chain, but we are making good progress and we were delighted, post period, to implement our first contract where the customer had appointed us specifically for our ability to provide diversity data.

Now that the migration of our clients to the new platform is almost complete, and the first results are in, we will soon hold another meeting of the Customer Advisory Board as continuous improvement is essential to stay ahead in the very dynamic area of procurement. Moving forward, we will be looking at key areas for innovation within the Rosslyn Platform, such as AI, machine learning and ESG tracking.

Rebranding

Along with the new platform one of the major initiatives this year was a rebranding programme, which completed post year end, to refresh Rosslyn's appearance making it more engaging for today's market and aligning it with the new direction of the business. In particular, we are now branded simply as 'Rosslyn' to reflect the strategic focus on a core SaaS platform.

The rebrand has brought great results both in terms of interaction with the Rosslyn brand and in terms of the generation of new opportunities. Where a year ago there was very limited traffic on our website, now we are averaging 8,000 interactions a month.

Partner-led development

With the new platform, the new brand and a new sales and marketing team, we are now focused on executing on our strategy to have a partner-led approach to business development. This involves increasing our business with existing partners as well as establishing new partnerships. We believe we have best-in-class partner onboarding and support systems, and in the coming financial year, we expect to increase the number of partners that we have in execution mode.

While we are still in the early stages of implementing this strategic shift in our go-to-market model, we are already seeing some great results. Post period, we won a contract for the international arm of a tier 1 Japanese bank via our partnership with Chain IQ. Since forming the partnership last year, Chain IQ and Rosslyn have undertaken a number of successful proof-of-concepts with potential customers, with this new contract representing the first to transition to a full enterprise customer. We are confident that more will follow in the near term. We also won a three-year £500k contract with a multinational medtech corporation, with an option to extend for a further two years, which came via a new partner of ours.

Divestment

To be able to move faster and in a more focused manner, we decided to divest all non-core businesses – namely, Integritie, which is a content management platform, and Langdon Systems, which specialises in bulk handling of supply chain data associated with import and export duty management systems.

Divesting of these non-core parts of the business will provide us with far greater strategic and operational focus on our primary product – the Rosslyn Platform – as well as reduce cash burn. We sold Langdon Systems in October 2022 for £100k, generating value from the sale and providing working capital that will enable us to accelerate the execution of our growth strategy, and and we expect to complete the disposal of Integritie in the coming weeks.

On a similar note, during the year there was a focus on exiting non-profitable business lines to enable us to prioritise larger contracts. While the sales cycle for such contracts is longer, the end result is more valuable.

KPIs

As discussed in the Financial Review, we have established new KPIs by which we will measure the success of the business. These KPIs are in line with industry best practice for B2B SaaS enterprise software businesses – with the most important metric being annual recurring revenue (ARR) growth. Through clear and appropriate KPIs, we are empowering the new leadership team with an entrepreneurial operating model to drive their line of business in a fully collaborative environment.

Outlook

Looking ahead, Rosslyn is now in growth execution mode. We have done a lot of heavy lifting in the last 12-18 months on the product, the brand, the team and the go-to-market model and we are now looking to get a return on those investments in the short term while continuing to strengthen the foundations of the business to deliver sustainable growth in the long term.

Trading in the first half of FY23 to 30 September 2022 has been as expected and we believe we are close to completing the disposal of Integritie. Accordingly, and with a good pipeline for the rest of the year, we remain on track to deliver increased revenue for the full year, in line with market expectations and look to the future with confidence.

Paul Watts
Chief Executive Officer

31 October 2022

Financial review

The Group's results reflect the transitional nature of the year under review as the business underwent a comprehensive restructuring and invested in the development and launch of the new Rosslyn Platform.

Discontinued operations

Integritie and Langdon Systems have been classed as discontinued operations for the period and historical comparisons restated on that basis.

Change of accounting policy and costs allocation

As previously mentioned, the Group has updated its accounting policy on development costs under accounting standard IAS38 – Intangible Assets, which means such costs are now capitalised as opposed to expensed. This policy is in line with the standard accounting approach for software companies and is to provide readers with more transparency and facilitate benchmarking of performance. In addition, cost of sales hitherto only included platform & hosting, but has now, as a result of the introduction of improved reporting systems, been expanded to incorporate other elements, such as support and customer success management, which were previously classified as administrative expenses. We believe this will enable a more accurate and transparent benchmarking of our business in terms of gross margin. As noted above, the figures for the year under review reflect the transitional nature of the business during the period and we have strategies in place to improve our performance going forward.

Profit and loss account

Revenue for the year for continuing and discontinued operations was £5.9m. Revenue for continuing operations was £2.7m (2021 restated: £3.6m) due to the churn in the customer base as we underwent our restructuring, and with the period under review being largely before the new platform was introduced. Gross margin was 16.6% (2021 restated: 49.0%) reflecting lower revenue as well as cost of sales increasing to £2.3m (2021 restated: £1.8m) due to higher prices for platform and hosting as a result of a renegotiation of a contract with a key supplier.

Total administrative expenses were reduced to £4.5m (2021 restated: £4.7m), but increased as a percentage of revenue as a result of the investment into marketing of the new product.

Historically the Group has expensed its development costs but, following an improvement in its reporting facilities, the Company can now distinguish between research and development costs. Accordingly, the Company is now able to capitalise development costs in accordance with accounting standard IAS 38 – Intangible Assets.

Operating loss stood at £4.0m (2021 restated: £2.9m). Adjusted EBITDA for continuing operations was a loss of £3.7m (2021 restated: £1.8m loss), which includes the capitalisation of development costs. For continuing and discontinued operations, adjusted EBITDA was £2.4m loss including the capitalisation of development costs and £3.4m loss excluding the capitalisation of development costs.

The loss before income tax for the year was £4.1m (2021 restated: £3.0m loss). This includes share-based payment charge of £161k (2021 restated: £194k).

Cash flow and funds

Cash used in operating activities was £2.7m (2021 restated: £774k).

Cash balance at the year-end was £2.4m (2021: £6.7m). During the year, we repaid the secured loan in full (£890k). At the end of the financial year, we had no outstanding debt.

Net cash at the year-end stood at £2.4m (2021: net cash £5.8m).

Balance sheet

The major movements in the balance sheet during the year were:

- Trade and other receivables reducing to £820k (2021 restated: £2.4m)
- The decrease in cash, as described above
- Assets held for sale amounting to £650k (2021 restated: £nil) representing the intended divestment of Integritie and Langdon Systems
- Current trade and other payables were reduced to £2.3m (2021 restated: £4.5m) as current deferred revenue fell to £0.9m (2021 restated: £2.8m) due to the reduction in revenue and changes in timing for invoicing customers
- The repayment of debt, as described above
- Liabilities directly associated with assets held for sale amounting to £1.5m (2021 restated: £nil), as described above

Material uncertainty

As discussed in note 2 to the financial statements, the Board of Directors of Rosslyn considers the Company to be a going concern. However, if the Group is unable to deliver upon the proposed sale of Integritie, its proposed revenue projections or, alternatively, proposed cost reductions, there is limited headroom in the current forecasts and as such there is considered to be a material uncertainty relating to going concern. As noted above, the Directors are confident that the disposal of Integritie will be complete in the coming weeks and that the Group is on track to meet its projections. The independent auditors' report is not modified in respect of this matter. The financial statements do not include any adjustments that would result if the Company were unable to continue as a going concern. For further details, refer to the 'Going Concern' section in note 2 to the financial statements.

Key metrics

Commencing from this year, we have introduced new Key Performance Indicators ("KPIs") for measuring our progress. As previously mentioned, we have chosen these metrics as they are better suited for a high-growth, SaaS-based business. As this is the first year that we have introduced these KPIs, we do not have comparative figures, but are providing the results for the year to 30 April 2022 as a base measure for moving forward. As discussed further on page 17, our KPIs now comprise: weighted pipeline, annual recurring revenue (ARR) growth, gross margin, customer acquisition cost (CAC) payback, net revenue retention, cash burn rate and net profit/(loss). We look forward to reporting on our progress against these KPIs going forward.

Key performance indicators

This year Rosslyn has introduced new Key Performance Indicators ("KPIs") for measuring progress. The Board has chosen metrics that are best suited for a high-growth, SaaS-based business. They are designed not only to provide a better measure of our progress externally, but also to help drive the business internally.

As this is the first year that that these KPIs have been introduced, the Group does not have comparative figures or commentary on performance, but are providing the results for the year to 30 April 2022 – which, as noted elsewhere in this report, was a transitional year – as a base measure for moving forward.

The following KPIs have been presented for the Group's continuing operations.

Annual Recurring Revenue Growth (excluding discontinued activities)

-9%

Description – ARR growth rate is the change in the sum of ARR for all customers as of the measurement date, with ARR for each customer being their annual contracted value to Rosslyn.

Why it is a KPI – A key metric for SaaS businesses that aids in measuring business growth and calculating customer churn.

Weighted Pipeline

£0.87m

Description – The Group's pipeline that is at the Sales Qualified Opportunity (SQO) stage or later in the sales process, having been at least qualified in an initial meeting as having budget, authority, need and to close in an appropriate timeframe.

Why it is a KPI – Pipeline is a critical measurement to the ongoing growth of the business. The weighting of this gives a more accurate measure than total pipeline by weighting the pipeline based on the stage of the sales cycle.

Gross Margin

17%

Description – The difference between the selling price of Rosslyn's services and the cost of goods sold, as a percentage.

Why it is a KPI – An indicator of the amount of profit available to cover overheads and ultimately pass to the owners.

Customer Acquisition Cost (CAC) Payback

122 months

Description – The average time it takes for a customer to generate sufficient revenue to pay back the cost to Rosslyn of acquiring the customer.

Why it is a KPI – It measures how effectively Rosslyn is monetising its customer base and assists in understanding the break-even point of customer acquisition.

Net Revenue Retention

83%

Description – The percentage of recurring revenue retained from existing customers entering the year.

Why it is a KPI – It provides a comprehensive view of positive as well as negative changes with respect to the existing customer base.

Cash Burn Rate

£(0.27)m per month

Description – The amount of cash spent/used over time, and an indication of negative cash flow.

Why it is a KPI – The Group's rate of cash burn provides a measure of financial strength and self-sufficiency to support operations while the business is at the pre-profit stage.

Adjusted Net Profit/(Loss)

£(3.83)m

Description – This is the operating loss for the year adjusted for amortisation & depreciation and share-based payments.

Why it is a KPI – Gives an indicator of financial performance over the period.

Risk management and principal risks

Managing our risks effectively

In common with any business, the Group can be subjected to a variety of risks in the conduct of its normal business operations that could have a material impact on the Group's long-term performance.

The Board is responsible for determining the level and nature of risk accepted that is felt to be appropriate in delivering the Group's objectives and for implementing an appropriate Group risk management framework. The Board routinely monitors risks that could materially adversely affect the ability of the Group to achieve its strategic goals and to maintain financial stability, assisted by senior management.

The Group seeks to mitigate exposure to all forms of risk where practical and to transfer risk to insurers where cost effective. In this respect the Group maintains a range of insurance policies against major identified insurable risks, including (but not limited to) business interruption, cyber security and employment risks. The risks outlined below are those that the Board considers to be material to the Group.

Risk	Description	Mitigation	Change
1 Dependence on key executives and technical personnel	The Group's future success depends on its senior management, senior sales and marketing executives and key technical staff. The Group has entered into contractual agreements with these staff members but their continued employment cannot be guaranteed. Failure to retain these staff members may adversely affect the performance and profitability of the Group. It is possible that key staff members may join competitors or establish competitor businesses in their own right. It is also possible that employees may be unable to perform their functions due to events beyond the Group's control such as a natural disaster or pandemic.	The Group continues to invest in improving HR in order to ensure good recruitment and onboarding of new employees. Training is provided as needed within the Group to allow employees to develop the necessary skills for their changing roles. Share options are available to incentivise key staff. The Group has a resilient IT infrastructure (as described further below), which enables employees to continue to support clients without disruption to client service such as in the event of being required to work remotely. The ongoing continuity of service is being kept under constant review.	↑
2 Technical change	The Group is involved in the provision of software services. The software industry is in the process of continuous change and development, reflecting technical developments and changing customer requirements. These changes may adversely impact the Group's prospects.	The Group continues to invest significant resources into R&D. The Board believes that constantly evolving the product offering best protects the Group against technological change. During the year, the Group has continued to invest significantly into R&D, resulting in the launch of the new, upgraded Rosslyn Platform.	↔
3 Reliance on key systems	The Group's reliance on certain key systems and technologies for its continuing operations exposes it to significant risk as the systems are vulnerable to interruption and damage. The interruption and damage of the Group's systems may be due to events beyond the control of the Group; these events include, but are not limited to, natural disasters, telecommunications failures, power losses, computer viruses and terrorist attacks. Downtime arising from such events may have a material detrimental effect upon the Group's performance and profitability.	The Group maintains disaster recovery plans and undertakes regular security procedures (see 'Data Security' below). These are designed to allow the business to function properly against many foreseeable events. However, certain events are beyond the management's ability to build cost-effective solutions. Acts of terrorism and total loss of the internet fall into these categories. Management recognises the Group's exposure to key systems and seeks to minimise its risk on a cost-realistic basis.	↔
4 Customer risk	The Group invests in functions and processes to service customers in an appropriate manner, with a view to achieving high customer retention rates. The expansion of the Group may place strains upon these functions and processes. There can be no guarantee that the Group will be able to achieve its current retention rates.	The Board recognises that customer care is a very important attribute to businesses in the service sector. Clients are supported by the Customer Success team. The Board regards customer satisfaction and low churn as important success signals. Nevertheless, some client turnover can be expected for reasons that do not necessarily reflect poor service. Change of control of a customer, as an example, may give rise to different supplier choices. During the year, the Group continued to implement processes to improve its service to customers, including the establishment of a Customer Advisory Board.	↑

Risk	Description	Mitigation	Change
5 Competition risk	The sector in which the Group operates is competitive and there can be no certainty that the Group will be able to achieve the market penetration it seeks. There can be no guarantee that the Group's current competitors or new entrants to the market will not bring superior technologies, products or services to the market. The possibility of similar products and services at a lower price may also be offered to the market. Any of these events may have an adverse effect on the Group.	The Group sees a competitive market environment as an opportunity as much as a threat. Investment in people, systems and products represents the best defence in a competitive marketplace and the Board continues to invest in all these areas. The Board also believes that its renewed go-to-market strategy, which is focused on a partner model, enhances the Group's competitive position by being able to leverage the established relationships of its partners with the end customer.	↓
6 Product risk	The Group supplies sophisticated and complex computer software to its customers. These products, when first introduced or enhanced, may contain undetected defects that may fail to meet customers' performance expectations or requirements. Such failures may damage the Group's reputation and lead to an adverse effect on the Group's business and financial performance.	Products and new releases are rolled out to the market, after extensive internal testing, in aprogressive manner. The Group seeks to release fully functional products but the nature of software includes a risk of unidentified bugs existing in the system. The Group is capable of rolling back to previous versions of software if absolutely necessary. The new Rosslyn Platform was launched after in-depth testing and the migration of customers to that platform was done in a phased rollout to minimise risk.	↔
7 Political, economic and legislative risks	The Group may be adversely impacted by developments in the political, economic, global and regulatory environment in which the Group operates. Such risks include, but are not limited to, expropriation, nationalisation, inflation, deflation, changes in interest rates, changes in tax rates and regimes and currency exchange controls. A general deterioration in the economic climate in any of the markets in which the Group operates may impact the demand for the Group's products and services. Such changes in demand may cause an adverse impact on the Group's performance. It is not always possible to foresee the impact of legislative or regulatory change. These changes may also have an adverse impact on the Group's financial performance.	The Group operates in a diverse range of markets, which offers some regional diversification, but many macroeconomic factors and legislative events are beyond the control of the Board. The global nature of the customer base and the ability to move the technology stack from one country to another, whilst already maintaining separate data centres in multiple locations, the UK, Europe and the USA, enable the Group to continue to trade unhindered.	↑
8 Data security	The Group handles large volumes of client data from multiple data centres around the world. In spend analysis alone, we actively manage information from c. 9 million suppliers covering nearly £1 trillion total under management. Confidentiality, integrity and accessibility of this data is our top priority. The number of global security breaches reported is on the increase as cyber- attacks become ever more sophisticated, automated and state-sponsored.	The Leadership Team is responsible for ensuring that all policies, procedures and standards are maintained. This not only includes cyber security but also the management of GDPR and the continuing ISO 27001 accreditation. To ensure our levels of data security, for both our clients' data as well as our own, remain as effective as possible we undertake daily vulnerability scans as well as regular penetration testing exercises. These external security tasks complement the implementation of the security stack offered within the Microsoft Azure platform.	↑

Directors and senior management

Paul Watts

Chief Executive Officer

Paul is a 30-year veteran of the enterprise software industry, who has held executive leadership roles in North America, EMEA and Asia-Pacific. His primary expertise is in the design and implementation of go-to-market transformation initiatives centred around the customer experience. Paul has recent experience covering a variety of emerging technologies, including robotic process automation and intelligent automation, as well as a broad spectrum of vertical market knowledge.

Paul is passionate about employee welfare and, as such, is a non-executive director at GoVida, an early-stage start-up with an online platform for employee wellness and health improvement.

Skills and experience
Paul brings a strategic playbook to cover functional execution across customer success, digital marketing, sales execution, value-engineering and customer advocacy, along with an international outlook to business, having lived and worked in the USA, Japan, Asia and Europe.

Committee membership
None

James Appleby

Chairman

James has over 25 years' experience in the IT industry where he has grown teams and capabilities globally.

In 2002, James founded Bluefin Solutions, a global consultancy that helps deliver digital transformation powered by SAP. As CEO, he grew the business globally to approximately 250 people, based on his passion for leadership, values and strategy.

Following the sale of Bluefin in 2015, he remained with the parent company taking on a larger role. James now acts as chairman and non-executive to a small number of fast-growth technology companies. He has a Master of Arts in Engineering from Cambridge University.

Skills and experience
James' experience in building and growing an IT business over many years is very relevant to Rosslyn's ambitions, as are his industry connections. These are supplemented by his leadership skills and his background in building successful cultures and mentoring management teams.

Committee membership
A R

Ginny Warr

Non-executive Director

Ginny is head of procurement at The British Land Company plc. She is a seasoned chief procurement officer bringing over 30 years' experience in both public and private sector roles. Prior to joining British Land, Ginny was instrumental in Vodafone's global expansion programme having specific responsibility for procurement transformation and alignment across Europe and Africa.

Skills and experience
Ginny is an influential and experienced procurement leader, with a proven track record of delivering sustainable business benefits in challenging environments. Having operated at executive level to deliver procurement best practice, her experience and domain insights are a valuable addition to the Group as it develops its product offering and markets.

Committee membership
None

Barney Quinn

Non-executive Director

Barney has over 35 years' experience with application software and latterly cloud-based companies. For 13 years, Barney was a main board director of Sherwood International plc, a provider of software and services to the insurance industry, which was listed on the LSE. He was also CEO of Workplace Systems International plc, an early provider of cloud-based workforce management software, which was AIM-listed and which he took private. Today, Barney is also non-executive chairman of Arkivum, in the digital preservation sector, and a non-executive director of Oxehealth, a digital health solutions provider.

Skills and experience

Barney's extensive experience in software companies, both private and public, along with his wide network of contacts, allows him to give broad constructive input into the Board and its Committees, and also to represent the Board to external stakeholders.

Committee membership

A R

Ed Riddell

Finance Director*

Ed has over 12 years' experience leading and developing finance departments in high growth businesses with a focus on technology.

Ed started his career at Ernst & Young where he trained in Audit and Assurance. In 2009, he moved into industry and his roles have included heading up finance teams at tech companies like CorporatePay a fintech payments business that was acquired by WEX Europe, at WEX Europe post the acquisition, and Acin a Financial Services risk control software business as well as at non-financial businesses as a Finance Director and on board of Directors of AIM listed Bonhill Group PLC a media and events business and at Vollebak a high-tech men's clothing brand.

Skills and experience

Ed has a breadth of experience leading, developing, and transforming finance functions. His financial acumen is complemented by his expertise in strategic business development and operational management which he has used to support a number of SME businesses scale and reach profitability.

Committee membership

None

Committee key

- Audit Committee
- Remuneration Committee
- Chair
- Member

* Non-Board position

Corporate Governance report

The Board is committed to effective corporate governance. The Board sees the principles of good governance not just as a set of guidelines, but as a real basis for making Rosslyn a better business with strong internal controls that deliver long-term value and meets stakeholder expectations around leadership and oversight.

Corporate governance framework

The Board is responsible to shareholders and provides leadership and direction to the Group and meets regularly to monitor the current state of business and to determine its future strategic direction. The strategic direction and goals of the Group are set within the risk tolerances and control mechanisms the Board believes are appropriate.

Day-to-day management of the Group is delegated to the Chief Executive Officer and senior management team, subject to formal delegated authority limits; however, certain matters are reserved for whole Board approval. These matters are reviewed periodically and include Board and Committee composition, strategy, funding decisions and corporate transactions among others.

The roles of Chairman and Chief Executive Officer are separate. The Chairman provides leadership to the Board and is responsible for the Board's overall effectiveness including by agreeing the agenda for Board meetings, ensuring that the Directors receive the information that they need to participate in Board meetings, and that the Board has sufficient time to discuss issues on the agenda, especially those relating to strategy and governance. The Chief Executive Officer is responsible for the day-to-day leadership of Rosslyn, the management team and its employees. The Chief Executive Officer is responsible, in conjunction with senior management, for the execution of the Group's strategy approved by the Board and the implementation of Board decisions and for achieving the Group' strategic and commercial objectives.

The Board is collectively responsible for the long-term success of the Group. Its principal role is to provide leadership within a framework of prudent and effective controls, which enables risk to be assessed and managed. The Board considers the management team's strategic proposals and, following a rigorous review, determines strategy and ensures that the necessary resources are in place for the management team to execute against that strategy.

The Board has two Committees, each with defined terms of reference. They are the Audit Committee and the Remuneration Committee.

Board composition

At the end of the financial year, the Board comprised one Executive and three Non-Executive Directors. All the Directors bring a broad and valuable range of skills and experience to the Group. Their biographical details are set out on pages 20 to 21. The Board intends to appoint a permanent Chief Financial Officer, who will join the Board, in the near term along with a Chief Technology Officer. This will bring the Board composition to three Executive and three Non-Executive Directors, which the Board believes to be an appropriate mix of skills and roles to act in the best interests of shareholders and stakeholders.

The Directors who served during the year ended 30 April 2022 and up to the signing of this annual report (unless otherwise stated) are as follows:

- James Appleby, Non-Executive Chairman
- Paul Watts, Executive Director and Chief Executive Officer
- Barney Quinn, Senior Independent Director
- Ginny Warr, Non-Executive Director
- Ash Mehta (resigned on 31 August 2021)
- Hugh Cox (resigned on 5 July 2021)

Board & Committee meetings

The Board meets regularly, monthly where possible, but in any event holds no fewer than 10 meetings in each year. In addition to the scheduled meetings, informal discussions with Directors and senior operational managers of the Group in relation to strategic business development and other topics important to the Group's progress are held by members of the Board regularly. The Board and its Committees are provided with information ahead of meetings to give time for review and analysis. For each Board meeting an agenda is prepared and approved by the Chairman and followed. The Board maintains an ongoing list of matters arising from the Board meetings, which are then followed up at subsequent meetings to ensure that matters and decisions are being implemented. The Board assesses the relevance and effectiveness of its Corporate Governance Framework each year and aims to improve upon it as the Group grows.

During the year to 30 April 2022, the Board met 13 times. The following table shows the attendance of the relevant Directors at the Board and Committee meetings.

Meeting attendance

	Board (scheduled)	Audit Committee	Remuneration Committee
Executive Directors			
Paul Watts	13/13	–	–
Hugh Cox[1]	2/2	–	–
Ash Mehta[2]	3/3	–	–
Non-Executive Directors			
James Appleby, Chairman	13/13	1/1	2/2
Ginny Warr	13/13	–	–
Barney Quinn	13/13	1/1	2/2

1 Resigned from the Board effective 5 July 2021

2 Resigned from the Board effective 31 August 2021

Board effectiveness and evaluation

The performance of the Board is assessed by the Chairman, in conjunction with the Senior Independent Director. This assessment includes, but is not limited to, the appropriate level of skill of Board members, the conduct of Board meetings, the decision-making process and the effectiveness of the various Board Committees.

The Board is of the opinion that each of its members has the skills, knowledge, aptitude and experience to perform the functions required of a director of a listed company. The Board comprises Executive and Non-Executive Directors who are all of a high calibre and who enable a well-functioning Board. As noted above, the Directors intend to appoint another two Executive Directors, which is expected to enhance the effectiveness of the Board by providing more balance between executive and non-executive roles.

Directors are required to commit sufficient time to their role to appropriately discharge their duties. All Directors are offered regular training to develop their knowledge and ensure they stay up to date on matters for which they have responsibility as a Board member. The Directors all have access to independent advice, if required, in respect of their duties from a variety of professional advisers.

Board independence

The Board has considered the independence of all Non-Executive Directors and considers that all Non-Executive Directors bring an independent judgement to bear, notwithstanding the varying lengths of service.

Board Committees

The Board has two Committees, with clearly defined terms of reference. The membership of these Committees and their duties are set out below.

Audit Committee

The Audit Committee is chaired by Barney Quinn. James Appleby is the other permanent member of the Committee, which co-opts other Directors and senior employees as necessary into its deliberations. The Committee is expected to meet at least twice a year. The main responsibilities of the Audit Committee are monitoring the integrity of the Group's financial systems and statements; reviewing significant reporting issues; and reviewing the effectiveness of the Group's internal control and risk management systems.

The Committee is also responsible for overseeing the relationship with the external auditor (including advising on its appointment, agreeing the scope of the audit and reviewing the audit findings). The Committee meets with the external auditor, without the Executive Board members present, at least once a year.

Remuneration Committee

The Remuneration Committee is chaired by Barney Quinn. James Appleby is the second permanent member of this Committee. Other Directors are co-opted onto the Committee on an ad hoc basis. The Committee is expected to meet at least twice a year.

The responsibilities of the Committee include determining the remuneration of the Chairman, the Executive Director(s) and other Senior Executives. As part of this role the Committee is responsible for setting the framework for any bonus, incentive or share option schemes. The remuneration of the Non-Executive Directors is agreed between the Chairman and the Executive Director(s). None of the Executive Directors were present at meetings of the Committee during consideration of their own remuneration.

Investor relations

The Chief Executive Officer and Finance Director meet with institutional shareholders of the Group after the interim and annual results announcements and on an as needed basis at other times in the year to update shareholders on the progress of the Group. The Chairman speaks with institutional shareholders on a regular basis and as required. Towards the end of the year, the Group appointed a retained financial PR adviser as part of the Board's plan to increase the frequency of its communications with shareholders.

Corporate Governance report continued

Investor relations continued

All of the Directors attend the Annual General Meeting and encourage the participation of all shareholders, including private shareholders. The annual report and accounts and the interim results are designed to give a detailed review of the business and developments, and are published on the Group's website, www.rosslyndatatech.com, where they can be accessed by shareholders and potential investors. Post year end, the Chief Executive Officer, Finance Director and Head of Pre-Sales also hosted an investor webinar, which was available to all shareholders and provided shareholders with an opportunity to ask questions.

Environmental, social and corporate responsibilities

The Group is committed to sustainable progress in all aspects of its business – for the environment, customers, suppliers and communities we operate in. The Group's stakeholders include shareholders, members of staff, customers, suppliers, regulators, industry bodies and creditors. The Board promotes the highest level of behaviour and ethics, and understands the importance of establishing a corporate culture that promotes the wellbeing of employees and the business as a whole. The principal ways in which the Group gathers the feedback of stakeholders is meetings, direct conversations, email and social media. Further detail on how the Group addresses its environmental, social and corporate responsibilities can be found in the Sustainability section on pages 10 to 13.

Internal control and risk management

The Board is responsible for the Group's systems of internal controls and, together with the Audit Committee, reviewing those systems. The systems put in place are designed to manage, limit and control risk but cannot eliminate all risk completely.

The Executive Directors of the Company are actively involved in the daily management of the operations of the Group. Business risks are regularly identified and appropriate control systems are implemented to manage those risks.

The Group has quality assurance processes in place for the development and delivery of software. The main operating company, Rosslyn Analytics Limited, is ISO 9001:2015 certified, which covers quality management, and ISO 27001:2013, which covers information security management.

The Group's internal financial control procedures and monitoring systems include:

- an annual budgetary process to set appropriate measurable targets for monitoring Group progress;
- financial policies and approval processes to ensure proper authorisation is obtained for spending;
- segregation of duties within financial management;
- maintenance of proper records for the production of accurate and timely financial information; and
- detailed monthly reporting to the Board against the operating budget and analysis of cash management.

Corporate governance code

The Board has adopted the Quoted Companies Alliance Corporate Governance Code ("QCA Code"). The Board believes the pragmatic, principles-based approach to corporate governance set out in the QCA Code is a good fit to the nature, stage and size of the Rosslyn business.

The table below shows on which page information relating to how the Group complies with each of the ten principles can be found:

No.	Principle	Disclosure in the 2022 annual report
1	Establish a strategy and business model which promotes long-term value for shareholders	Pages 06 to 07
2	Seek to understand and meet shareholder needs and expectations	Pages 22 to 25
3	Take into account wider stakeholder and social responsibilities, and their implications for long-term success	Pages 10 to 13
4	Embed effective risk management, considering both opportunities and threats, throughout the organisation	Pages 18 to 19
5	Maintain the Board as a well-functioning, balanced team led by the Chairman	Pages 22 to 25
6	Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities	Pages 20 to 21
7	Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement	Pages 22 to 25
8	Promote a corporate culture that is based on ethical values and behaviours	Pages 10 to 13
9	Maintain governance structures and processes that are fit for purpose and support good decision making by the Board	Pages 22 to 25
10	Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders	Pages 28 to 30

The Group believes that in the year under review, it complied with the principles of the QCA Code. Nonetheless, going forward, the Group is committed to increasing the frequency with which it reviews and updates the corporate governance disclosures on its website regarding compliance with the QCA Code.

Statement by the Directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

Section 172 of the Companies Act 2006 requires each Director of the Group to act in the way they consider, in good faith, would most likely promote the success of the Group for the benefit of its members as a whole. In this way, s172 requires a Director to have regard, amongst other matters, to the: likely consequences of any decisions in the long-term; interests of the Group's employees; need to foster the Group's business relationships with suppliers, customers and other material stakeholders; impact of the Group's operations on local communities and the environment; desirability of the Group maintaining a reputation for high standards of business conduct; and need to act fairly between members of the Group.

In discharging its s172 duties, the Board has considered the factors set out above and the views of key stakeholders, which consist of: shareholders, members of staff, customers, suppliers, regulators, industry bodies and creditors.

The Board consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006) in the decisions taken during the year ended 30 April 2022.

Sections of this Corporate Governance Report, the Directors' Remuneration Report, Directors' Report and the Sustainability section explain how we have taken account of stakeholder views and met the requirements of s172 of the Companies Act. Examples of how s172 factors have been considered by the Board in the year to 30 April 2022 and up to the signing of this annual report include:

- Restructuring the business to refocus on a single core product and SaaS business model alongside a refreshed operational leadership team and renewed go-to-market strategy, which we believe positions Rosslyn for sustainable growth and maximises the mid- and long-term return potential for shareholders.
- Similarly, we made significant investment during the year in development work to modernise the core Rosslyn Platform, which provides more development opportunities for employees, improves our proposition to customers and, accordingly, enhances mid- and long-term return potential for shareholders.
- To better understand and take into account the views of our customers, we established a Customer Advisory Board, holding the inaugural meeting towards the end of the year, and have subsequently begun implementing some of its initial recommendations.
- To improve engagement with shareholders, post year end we held an investor webinar, where we discussed our strategy, introduced our new platform and provided shareholders with an opportunity to ask questions. We were pleased with the response to this and are committed to doing more such events going forward.

James Appleby
Chairman

31 October 2022

Remuneration Committee report

Introduction

This report outlines the Company's remuneration policy for its Directors and shows how that policy was applied during the financial year ended 30 April 2022. This section of the annual report has been prepared on a voluntary basis and in order to fulfil the relevant requirements of Rule 19 of the AIM Rules for Companies.

Committee members and meetings

Membership and the responsibilities of this Committee are set out below. The Committee is chaired by Barney Quinn. James Appleby is the other member of the Committee. Other Directors are invited to participate in Committee deliberations as required, but are not involved in decisions affecting their own remuneration.

The Committee met twice during the year, and all members were in attendance.

Committee responsibilities

The responsibilities of the Committee include determining the remuneration of the Chairman, the Executive Directors and other Senior Executives. As part of this role, the Committee is responsible for setting the framework for any bonus, incentive or share option schemes. The remuneration of the Non-Executive Directors is agreed between the Chairman and the Executive Directors. None of the Executive Directors were present at meetings of the Committee during consideration of their own remuneration.

Activities during the year

During the year, the Committee undertook the following activities at its meeting:

- review of Executive remuneration strategy and policy;
- consideration of bonuses to the Executive Directors; and
- review of proposed grants of share options under the Rosslyn 2014 Share Option Program.

Remuneration policy for Executive Directors

The objective of the remuneration policy is to ensure that the overall remuneration of the Executive Directors is designed to attract, retain and motivate them to generate performance aligned to creating sustainable shareholder value, within acceptable risk tolerances.

In the year under review, Executive Directors' total remuneration packages comprised:

- fixed pay, including base salary and pension contributions; and
- variable pay and, on an individual basis, access to the share option schemes.

Directors' remuneration (audited)

The table below sets out the remuneration of the Directors during the year.

	Salary/ commission £'000	Benefits £'000	Pension £'000	**30 April 2022 Total £'000**	30 April 2021 Total £'000
Executive Directors					
Paul Watts[1]	180	0.7	18	**199**	149
Hugh Cox[2]	109	0.6	10	**119**	142
Ash Mehta[3]	54	0.3	6	**60**	146
Non-Executive Directors					
James Appleby, Chairman	62	–	–	**62**	52
Ginny Warr	30	–	–	**30**	30
Barney Quinn	30	–	–	**30**	30

1 Appointed as Chief Customer Officer on 17 August 2020 and became an Executive Director on 1 September 2020

2 Resigned from the Board effective 5 July 2021

3 Resigned from the Board effective 31 August 2021

The above table does not include the value of share options held by the Directors, details of which are set out below.

Share options

Details of options over the Company's shares that have been granted to Directors during the year and which were outstanding as at year end are as follows:

Director	Shares under option at 1 May 2022: No. of options	Shares under option at 1 May 2022: Weighted exercise price	Exercised	Granted	Lapsed	No. of shares under option at 30 April 2021
Paul Watts	**11,106,748**	**4.95p**	–	**9,183,672**	–	**1,923,076**
Barney Quinn	**1,777,778**	**5.62p**	–	–	–	**1,777,778**
Hugh Cox[1]	–	–	–	–	**3,051,873**	**3,051,873**
Ash Mehta[2]	–	–	–	–	**4,522,166**	**4,522,166**

1 Resigned from the Board effective 5 July 2021

2 Resigned from the Board effective 31 August 2021

The 9,183,672 options granted to Paul Watts during the year were issued under the Rosslyn 2014 Share Option Program in August 2021 in recognition of his promotion to the role of CEO in April 2021. They are split into three equal tranches and each tranche shall vest evenly over a three-year period on the release of results for the years ending 30 April 2022, 30 April 2023 and 30 April 2024, provided that Paul Watts remains an employee or director of the Company. The options are exercisable at 4.90p pence and will expire on 10 August 2031.

The Company has a policy of not granting share options to Non-Executive Directors for the performance of their duties as Directors of the Company. The share options granted to Barney Quinn were granted as a one-off grant related to an acquisition made in 2017.

Directors' interests

The interests of the Directors over the ordinary shares of the Company are as follows:

Director	As at the date of this report: Number of shares held	As at the date of this report: Percentage of issued ordinary share capital	30 April 2022: Number of shares held	30 April 2022: Percentage of issued ordinary share capital	30 April 2021: Number of shares held	30 April 2021: Percentage of issued ordinary share capital
James Appleby	**6,545,454**	**1.93%**	**6,545,454**	**1.93%**	6,545,454	1.93%
Barney Quinn	**1,034,595**	**0.30%**	**1,034,595**	**0.30%**	1,034,595	0.30%
Paul Watts	–	–	–	–	–	–
Ginny Warr	–	–	–	–	–	–

Approved by the Board and signed on its behalf by:

Barney Quinn
Chairman of the Remuneration Committee

31 October 2022

Directors' report

The Directors present their report and audited consolidated financial statements for the year ended 30 April 2022.

Principal activity

The principal activity of the Group is the development and provision of data analytics software, data capture, data mining and workflow management.

Financial results

Details of the Group's financial results are set out in the consolidated statement of comprehensive income and other components of the financial statements on pages 36 to 67.

Business and strategic review

The review of the Group's business operations, including key performance indicators and principal risks and uncertainties, are set out in the Strategic Report section on pages 1 to 19 together with this Directors' Report.

Dividends

The Directors do not recommend the payment of a dividend (2021: £nil).

Directors

The Directors who served during the year ended 30 April 2022 and up to the signing of this annual report (unless otherwise stated) are as follows:

- James Appleby, Non-executive Chairman
- Paul Watts, Executive Director and Chief Executive Officer
- Ginny Warr, Non-executive Director
- Barney Quinn, Non-executive Director
- Ash Mehta (resigned on 31 August 2021)
- Hugh Cox (resigned on 5 July 2021)

A directors' and officers' insurance policy has been put in place to indemnify the Directors against legal actions by third parties.

Significant shareholders

As at the date of approval of this Directors' Report, to the best of the Company's knowledge, the following shareholders had a significant interest in the Company's issued share capital:

Name	Number of shares	% of issued share capital
Gresham House Asset Management Ltd	96,275,000	28.3
Amati Global Investors	35,274,692	10.4
Canaccord Genuity Group Inc	20,000,000	5.9
Rathbones	14,969,284	4.4
Octopus Investments	14,300,000	4.2
Hugh Cox	11,796,784	3.5

Directors' remuneration and interests

Details of the Directors' remuneration and interest in the ordinary shares of the Company are set out in the Remuneration Committee Report on pages 26 to 27.

Corporate governance

A review of the Company's corporate governance is provided in the Corporate Governance Report on pages 22 to 25.

Employees

It is the Group's policy to involve employees in its progress, development and performance. During the year a series of briefings took place to keep employees informed of developments, financial performance and technical changes. The Group is committed to ensuring that equal opportunities are accorded to all its employees irrespective of age, gender and nationality in respect of training, career development and advancement.

Development

During the year, the Group spent £1,105,000 (2021: £1,644,000) on tax relief qualifying development for the purpose of enhancing the Group's product offering, namely the new Rosslyn Platform. This year amounts have been capitalised rather than expensed as was the case in previous years due to an improvement in the Company's reporting facilities, which enables it to distinguish between research and development spend.

Political and charitable donations

During the year, the Group made no political donations (2021: £nil) and made charitable donations of £681 (2021: £1,872).

Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (primarily foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of markets and seeks to minimise potential adverse effects on the Group's financial performance. Financial risk management is carried out by the Board and its policies are outlined in note 21 to the financial statements.

A summary of key risks and their mitigation is shown on pages 18 to 19.

Subsidiary audit exemption

The wholly-owned UK subsidiaries of Rosslyn Data Technologies plc being Rosslyn Analytics Limited (company number 05450134) and Rosslyn Data Management Limited (company number 03842863) are exempt from the requirements of Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A.

Auditor

CLA Evelyn Partners Limited, formerly known as Nexia Smith & Williamson, have expressed their willingness to continue in office as auditor. A resolution to reappoint CLA Evelyn Partners Limited at the Company's auditor will be proposed at the Company's next Annual General Meeting.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware, and each Director has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Going concern

The cash balance at 30 April 2022 was £2.4m and the Group subsequently sold Langdon for £100k on 30 September 2022, and there is the impending sale of Integritie. The Group have performed prudent scenario analysis on revenue and cost performance. These demonstrate that the Group can meet its liabilities as they fall due.

After making appropriate enquiries, the Directors consider that it is appropriate to adopt the going concern basis in preparing the consolidated financial statements. Accordingly, the financial statements do not include any adjustments which would be required if the going concern basis of preparation was deemed to be inappropriate. However, if the Group is unable to deliver upon the proposed sale of knowledge capture, its proposed revenue projections, or alternatively proposed cost reductions, there is limited headroom in the current forecasts and as such there is considered a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

Directors' report continued

Statement of Directors' responsibilities in respect of the annual report and financial statements

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 Group and Company and of the profit or loss of the Group for that period. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

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;
- state whether international accounting standards and applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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 Group and Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006.

They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

The maintenance and integrity of the corporate and financial information included on the Company's website is the responsibility of the Directors. The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions.

By order of the Board.

Paul Watts
Chief Executive Officer

31 October 2022

Independent auditor's report
to the members of Rosslyn Data Technologies plc

Opinion
We have audited the financial statements of Rosslyn Data Technologies Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2022 which comprise the Consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows, the company statement of financial position, the company statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation of the group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in their preparation of the parent financial statements 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's affairs as at 30 April 2022 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, 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.

Our approach to the audit
Of the group's three reporting components, we subjected three to audits for group reporting purposes along with the audit of the parent company.

The components within the scope of our work covered 100% of group revenue, 100% of group profit before tax, and 100% of group net assets.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent auditor's report continued
to the members of Rosslyn Data Technologies plc

Key audit matters continued

Key audit matter	Description of risk	How the matter was addressed in the audit
Revenue recognition (including contract assets and contract liabilities)	The group's revenues are a significant measure of its financial performance. The group derives the majority of its revenue from the provision of data analytic services through use of its software. This generates service income, which is recognised over the life of the service period, as well as set up and ad hoc revenue which is recognised when that service is delivered. A significant portion of revenue is invoiced in advance, therefore there is judgement involved in the timing of revenue recognition.	Our audit work included, but was not restricted to: ▪ Confirming the appropriateness of the Group's revenue recognition policy with respect of the requirements of International Financial Reporting Standard (IFRS) 15 'Revenue recognition' and checking it has been consistently applied; ▪ Substantive testing of deferred and accrued income by agreeing amount to be deferred or accrued to customer contracts and performing tests of detail over a sample of deferred income and accrued income at year end to determine that amounts were calculated accurately and recognised in line with the Group's accounting policies; and ▪ Tests of detail over a sample of revenue transactions to determine whether the revenue recognised was valid, had occurred and was recognised in line with the Group's accounting policies and contract terms agreed with customers. The Group's accounting policy on revenue recognition is set out in Note 2 "Accounting policies" to the consolidated financial statements and related disclosures are included in Note 3.
Intangible asset impairment in the group financial statements	The Group capitalises qualifying development costs as intangible assets, which are material to the Group's financial statements. Stringent requirements must be met to capitalise these costs in accordance with IAS 38. Further, the value of these costs to the Group, once capitalised, presents an area of audit risk, given the uncertainty and value of future sales, and the projected future life of the intangible asset and amortisation period assigned. For these reasons, we have considered this an area of key audit focus.	Our audit work included, but was not restricted to: ▪ Obtaining and agreeing the breakdown of capitalised development costs to note 9 in the financial statements; ▪ Assessing the costs capitalised year end against the recognition criteria of IAS 38 and corroborating the explanations received from management where necessary; ▪ Substantive testing a sample of costs capitalised during the year by agreeing to supporting documents and assessing them against the recognition criteria of IAS 38. ▪ Reviewing management's impairment calculations including challenging the key assumptions used; ▪ In conjunction with our internal valuation specialists, we assessed the appropriateness of the assumptions that had the most material impact. The assumptions made by management regarding revenue were deemed uncertain, as referred to above in the Emphasis of Matter paragraph; and ▪ Considering the appropriateness of the disclosures made in the financial statements in respect of these assets.
Parent company investment in subsidiaries and intercompany receivables	The valuation of the investment in subsidiaries and intercompany receivables in the parent financial statements are linked to the assessment of intangible assets in the group financial statements. As described above, this presents an area of audit risk given the uncertainty of future sales used to determine the cash flow projections upon which conclusion was reached that the values are deemed recoverable. For this reason, we have considered this an area of key audit focus.	Our audit work included, but was not restricted to: ▪ Reviewing management's assessment of the value of the investments and receivables against the impairment indicators of IAS 36 and determining whether there is any indication that the investments might be impaired; ▪ In conjunction with our internal valuation specialists, we assessed the appropriateness of the assumptions that had the most material impact. The assumptions made by management regarding revenue were deemed uncertain, as referred to above in the Emphasis of Matter paragraph; and ▪ Considering the appropriateness of the disclosures made in the financial statements in respect of these assets.

Our application of materiality

The materiality for the group financial statements as a whole ("group FS materiality") was set at £112k. This has been determined with reference to the benchmark of the group's revenue, which we consider to be one of the principal considerations for members of the company in assessing the group's performance. FS materiality represents 2% of the group's revenue as presented on the face of the consolidated statement of comprehensive income.

The materiality for the parent company financial statements as a whole ("parent FS materiality") was set at £70k. This has been determined with reference to the benchmark of the parent company's total assets. Parent FS materiality represents 0.4% of the parent company's total assets as presented on the face of the parent company statement of financial position.

Performance materiality for the group financial statements was set at £72k, being 65% of group FS materiality, for purposes of assessing the risks of material misstatement and determining the nature, timing and extent of further audit procedures. We have set it at this amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds FS materiality. We judged this level to be appropriate based on our understanding of the group and its financial statements, as updated by our risk assessment procedures and our expectation regarding current period misstatements. It was set at 65% based on our overall expectation of the level of audit differences, and the number and significance of areas of judgement in the financial statements.

Performance materiality for the parent company financial statements was set at £45k, being 65% of parent FS materiality. It was set at 65% based on our overall expectation of the level of audit differences, and the number and significance of areas of judgement in the financial statements.

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements concerning the group and parent company's ability to continue as a going concern.

The group reported a loss of £3.7m for the year. Whilst the directors have prepared cash flow projections to support the adoption of the going concern basis, the timing and quantum of future cash flows from the new platform is uncertain. Further, the proposed sale of the knowledge capture business is not yet legally binding. These events or conditions along with the other matters as set forth in note 2 indicate that a material uncertainty exists that may cast significant doubt on the group and company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Notwithstanding the above, 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.

Our evaluation of the directors' assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included:

- Challenged the detailed budgets and forecasts prepared by management for the going concern period;
- Comparing the forecast results to those actually achieved in the financial period so far where relevant given that much of the forecasts are based on sales of the new product;
- Agreeing receipt of funds post-year end for the disposal of Langdon;
- Reviewing the disclosures made by the directors in the financial statements in respect of the application of the going concern basis; and
- Reviewing bank statements to monitor the cash position of the group post year end, and obtaining an understanding of significant expected cash outflows (such as capital expenditure) in the forthcoming 12-month period.

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

Emphasis of Matter – Valuation of intangible assets

We draw attention to the disclosures made in note 2 to the group financial statements concerning the valuation of intangible assets.

In the group financial statements, the valuation of £1.1m of intangible assets is dependent upon the future cash flows generated by the continuing subsidiary operations, which themselves are dependent on the successful commercialisation and value and timing of product sales.

The ultimate outcome of these matters cannot presently be determined, and the financial statements do not reflect any provision that may be required if the cash flows generated by the subsidiary is not as forecast.

Our opinion is not modified in respect of these matters.

Independent auditor's report continued
to the members of Rosslyn Data Technologies plc

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept 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 directors' responsibilities statement set out on page 30, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. 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.

We obtained a general understanding of the Group's legal and regulatory framework through enquiry of Group management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Group's industry and regulation.

We understand that the Group complies with the framework through:

- Outsourcing payroll and tax compliance to external experts.
- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.
- Regular data protection training for staff and regular reviews performed by external experts.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Group's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the group:

- The Companies Act 2006, IFRS and FRS 102 in respect of the preparation of the financial statements.
- General Data Protection Regulation (GDPR) relating to the holding of customer data.
- ISO 27001 and ISO 9001 accreditations.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- The incentive to present a favourable view of the business' financial performance and position given the Group's listed status.
- Manipulation of the financial statement, particularly revenue, via fraudulent journal entries.

These areas were communicated to the other members of the engagement team not present at the discussion. The procedures we carried out to gain evidence in the above areas included:

- Substantive work on material areas affecting profits.
- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those posted at unusual times.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent 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 parent company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Edmonds
Senior Statutory Auditor, for and on behalf of

CLA Evelyn Partners Limited
Statutory Auditor
Chartered Accountants

4th Floor Cumberland House
15-17 Cumberland Place
Southampton
Hampshire
SO15 2BG

31 October 2022

Consolidated statement of comprehensive income
for the year ended 30 April 2022

	Note	30 April 2022 £'000	Year ended 30 April 2022 £'000	Restated* 30 April 2021 £'000	Restated* Year ended 30 April 2021 £'000
Continuing operations					
Revenue	3		**2,731**		3,585
Cost of sales			**(2,278)**		(1,830)
Gross profit			**453**		1,755
Admin expenses			**(4,464)**		(4,683)
Analysed As					
Administrative expenses		**(4,287)**		(4,536)	
Other operating income		**–**		89	
Depreciation and amortisation		**(40)**		(42)	
Share-based payments		**(137)**		(194)	
		(4,464)		(4,683)	
Operating loss			**(4,011)**		(2,928)
Finance income	5		**5**		34
Finance costs	5		**(44)**		(124)
Loss before income tax	6		**(4,050)**		(3,018)
Income tax	7		**391**		486
Loss for the year for continued operations			**(3,659)**		(2,532)
Profit for the year from discontinued operations	24		**297**		560
Other comprehensive income – translation differences			**19**		(2)
Total comprehensive income			**(3,343)**		(1,974)
Loss per share			**Pence**		Pence
Basic and diluted loss per share: ordinary shareholders – Continued	8		**1.07**		0.77
Basic and diluted loss per share: ordinary shareholders – Total	8		**0.98**		0.60

* 2021 was restated due to discontinued activities (note 24) and also a change of disclosure of costs from Administration to cost of sales (note 25)

The notes on pages 40 to 61 form part of these financial statements.

Consolidated statement of financial position
as at 30 April 2022

	Note	30 April 2022 £'000	30 April 2021 £'000
Assets			
Non-current assets			
Intangible assets	9	**1,105**	994
Property, plant and equipment	10	**16**	55
Right-of-use assets	11	**236**	73
		1,357	1,122
Current assets			
Trade and other receivables	12	**820**	2,354
Corporation tax receivable		**161**	309
Cash and cash equivalents	13	**2,433**	6,681
		3,414	9,344
Total current assets		**4,771**	10,466
Disposal group assets	24	**650**	–
Total assets		**5,421**	10,466
Liabilities			
Non-current liabilities			
Trade and other payables	14	**(168)**	(386)
Deferred tax	16	**–**	(73)
		(168)	(459)
Current liabilities			
Trade and other payables	14	**(2,284)**	(4,489)
Financial liabilities – borrowings	15	**–**	(890)
Total current liabilities		**(2,284)**	(5,379)
Disposal group liabilities	24	**(1,547)**	–
Total liabilities		**(3,999)**	(5,838)
Net assets/(liabilities)		**1,422**	4,628
Equity			
Called up share capital	18	**1,699**	1,699
Share premium		**18,923**	18,923
Share-based payment reserve		**255**	657
Accumulated loss		**(24,485)**	(21,662)
Translation reserve		**(103)**	(122)
Merger reserve		**5,133**	5,133
Total equity		**1,422**	4,62

The notes on pages 40 to 61 form part of these financial statements.

The financial statements were approved by the Board of Directors on 31 October 2022 and were signed on its behalf by:

Paul Watts
Chief Executive Officer

Consolidated statement of changes in equity
for the year ended 30 April 2022

	Note	Called up share capital £'000	Accumulated loss £'000	Translation reserve £'000	Share-based payment reserve £'000	Share premium £'000	Merger reserve £'000	Total equity £'000
Balance at 1 May 2020		965	(19,707)	(120)	470	12,777	5,133	(482)
Loss for the year		–	(1,972)	–	–	–	–	(1,972)
Other comprehensive income		–	–	(2)	–	–	–	(2)
Issue of share capital	18	734	–	–	–	6,618	–	7,352
Expenses on raising capital		–	–	–	–	(472)	–	(472)
Share-based payment transaction		–	17	–	187	–	–	204
Balance at 30 April 2021		1,699	(21,662)	(122)	657	18,923	5,133	4,628
Balance at 1 May 2021		1,699	(21,662)	(122)	657	18,923	5,133	4,628
Loss for the year		–	(3,362)	–	–	–	–	(3,362)
Other comprehensive income		–	–	19	–	–	–	19
Lapsed options		–	539	–	(539)		–	–
Share-based payment transaction		–	–	–	137	–	–	137
Balance at 30 April 2022		**1,699**	**(24,485)**	**(103)**	**255**	**18,923**	**5,133**	**1,422**

The merger reserve arises from the Group reorganisation that occurred on 23 April 2014. Rosslyn Data Technologies plc acquired Rosslyn Analytics Limited in a share for share transaction. There was no change in rights or proportions of control in the Group as a result of this transaction. As common control exists IFRS 3 was deemed to not apply and this has been accounted for as a capital reorganisation. The difference between the share capital and share premium of the Company and the share capital and share premium of Rosslyn Analytics Limited at 23 April 2014 is recognised in the merger reserve.

The translation reserve comprises translation differences arising from the translation of financial statements of the Group's foreign entities (Rosslyn Analytics, Inc.) into sterling (£).

The accumulated loss reserve includes all current and prior period retained profits and losses.

The share-based payment reserve comprises the fair value of options granted under the Group's Enterprise Management Incentive Scheme, less reductions for those options that lapsed during the year.

The notes on pages 40 to 61 form part of these financial statements.

Consolidated statement of cash flows
for the year ended 30 April 2022

	Note	**Year ended 30 April 2022 £'000**	Year ended 30 April 2021 £'000
Cash flows used in operating activities			
Cash used in operations	See below	**(2,653)**	(774)
Finance income	5	**5**	34
Finance costs	5	**(44)**	(124)
Corporation tax received		**467**	301
Net cash used in operating activities		**(2,225)**	(563)
Cash flows used in investing activities			
Purchase of property, plant and equipment	10	**(28)**	(66)
Acquisition of software		**(1,105)**	–
Net cash used in investing activities		**(1,133)**	(66)
Cash flows generated from financing activities			
New loans in year	15	**–**	–
Repayment of borrowings	15	**(890)**	(364)
Proceeds from share issuance	18	**–**	7,352
Costs of share issuance		**–**	(472)
Net cash generated/(used) in financing activities		**(890)**	6,516
Net increase/(decrease) in cash and cash equivalents		**(4,248)**	5,887
Cash and cash equivalents at beginning of year	13	**6,681**	794
Cash and cash equivalents at end of year	13	**2,433**	6,681

Reconciliation of loss before income tax to cash used in operations

	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Loss before income tax	**(3,343)**	(2,458)
Depreciation, amortisation and impairment charges	**40**	1,106
Share-based payment transactions	**137**	204
Finance income	**(5)**	(34)
Finance costs	**44**	124
	(3,127)	(1,058)
Decrease in trade and other receivables	**875**	(317)
Increase/(decrease) in trade and other payables	**(401)**	601
Cash used in operations	**(2,653)**	(774)

The notes on pages 40 to 61 form part of these financial statements.

Notes to the consolidated financial statements
for the year ended 30 April 2022

1. General information

Rosslyn Data Technologies plc (the "Company") is a company incorporated and domiciled in the UK. It is quoted on AIM, part of the London Stock Exchange Market. The address of the registered office is 1000 Lakeside North Harbour, Western Road, Portsmouth, Hampshire, PO6 3EN. The Company is the ultimate parent company of Rosslyn Analytics Limited and Rosslyn Data Management Limited, companies incorporated in the UK, and the ultimate parent company of Rosslyn Analytics, Inc., a company incorporated in the USA (collectively, the "Group"). The Group's principal activity is the provision of data analytics using a proprietary form, data capture, data mining and workflow management.

2. Accounting policies

Basis of preparation

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

The Group financial statements have been prepared under the historical cost convention subject to fair valuing certain financial instruments and in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

The parent company's financial statements have been prepared under applicable United Kingdom accounting standards (FRS 102) and are on pages 63 and 64.

Going concern

Information on the business environment and the factors underpinning the Group's future prospects and product portfolio are included in the CEO's statement. The cash balance at 30 April 2022 was £2.4m and the Group subsequently sold Langdon for £100k on the 30 September 2022, and there is the impending sale of Integritie. The Group has performed prudent scenario analysis on revenue and cost performance. These demonstrate that the Group can meet its liabilities as they fall due.

After making appropriate enquiries, the Directors consider that it is appropriate to adopt the going concern basis in preparing the consolidated financial statements, accordingly, the financial statements do not include any adjustments which would be required if the going concern basis of preparation was deemed to be inappropriate. However, if the Group is unable to deliver upon the proposed sale of Integritie, its proposed revenue projections, or alternatively proposed cost reductions, there is limited headroom in the current forecasts and as such there is considered to be a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

Basis of consolidation

On 23 April 2014 the Company acquired the Group's previous parent company, Rosslyn Analytics Limited, via a share for share exchange whereby every ordinary share and A preference share in Rosslyn Analytics Limited was exchanged for eight ordinary shares and eight A preference shares respectively in Rosslyn Data Technologies Limited (prior to the conversion to a plc on 24 April 2014). On 24 April 2014 the A preference shares were converted into ordinary shares on a one-for-one basis.

On 29 April 2014, Rosslyn Data Technologies plc's shares were admitted to trading on AIM.

Accordingly these financial statements are presented in the name of the new legal parent, Rosslyn Data Technologies plc, but are a continuation of the financial statements of Rosslyn Analytics Limited.

The consolidated statement of comprehensive income and statement of financial position include the financial statements of the Company and its subsidiary undertakings as of 30 April 2022.

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

- the size of the Company's voting rights relative to both the size and dispersion of other parties which hold voting rights or substantive potential voting rights held by the Company and by other parties;
- other contractual arrangements; and
- historical patterns in voting attendance.

The consolidated financial statements present the results of the Company and its subsidiaries (the "Group") as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the acquisition method.

In the consolidated balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained.

2. Accounting policies continued

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists where an investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement in the investee and has the ability to affect those returns through its power over the investee. The financial information of subsidiaries is included in the consolidated financial information from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation

Intragroup balances, and any gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial information.

Judgements and estimates

The preparation of the financial statements requires management to exercise judgement in applying the Group's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Judgements

- Development costs capitalised as intangible asset – Management exercises judgement in determining whether the costs can be capitalised. Management look for costs that can be directly attributable, and also measurable, to a particular project when deciding on capitalisation. During the year, the Group has capitalised intangible assets development costs of £1,104,823 (2021: nil), which relate specifically to the Rosslyn Platform redevelopment.
- Valuation of share-based payments – the Directors base their judgement on the Black Scholes model (note 22).
- Impairment of intangible assets – the Directors will use their judgement to determine if indicators of impairment of intangible assets have arisen.

Estimates

- Recognition of professional services revenue – For projects that are in progress, we assess how far through to completion then recognise revenue using time management records and expectation of total time required based on prior projects.
- Impairment of intangible assets – Management have carried out an impairment review based on the recoverable amount using a discounted cash flow model. No impairment is considered necessary, but this is dependent upon future cash flows generated by the continuing subsidiary operations, which themselves are dependent on the successful commercialisation, value and timing of product sales.
- Amortisation of development costs – The amortisation of development costs is spread in a straight line basis over its estimated useful economic life at the outset of the project, the life of the asset will be re-assessed as time progresses to ensure the estimation of its life is correct and any impairment will be taken into account at that time.

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable and represents amounts for services provided to third parties in the normal course of business during the year, net of value-added tax, and results from the principal activities of the Group.

Each element of revenue (described below) is recognised only when:

- provision of the services has occurred;
- the consideration receivable is fixed or determinable; and
- collection of the amount due from the customer is reasonably assured.

i) Initial data processing and analysis in connection with the deployment and customisation of the Group's proprietary solutions are recognised over the corresponding period of the related customer contract.

ii) Annual licence fees are recognised on a straight line basis over the period of the contractual term.

iii) Any revenue arising from consultancy or professional services work is recognised as such services are delivered.

Services that have been delivered at the end of a financial period but which have not been invoiced at that time are recognised as revenue and shown within accrued revenue in the statement of financial position.

Advance payments from customers are included within deferred income in the statement of financial position. Such amounts are recognised as the services are provided to the customer in accordance with points (i) to (iii) as set out above.

Cost of sales

Cost of sales includes utilised data storage costs proportionate to the amount utilised to service customers, together with third party costs for software licences supplied to customers. It also includes the payroll costs of the people who service the customers, the pervious results have been restated to show this change.

Notes to the consolidated financial statements continued for the year ended 30 April 2022

2. Accounting policies continued

Other intangible assets

Customer lists, internally developed software and software licences have been acquired in a business combination: they qualify for separate recognition and are recognised as intangible assets at their fair value.

Goodwill represents the excess of the cost of a business combination over the total fair value of the identifiable assets, liabilities and contingent liabilities acquired as at the acquisition date. Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to the consolidated statement of comprehensive income. Where the fair value of identifiable assets, liabilities and contingent liabilities exceeds the fair value of consideration paid, the excess is credited in full to profit or loss.

All finite-lived intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. The following useful lives are applied:

- Software licences – five years straight line
- Internally developed software – five years straight line
- Customer relationships – five years straight line

Amortisation has been included within depreciation, amortisation and impairment of non-financial assets.

Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. When parts of an item of property, plant and equipment have different useful lives, those components are accounted for as separate items of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

Depreciation

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

- Fixtures, fittings, and equipment – 18 to 36 months straight line

Impairment review of intangible assets

The intangible assets, with the exception of Goodwill, are being amortised over their useful economic lives, however management still tests intangible assets for impairment if and when indicators of impairment arise. Where such an indication exists, management estimates the fair value less costs to sell of the assets based on the net present value of future cash flows. The directors have considered whether there are any indicators of impairment to the carrying amount of intangible assets of £1,104,823 (2021: £993,986), there is considered to be no requirement for impairment in this financial year.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantively enacted by the statement of financial position date.

Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Temporary differences are not provided for the initial recognition of other assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2. Accounting policies continued

Research and development

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An intangible asset arising from development or the development phase of an internal project is recognised if the Group can demonstrate:

a. the technical feasibility of completing the intangible asset so that it will be available for sale or use;

b. the intention to complete the development;

c. the ability to use or sell the intangible asset;

d. how the intangible asset will generate probable future economic benefits (for example, the existence of a market for the output of the intangible asset or for the intangible asset itself);

e. the availability of resources to complete the development; and

f. the ability to measure the attributable expenditure reliably.

This financial year the development costs of the new Rosslyn Platform have been able to be identified meeting the tests above and have therefore been capitalised.

Grants receivable

Grant income is recognised when there is:

1) entitlement to the grant;

2) virtual certainty that it will be received; and

3) sufficient measurability of the amount.

Foreign currencies

The functional currency of the Company is pounds sterling because that is the currency of the primary economic environment in which the Company operates. The Company's presentation currency is pounds sterling.

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position 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.

Group companies

The results and financial position of all the Group entities (none of which have the currency of a hyperinflation economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each income statement presented are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income. The following exchange rates were applied for £1 at each year end:

	2022	2021
US dollars	**1.26**	1.38
Euros	**1.19**	1.15

Retirement benefits

The Group operates a defined contribution scheme. Contributions payable to the Group's pension scheme are charged to the income statement in the period to which they relate.

Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets which are defined as leases under £4,500 per annum; and
- leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

Notes to the consolidated financial statements continued for the year ended 30 April 2022

2. Accounting policies continued

Leases continued

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of a termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease (because, for example, it reassesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset,

with the revised carrying amount being amortised over the remaining (revised) lease term.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights of use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- in all other cases where the renegotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount; and
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

The Group leases a number of properties on fixed rents. None of these leases have inflation clauses or break clauses.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual agreement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Trade and other payables

Trade payables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash payments over the expected payment period is not considered to be material.

Financial assets

Classification

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Investments other than investments in subsidiaries are classified as either held-for-trading or not at initial recognition. At the year-end date all investments are classified as not held for trading.

Trade Receivables

Trade receivables are held in order to collect the contractual cash flows and are initially measured at the transaction price as defined in IFRS 15, as the contracts of the Group do not contain significant financing components.

Impairment losses are recognised based on lifetime expected credit losses in profit or loss.

2. Accounting policies continued

Financial assets continued

Other receivables

Other Receivables are held in order to collect the contractual cash flows and accordingly are measured at initial recognition at fair value, which ordinarily equates to cost and are subsequently measured at cost less impairment due to their short-term nature.

A provision for impairment is established based on 12-month expected credit loses unless there has been a significant increase in credit risk when lifetime expected credit losses are recognised. The amount of any provision is recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances held by the Group and overnight call deposits. Financial liability and equity instruments issues 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 Group after deducting all of its liabilities. Equity instruments issues by the Company are recorded at the proceeds received, net of direct issue costs.

Share capital and share premium

Ordinary shares are classified as equity. Share premium is the amount subscribed for share capital in excess of nominal value less any costs directly attributable to the issue of new shares. Incremental costs directly attributable to the issue of new shares are shown in share premium as a deduction from the proceeds.

Share-based payments

The Group operates an equity-settled, share-based compensation plan, the Enterprise Management Incentive (EMI) Scheme. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted calculated using an appropriate option pricing model. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest. Options issued under the scheme to Non-Executive Directors and other individuals who are not employees of the UK Company follow the EMI rules but are considered non- qualifying EMI options for tax purposes.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

If the effect is material, provisions are discounted at a rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. The increase in the provision due to passage of time is recognised in finance costs.

Net finance costs

Finance costs

Finance costs comprise interest payable on borrowings and direct issue costs.

Finance income

Finance income comprises interest receivable on funds invested. Interest income is recognised in the income statement as it accrues using the effective interest method.

Standards, amendments and interpretations

There were no new IFRSs, endorsed standards and amendments, improvements and interpretations of published standards applicable for accounting periods beginning 1 May 2021 that had a material impact on the financial statements.

Standards not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);

The Group does not expect any other standards issued by the IASB, but not yet effective, to have a material impact on the Group.

Notes to the consolidated financial statements continued for the year ended 30 April 2022

3. Segmental reporting

Management has determined the operating segments based on the operating reports reviewed by the Executive Directors that are used to assess both performance and strategic decisions. Management has identified that the Executive Directors are the Chief Operating Decision Maker in accordance with the requirements of IFRS 8 Operating segments.

The determination is that the Group operates as a single segment, as no internal reporting is produced either by geography or division. The Group views performance on the basis of the type of revenue, and the end destination of the client as shown below.

	Year ended 30 April 2022 £'000	Year ended 30 April 2021 as restated £'000
Annual licence fees	**2,414**	3,148
Professional services	**317**	437
Total revenue	**2,731**	3,585

Analysis of revenue by country	**Year ended 30 April 2022 £'000**	Year ended 30 April 2021 as restated £'000
United Kingdom	**1,643**	1,800
Europe	**414**	1,001
North America	**674**	784
Total revenue	**2,731**	3,585

Included in Europe is the Netherlands which had revenues of £158,000 in the Year ended 30 April 2022 (2021: £575,000). Included in North America is the USA which had revenues of £674,000 in the Year ended 30 April 2022 (2021: £784,000).

Analysis of future obligations:	**Year ended 30 April 2022 £'000**	Year ended 30 April 2021 £'000
Performance obligations to be satisfied in the next year	**1,763**	1,728
Performance obligations to be satisfied after 30 April 2023	**1,426**	1,224
Total future performance obligations	**3,189**	2,952

There were no significant customers who make up greater than 10% of total revenue in the year.

The following revenue arose from the Group's largest customer in each year:

	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Annual licence fees	**199**	394
Professional services	**8**	8
Total revenue	**207**	402

4. Employees and Directors

	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Wages and salaries	**3,970**	4,072
Social security costs	**436**	499
Other pension costs	**161**	133
Share-based payment expense – Directors	**137**	176
Share-based payment expense – staff	**–**	29
	4,704	4,909

The average monthly number of employees during the years was as follows:

	Year ended 30 April 2022	Year ended 30 April 2021
Management	**7**	7
Research and development	**21**	20
Sales, marketing and administration	**46**	39
	74	66

The employees and Directors note above includes costs and average number of employees for both continued and discontinued operations.

	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Directors' emoluments	**466**	661
Directors' pension contributions to money purchase schemes	**34**	54
The number of Directors to whom retirement benefits were accruing was as follows:		
Money purchase schemes	**3**	4

During the year no (2021: none) Director exercised share options. Details are shown in the Remuneration Report. Information regarding the highest paid Director is as follows:

	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Aggregate emoluments	**181**	151

There were pension contributions in respect of the highest paid Director of £18,000 (2021: £15,000). The highest paid Director exercised nil (2021: nil) share options during the year (see note 22).

Notes to the consolidated financial statements continued for the year ended 30 April 2022

5. Net finance costs

	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Finance income		
Interest receivable	**5**	34
Finance costs		
Loan interest paid	**(44)**	(124)
Net finance costs	**(39)**	(90)

6. Loss before income tax

The loss before income tax is stated after charging/(crediting):

	Year ended 30 April 2022 £'000	Year ended 30 April 2021 as restated £'000
Share-based payments	**137**	194
Depreciation – owned assets	**40**	17
Amortisation of right-of-use assets	**91**	25
Research and development not capitalised	**–**	1,644
Auditor's remuneration – audit of the Group and Company financial statements	**42**	37
Auditor's remuneration for non-audit services – tax compliance services	**–**	9
Foreign exchange (gains)/losses	**(8)**	61

The operating EBITDA is calculated as shown below:

	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Operating loss	**(4,035)**	(2,928)
Depreciation and amortisation	**131**	42
Share-based payments	**137**	194
Exceptional costs	**179**	856
Operating EBITDA*	**(3,588)**	(1,836)

* Exceptional costs include £133,000 (2021: £620,000) relating to old contract issues and £46,000 (2021: £236,000) of employment restructuring costs

7. Income tax

Analysis of income tax

	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Current tax		
Corporation tax on losses of the year	**(279)**	(389)
Prior year adjustment	**(39)**	(24)
Total current tax	**(318)**	(413)
Deferred tax		
Origination and reversal of timing differences (see note 16)	**(73)**	(73)
Total tax	**(391)**	(486)

Factors affecting the tax credit

The differences between the total current tax shown above and the amount calculated applying the standard rate of UK corporation tax to the loss before tax are explained below:

	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Loss on ordinary activities before tax	**(4,885)**	(2,458)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%)	**(718)**	(467)
Effects of:		
Prior year adjustment	**(39)**	(24)
Disallowable expenses	**31**	39
Unrecognised deferred tax asset on losses	**627**	261
Fixed asset differences	**1**	4
Research and development tax credit	**(293)**	(299)
Total tax	**(391)**	(486)

The standard rate of corporation tax remained unchanged at 19% for the accounting period to 30 April 2022; accordingly, the Group's profits were taxed at 19% for that year.

A increase in the rate of corporation tax to 25%, from 1 April 2023 was enacted on 24 February 2022 in the Finance Act 2022.

8. Loss per share

Basic earnings per share is calculated by dividing the net loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

	Year ended 30 April 2022	Year ended 30 April 2021
Loss for the year attributable to the owners of the parent	**£3,367,000**	£1,972,000
Weighted average number of ordinary shares	**339,862,521**	328,655,751

	Pence	Pence
Basic and diluted loss per share: ordinary shareholders – continued	**1.07**	0.77
Basic and diluted profit per share: ordinary shareholders – discontinued	**(0.09)**	(0.17)
Basic and diluted loss per share: ordinary shareholders	**0.98**	0.60

As the Group recorded a loss for the year, the basic and diluted loss per share are the same amount.

Notes to the consolidated financial statements continued for the year ended 30 April 2022

9. Intangible assets

	Goodwill £'000	Acquired software licences £'000	Internally developed software £'000	Customer relationships £'000	Total £'000
Cost					
At 1 May 2020	364	559	498	3,936	5,357
Acquisition through business combination	162	–	49	526	737
At 30 April 2021	526	559	547	4,462	6,094
As at 1 May 2021	**526**	**559**	**547**	**4,462**	**6,094**
Additions	–	–	1,105	–	1,105
Transferred to assets held for sale	(526)	(559)	–	(4,462)	(6,094)
At 30 April 2022	**–**	**–**	**1,105**	**–**	**1,105**
Accumulated amortisation					
At 1 May 2020	464	421	313	2,867	4,065
Amortisation	–	103	124	808	1,035
At 30 April 2020	464	524	437	3,675	5,100
At 1 May 2021	**464**	**524**	**437**	**3,675**	**5,100**
Amortisation	–	35	110	787	932
Transferred to assets held for sale	(464)	(559)	(547)	(4,462)	(6,032)
At 30 April 2022	**–**	**–**	**–**	**–**	**–**
Net book value					
At 30 April 2021	62	35	110	787	994
At 30 April 2022	**–**	**–**	**1,105**	**–**	**1,105**

10. Property, plant and equipment

	Fixtures, fittings and equipment £'000
Cost	
At 1 May 2020	132
Additions	66
At 30 April 2021	198
At 1 May 2021	198
Additions	28
Transferred to assets held for sale	(102)
At 30 April 2022	**124**
Accumulated depreciation and impairment	
At 1 May 2020	119
Charge for the year	24
At 30 April 2021	143
At 1 May 2021	143
Charge for the year	40
Transferred to assets held for sale	(75)
At 30 April 2022	**108**
Net book value	
At 30 April 2021	55
At 30 April 2022	**16**

11. Leases

	Land and buildings £'000
Right-of-use assets	
At 1 May 202 0	52
Additions	81
Disposals	(33)
Amortisation	(27)
At 30 April 2021	73
At 1 May 2021	73
Additions	364
Disposals	(8)
Transferred to assets held for sale	(102)
Amortisation	(91)
At 30 April 2022	**236**
Lease liabilities	
At 1 May 2020	52
Additions	81
Disposals	(33)
Lease Payments	(27)
At 30 April 2021	73
At 1 May 2021	73
Additions	264
Disposals	(8)
Transferred to assets held for sale	(60)
Lease payments	(122)
At 30 April 2022	**247**

At 30 April 2022	**Within one year £'000**	**One to two years £'000**	**Two to five years £'000**	**Over five years £'000**
Lease liabilities	**79**	**54**	**114**	**–**
At 30 April 2021	**37**	**27**	**9**	**–**

These liabilities are secured by the right-of-use assets in the consolidated statement of financial position. The minimum lease payments are £247,000 and relate to two office leases in Portsmouth and London.

12. Trade and other receivables

	2022 £'000	2021 £'000
Amounts falling due within one year		
Trade receivables due but not past due	**295**	1,075
Trade receivables past due	**86**	337
Impairment provision	**(83)**	(76)
Trade receivables – net	**298**	1,336
Other receivables	**37**	75
Prepayments	**453**	630
Accrued revenue	**32**	313
	820	2,354

Trade and other receivables are all current and any fair value difference is not material. Trade receivables are considered past due once they have passed their due date.

Notes to the consolidated financial statements continued for the year ended 30 April 2022

12. Trade and other receivables continued

The movement on the provision for impairment of trade receivables is as follows:

	2022 £'000	2021 £'000
At start of year	76	–
Provision for receivables impairment	7	76
Provision release	–	–
At end of year	83	76

The provision for impaired receivables has been included in administrative expenses.

The below represents trade receivables held in foreign currencies at the statement of financial position date:

	2022 £'000	2021 £'000
US dollars	35	401
Euros	86	213
	121	614

13. Cash and cash equivalents

	2022 £'000	2021 £'000
Cash at bank	2,433	6,681

The following amounts were held in foreign currencies at the statement of financial position date:

	2022 £'000	2021 £'000
US dollars	437	375
Euros	315	393
	752	768

14. Trade and other payables

	2022 £'000	2021 £'000
Non-current		
Deferred revenue	–	350
Other payables	168	36
	168	386
Current		
Trade payables	686	434
Social security and other taxes	131	255
Other payables	105	58
Accruals	425	924
Deferred revenue	937	2,818
	2,284	4,489

During the year, the Company recognised revenue of £2,766,907 (2021: £2,546,000) that was included in the deferred revenue balance at the beginning of the period.

15. Borrowings and Lease Liabilities

	2022 £'000	2021 £'000
Non-current		
Secured loans	–	–
	–	–
Current		
Secured loans	–	890
	–	890

The Group had a three-year £1.5m secured facility with Clydesdale Bank, with an interest rate of 7.75% plus three-month LIBOR. £1.0m was drawn down in March 2019 with a further £0.5m drawn down in October 2019. This loan was fully repaid in the year.

Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

				2022		2021	
	Currency	Nominal interest rate	Year of maturity	Face value £'000	Carrying value £'000	Face value £'000	Carrying value £'000
Secured loan	GBP	7.85%	2022	–	–	864	890
Total interest-bearing liabilities				–	–	864	890

Details of the payment profile are included in note 21.

Reconciliation of financing liabilities

	Lease liabilities £'000	Secured loan £'000	Total financing liabilities £'000
At 1 May 2021	73	890	963
Additions	264	–	264
Disposals	(8)	–	(8)
Transferred to assets held for sale	(60)	–	(60)
Repayment	(122)	(890)	(1,112)
At 30 April 2022	**247**	**–**	**247**
At 1 May 2020	52	1,216	1,268
Additions	81	–	81
Disposals	(33)	–	(33)
Repayment	(27)	(364)	(391)
Amortisation of capitalised costs	–	38	38
At 30 April 2021	73	890	963
Current liabilities	73	890	963

Notes to the consolidated financial statements continued for the year ended 30 April 2022

16. Deferred tax

Deferred tax relates to the following:

	2022 £'000	2021 £'000
Accelerated capital allowances	–	–
Deferred tax asset relating to losses	–	–
Deferred tax liability arising on fair value adjustments on acquisition	–	–

The movement in deferred tax is shown below:

	2022 £'000	2021 £'000
Deferred tax liability at start of year	73	145
Deferred tax liability arising on business combinations	–	–
Deferred tax asset on losses	–	–
Accelerated capital allowances	–	–
Release deferred tax liability	(73)	(72)
Deferred tax liability at end of year	–	73

At the balance sheet date the Group had available tax losses of £14,050,000 (2021: £12,130,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the remaining losses of £14,050,000 (2021: £12,130,000) due to the unpredictability of future profit streams. Substantially all of the losses may be carried forward indefinitely.

17. Net funds

Analysis of net funds

Net funds is the total of cash and cash equivalents less interest-bearing loans and borrowings. Cash and cash equivalents comprise cash balances, call deposits and other short-term liquid investments such as money market funds which are subject to an insignificant risk of a change in value.

	2022 £'000	2021 £'000
Cash and cash equivalents	2,433	6,681
Interest-bearing loans	–	(890)
Net funds/debt	2,433	5,791

18. Called up share capital

Allotted, issued and fully paid

Number	Class	Nominal value	2022 £'000	2021 £'000
339,862,521 (2021: 339,862,521)	Ordinary shares	£0.005 (2021: £0.005)	1,699	1,699
			1,699	1,699

On 28 May 2020, the Company issued 146,000,000 fully paid ordinary shares of £0.005 at £0.050 per share, bringing the total number of fully paid ordinary shares in issue to 338,915,521.

On 25 September 2020, the Company issued 927,000 fully paid ordinary shares of £0.005 at £0.0565 per share, bringing the total number of fully paid ordinary shares in issue to 339,842,521.

On 29 March 2021, the Company issued 20,000 fully paid ordinary shares of £0.005 at £0.008575 per share, bringing the total number of fully paid ordinary shares in issue to 339,862,521.

19. Related party disclosures

During the year, the Group received invoices from a family member of a director for the provision of consultancy services for the sum of £10,850 (2021: nil).

During the year, the Group invoiced Delphinus Advisory Ltd the sum of £nil (2021: £12,000) for provision of technology- related services; Roger Bullen is a director of Delphinus Advisory Ltd.

20. Ultimate controlling party

There was no ultimate controlling party as at 30 April 2022 or 30 April 2021.

21. Financial instruments

Financial instrument risk exposure and management

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them.

Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been changes to the Group's exposure to financial instrument risks, with the repayment of the bank loan during the year. However its objectives, policies and processes for managing those risks or the methods used to measure them have not changed from previous periods unless otherwise stated in this note.

Principal financial instruments

During the year, the principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- trade receivables;
- cash at bank;
- trade and other payables; and
- bank loans.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives regular reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility.

Categories of financial instrument	2022 £'000	2021 £'000
Current financial assets		
Trade and other receivables	**381**	1,411
Cash and cash equivalents	**2,433**	6,681
Accrued revenue	**32**	313
Total current financial assets	**2,846**	8,405
Current financial liabilities		
Trade and other payables	**1,335**	1,379
Lease liabilities	**37**	37
Loans and borrowings	**–**	890
Total current financial liabilities	**1,372**	2,306
Non-current		
Loans and borrowings	**–**	–
Lease liabilities	**168**	36
Total non-current financial liabilities	**168**	36

Notes to the consolidated financial statements continued for the year ended 30 April 2022

21. Financial instruments continued

Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (primarily foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the Board and its policies are outlined below.

a) Market risk

Foreign exchange risk

The Group is exposed to translation and transaction foreign exchange risk as it operates within the USA and other countries around the world and therefore transactions are denominated in sterling, euros, US dollars and other currencies. The Group policy is to try to match the timing of the settlement of sales and purchase invoices so as to eliminate, as far as possible, currency exposure.

The Group does not hedge any transactions and foreign exchange differences on retranslation of foreign currency monetary assets and liabilities are taken to the income statement.

The carrying value of the Group's foreign currency denominated assets and liabilities are set out below:

	2022		2021	
	Assets £'000	**Liabilities £'000**	Assets £'000	Liabilities £'000
US dollars	**278**	**448**	252	865
Euros	**62**	**176**	253	276
	340	**624**	505	1,141

The majority of the Group's financial assets are held in sterling but movements in the exchange rate of the US dollar and the euro against sterling have an impact on both the result for the year and equity. The Group considers its most significant exposure is to movements in the US dollar.

Sensitivity to reasonably possible movements in the US dollar exchange rate can be measured on the basis that all other variables remain constant. The effect on profit and equity of strengthening or weakening of the US dollar in relation to sterling by 10% would result in a movement of ±£3,000 (2021: ±£12,000).

b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. In order to minimise this risk the Group endeavours only to deal with companies which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored. The maximum exposure to credit risk is the value of the outstanding amount of £2,354,000 (2021: £2,409,000).

Provision of services by members of the Group results in trade receivables which the management considers to be of low risk; other receivables are likewise considered to be low risk. The management does not consider that there is any concentration of risk within either trade or other receivables. During the year, there was an increase of impairment of trade or other receivables of £7,000 (2021: £76,000).

Credit risk on cash and cash equivalents is considered to be small as the counterparties are all substantial banks with high credit ratings. The maximum exposure is the amount of the deposit.

c) Liquidity risk

The Group currently holds cash balances in sterling, US dollars and euros to provide funding for normal trading activity. The Group also has access to additional equity funding and, for short-term flexibility, overdraft facilities would be arranged with the Group's bankers. Trade and other payables are monitored as part of normal management routine. Liabilities are disclosed as follows:

2022	**Within one year £'000**	**One to two years £'000**	**Two to five years £'000**	**Over five years £'000**
Trade payables	**686**	**–**	**–**	**–**
Accruals	**425**	**–**	**–**	**–**

2021	Within one year £'000	One to two years £'000	Two to five years £'000	Over five years £'000
Borrowings	890	–	–	–
Trade payables	434	–	–	–
Accruals	924	–	–	–

21. Financial instruments continued

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in a volatile and tight credit economy.

The Group will also seek to minimise the cost of capital and attempt to optimise the capital structure, which currently means maintaining equity funding and keeping debt to a manageable level. Share capital and premium together amount to £20,622,000 (see page 38).

Whilst the Group does not currently pay dividends it is part of the capital strategy to provide returns for shareholders and benefits for other members in the future. However, the Group is planning growth and it will continue to be important to maintain the Group's credit rating and ability to borrow should acquisition targets become available.

Capital for further development of the Group's activities will, where possible, be achieved by share issues and not by carrying significant debt.

22. Share-based payment transactions

Enterprise Management Incentive Scheme – number of stock options

The Directors approved the allocation of share-based payments to various staff members to help align employee interests with shareholder returns. Details of the share-based payment arrangement are described below:

Type of arrangement	Enterprise Management Incentive Scheme
Date of scheme	24 April 2014
Contractual life	10 years
Number of employees in scheme	14
Vesting conditions	Vest on grant/vest over 0-3 years

	2022	**Weighted average exercise price**	2021	Weighted average exercise price
Outstanding at start of year	**25,412,702**	**6.11p**	14,865,185	6.73p
Granted	**9,183,672**	**4.90p**	11,094,501	5.24p
Exercised	**–**	**–**	(20,000)	0.85p
Lapsed	**(20,031,847)**	**6.24p**	(526,984)	5.50p
Outstanding at end of year	**14,564,527**	**5.17p**	25,412,702	6.11p

Grant Date	Vesting Date	Exercise Price	Number of options
11-Aug-21	30-Apr-22	4.9p	3,061,224
12-Aug-21	30-Apr-23	4.9p	3,061,224
13-Aug-21	30-Apr-24	4.9p	3,061,224
Total			**9,183,672**

In prior year no options were granted.

During the year, an expense of £137,000 (2021: £204,000) was recognised in relation to the scheme, based on the Black Scholes option pricing model.

£137,000 (2021: £175,000) was charged to the Company: the balance of £0 (2021: £29,000) was charged to the subsidiaries where the employees are employed.

Warrants

The Company's broker, Cenkos Securities plc, was granted warrants over 11,287,804 ordinary shares in the Company as part-payment for its services during a fundraising and acquisition in April 2017. The warrants are exercisable at a price of 4.5p per share between 15 May 2018 and 15 May 2022 provided that the closing mid-market price for the ordinary shares shall be at least 8p per share at the time of exercise.

Notes to the consolidated financial statements continued for the year ended 30 April 2022

23. Subsidiary audit exemption

The wholly-owned UK subsidiaries of Rosslyn Data Technologies plc being Rosslyn Analytics Limited (company number 05450134) and Rosslyn Data Management Limited (company number 03842863) are exempt from the requirements of Companies Act 2006 relating to the audit of individual accounts by virtue of Section 479A.

24. Discontinued operations

In order to deliver the Groups emphasis on the Rosslyn product a decision was taken to dispose of the Langdon Systems and Integritie parts of the Group. The Langdon Systems sale was completed post year end on the 30 September 2022, with the Integritie sale is expected to complete shortly, as such these reported as discontinued operations for the current period. The associated assets and liabilities were consequently presented as held for sale in the 2022 consolidated statement of financial position. The results of Langdon Systems and Integritie was presented as discontinued operations in the current year statement of comprehensive income. The prior year statement of comprehensive income was also restated to show the results of the discontinued operations. Financial information relating to the discontinued operation for the Group is set out below.

Statement of comprehensive income

	30 April 2022 £'000	**Year ended 30 April 2022 £'000**	30 April 2021 £'000	Year ended 30 April 2021 £'000
Discontinued operations				
Revenue		**3.140**		3,832
Cost of sales		**(958)**		(962)
Gross Profit		**2,184**		2,870
Admin expenses		**(1,885)**		(2,310)
Analysed as				
Administrative expenses	**(943)**		(1,236)	
Depreciation and amortisation	**(942)**		(1,064)	
Share-based payment	**–**		(10)	
	(1,885)		(2.310)	
Operating profit		**297**		560
Finance income		**–**		–
Finance costs		**–**		–
Profit before income tax		**297**		560
Income tax		**–**		–
Total comprehensive income for discontinued operations		**297**		560

24. Discontinued operations continued

Statement of financial position

The major classes of asset and liabilities held for sale at 30 April 2022 are, as follows:

	30 April 2022 £'000
Assets	
Non-current assets	
Intangible assets	62
Property, plant and equipment	17
Right-of-use assets	60
	139
Current assets	
Trade and other receivables	511
Corporation tax receivable	–
Cash and cash equivalents	–
	511
Disposal of Group assets	650
Liabilities	
Non-current liabilities	
Trade and other payables	195
Deferred tax	–
Financial liabilities – borrowings	–
	195
Current liabilities	
Discontinued operations held for sale	
Trade and other payables	(1,352)
Financial liabilities – borrowings	–
	(1.352)
Disposal of Group liabilities	(1,547)
Net liabilities directly associated with disposal	(897)

Before the classification of Langdon Systems and Integritie as discontinued operations, the recoverable amount was estimated for the assets and no impairment loss has been identified.

Notes to the consolidated financial statements continued for the year ended 30 April 2022

25. Prior year restatement

Consolidated statement of comprehensive income
for the year ended 30 April 2022

	Year ended 30 April 2021 £'000	Discontinued operations 30 April 2021 £'000	Reclassification of costs 30 April 2021 £'000	Restated* Year ended 30 April 2021 £'000
Revenue	7,417	(3,832)	–	3,585
Cost of sales	(1,316)	962	(1,476)	(1,830)
Gross profit	6,101	(2,870)	(1,476)	1,755
Administrative expenses	(7,248)	1,236	1,476	(4,536)
Other operating income	89	–	–	89
Depreciation and amortisation	(1,106)	1,064	–	(42)
Share-based payments	(204)	10	–	(194)
	(8,469)	2,310	1,476	(4,683)
Operating (loss)/profit	(2,368)	(560)	–	(2,928)
Finance income	34	–	–	34
Finance costs	(124)	–	–	(124)
Loss before income tax	(2,458)	(560)	–	(3,018)
Income tax	486	–	–	486
Loss for the year	(1,972)	(560)	–	(2,532)
Other comprehensive income	(2)	–	–	(2)
Total comprehensive income	(1,974)	(560)	–	(2,534)

* The restatement of the prior year for the discontinued operations has been disclosed in note 24

For the reclassification of costs it was decided by the Board, that a better representation of the gross profit of the Group would be shown if cost of sales included the salaries and associated costs of staff employed, who were directly involved with the product. In order for this year and the prior year to be comparable a restatement to the prior year was required.

Company statement of financial position
as at 30 April 2022
Registered number: 08882249

	Note	30 April 2022 £'000	30 April 2021 £'000
Fixed assets			
Investments	D	–	9,453
		–	9,453
Current assets			
Debtors	E	690	1,795
Cash at bank and in hand	F	1,326	5,156
		2,106	6,951
Total assets		2,016	16,404
Liabilities			
Current liabilities			
Creditors: amounts falling due within one year	G	(327)	(273)
Financial liabilities – borrowings	H	–	(890)
Total liabilities		(327)	(1,163)
Net assets		1,689	15,241
Capital and reserves			
Called up share capital	I	1,699	1,699
Share premium account	J	18,923	18,923
Share-based payment reserve	J	255	657
Profit and loss account	J	(19,188)	(6,038)
Total shareholders' funds		1,689	15,241

The loss of the Company for the year ended 30 April 2022 was £13,689,000 (2021: £13,000). The notes on pages 63 to 67 form part of these financial statements.

The financial statements were approved by the Board of Directors on 31 October 2022 and were signed on its behalf by:

Paul Watts
Chief Executive Officer

Company statement of changes in equity
for the year ended 30 April 2022

	Note	Called up share capital £'000	Share-based payment reserve £'000	Share premium account £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 May 2020		965	470	12,777	(6,042)	8,170
Loss and total comprehensive income		–	–	–	(13)	(13)
Issue of share capital	I	734	–	6,618	–	7,352
Expenses on raising capital		–	–	(472)	–	(472)
Share-based payment transaction		–	187	–	17	204
Balance at 30 April 2021		**1,699**	**657**	**18,923**	**(6,038)**	**15,241**
Balance at 1 May 2021		**1,699**	**657**	**18,923**	**(6,038)**	**15,241**
Loss and total comprehensive income		**–**	**–**	**–**	**(13,689)**	**(13,689)**
Lapsed options		**–**	**(539)**	**–**	**539**	**–**
Share-based payment transaction		**–**	**137**	**–**	**–**	**137**
Balance at 30 April 2022		**1,699**	**255**	**18,923**	**(19,188)**	**1,689**

The notes on pages 63 to 67 form part of these financial statements.

Notes to the Company's financial statements
for the year ended 30 April 2022

A. General information

Rosslyn Data Technologies plc is a company incorporated in England and Wales. The address of the registered office is 1000 Lakeside North Harbour, Western Road, Portsmouth, Hampshire, PO6 3EN. The Company's principal activity is the provision of management services.

The principal accounting policies adopted in the preparation of the Company's financial information are set out below. The policies have been consistently applied to all the periods presented.

B. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102, the financial reporting standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes; and
- financial instruments disclosures, including:
  - categories of financial instruments;
  - items of income, expenses, gains or losses relating to financial instruments; and
  - exposure to and management of financial risks.

Going concern

The Company financial statements have been prepared on a going concern basis in accordance with the basis of preparing the Group financial statements on a going concern basis . However, if the Group is unable to deliver upon the proposed sale of Ingegritie, its proposed revenue projections, or alternatively proposed cost reductions, there is limited headroom in the current forecasts and as such there is considered a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

Significant judgements and estimates

The preparation of the financial statements requires management to exercise judgement in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

On an ongoing basis the following areas involve a higher degree of judgement or complexity:

Judgements

- valuation of share-based payments: the Directors base their judgement on the Black Scholes model (note B); and

Estimates

- valuation of the fixed asset investments; the Group is required to test whether investments have suffered any impairment. An impairment review requires management to make uncertain estimates concerning the cash flows, growth rates and discount rates of the assets or cash generating units under review.
- Impairment of investment in subsidiaries – Management tests investments for impairment, if and when indicators of impairment arise using a discounted cash flow model. In 2021 the company accounts included an investment in subsidiaries balance of £9,453,142, which has been impaired this financial year.
- Recoverability of intercompany balances – These are considered on an annual basis through an impairment review, taking into account the future discounted cash-flows of the businesses involved. The Company has impaired an intercompany asset of £4,308,759 in this financial year.

Taxation

Taxation comprises current and deferred tax. Current tax is the expected tax payable (or recoverable) for the current period, using tax rates enacted or substantively enacted at the statement of financial position date.

Except as otherwise required by accounting standards, full provision without discounting is made for all deferred taxation timing differences which have arisen but not reversed at the statement of financial position date. Timing differences arise when items of income and expenditure are included in tax computations in periods which are different from their inclusion in the financial statements. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be used.

Deferred tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realised or the liability is settled, based on the rates that have been enacted or substantively enacted at the statement of financial position date.

Cash at bank and in hand

Cash and cash equivalents are defined as cash in hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Notes to the Company's financial statements continued for the year ended 30 April 2022

B. Accounting policies continued

Financial assets

Classification

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Investments other than investments in subsidiaries are classified as either held-for-trading or not at initial recognition. At the year-end date all investments are classified as not held for trading.

Trade Receivables

Trade receivables are held in order to collect the contractual cash flows and are initially measured at the transaction price as defined in IFRS 15, as the contracts of the Group do not contain significant financing components. Impairment losses are recognised based on lifetime expected credit losses in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances held by the Group and overnight call deposits. Financial liability and equity instruments issues 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 Group after deducting all of its liabilities. Equity instruments issues by the Company are recorded at the proceeds received, net of direct issue costs.

Investments

Investments are stated at cost less provision for diminution in value. The carrying amounts of the Company's investments are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If such an indication exists, the investment's recoverable amount is estimated. An impairment loss is recognised in the statement of comprehensive income whenever the carrying amount of an investment exceeds its recoverable amount.

Share capital and share premium

Ordinary shares are classified as equity.

Share premium is the amount subscribed for share capital in excess of nominal value less any costs directly attributable to the issue of new shares.

Incremental costs directly attributable to the issue of new shares are shown in share premium as a deduction from the proceeds.

Debtors

Short-term debtors are measured at transaction price, less any impairment.

Creditors

Short-term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Share-based payments

The Group operates an equity-settled, share-based compensation plan, the Enterprise Management Incentive (EMI) Scheme. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted calculated using an appropriate option pricing model. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest. Options issued under the scheme to Non-Executive Directors and other individuals who are not employees of the UK Company follow the EMI rules but are considered non- qualifying EMI options for tax purposes.

C. Result of parent company

As permitted by Section 408 of the Companies Act 2006, the income statement of the Company is not presented as part of these financial statements. The Company's result for the financial period is a loss of £13,689,000 (2021: £13,000).

D. Investments

Cost	
At 1 May 2021	9,762
At 30 April 2022	**9,762**
Depreciation and impairment	
At 1 May 2021	309
Impairment loss	9,453
At 30 April 2022	**9,672**
Net book value	
At 30 April 2022	**–**
At 30 April 2021	9,453

An impairment loss on investments was recognised in administrative expenses during the period following a test of future discounted cash flows of the two investment companies.

Principal subsidiary undertakings of the Company

The Company owns directly the whole of the issued and fully paid ordinary share capital of its subsidiary undertaking. The principal undertakings of the Company at 30 April 2022 are presented below:

Subsidiary	Nature of business	Country of incorporation	Cost	Proportion of ordinary shares held by Company
Rosslyn Analytics Limited	Provision of data analytics using a proprietary technology	UK	£8,725,000	100%
Rosslyn Data Management Limited	Provision of data analytics using a proprietary technology	UK	£1,037,000	100%
Rosslyn Analytics, Inc.	Provision of data analytics using a proprietary technology	US	–	–

Rosslyn Analytics, Inc. is a wholly-owned subsidiary of Rosslyn Analytics Limited.

E. Trade and other receivables

	2022 £'000	2021 £'000
Amounts owed by Group undertakings	**479**	1,753
Social security and other taxes	**38**	–
Other receivables	**–**	2
Prepayments	**173**	40
	690	1,795

Amounts owed by Group undertakings are interest free and repayable upon demand.

All financial assets are measured at amortised cost.

An impairment loss on Amounts owed by Group undertakings was recognised in administrative expenses during the period following a test of future discounted cash flows of one Group undertaking from which amounts are due.

F. Cash at bank and in hand

	2022 £'000	2021 £'000
Cash at bank	**1,326**	5,156

Notes to the Company's financial statements continued for the year ended 30 April 2022

G. Trade and other payables

	2022 £'000	2021 £'000
Trade creditors	**105**	14
Corporation tax	**86**	37
Social security and other taxes	**21**	20
Other payables	**4**	2
Accruals	**111**	200
	327	273

All financial liabilities are measured at amortised cost.

H. Borrowings

	2022 £'000	2021 £'000
Current		
Secured loans	**–**	890
	–	890

Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

				2022		2021	
	Currency	Nominal interest rate	Year of maturity	Face value £'000	Carrying value £'000	Face value £'000	Carrying value £'000
Secured loan	GBP	7.85%	2022	**–**	**–**	864	890
Total interest-bearing liabilities				**–**	**–**	864	890

Details of the payment profile are included in note 21 of the Group financial statements.

I. Called up share capital

Allotted, issued and fully paid

Number	Class	Nominal value	2022 £'000	2021 £'000
2022: 339,862,521 (2021: 339,862,521)	Ordinary shares	£0.005 (2021: £0.005)	**1,699**	1,699

On 28 May 2020, the Company issued 146,000,000 fully paid ordinary shares of £0.005 at £0.050 per share, bringing the total number of fully paid ordinary shares in issue to 338,915,521.

On 25 September 2020, the Company issued 927,000 fully paid ordinary shares of £0.005 at £0.0565 per share, bringing the total number of fully paid ordinary shares in issue to 339,842,521.

On 29 March 2021, the Company issued 20,000 fully paid ordinary shares of £0.005 at £0.008575 per share, bringing the total number of fully paid ordinary shares in issue to 339,862,521.

J. Reserves

The profit and loss account includes all current and prior period retained profits and losses.

The share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

The share-based payment reserve comprises the fair value of options granted under the Group's Enterprise Management Incentive Scheme, less reductions for those options that lapsed during the year.

K. Related party disclosures

The Company is the parent of a group, the consolidated financial statements of which precede the Company's financial statements . Accordingly, the Company has taken advantage of the exemptions in FRS 102 from disclosing transactions with members of the Rosslyn Data Technologies Group.

L. Ultimate controlling party

There was no ultimate controlling party as at 30 April 2022.

M. Share-based payment transactions

The Directors approved the allocation of share-based payments to various staff members to help align employee interests with shareholder returns. Details of the share-based payment arrangement are described below:

Type of arrangement	Enterprise Management Incentive Scheme
Date of scheme	24 April 2014
Contractual life	10 years
Number of employees in scheme	14
Vesting conditions	Vest on grant/vest over 2–3 years

	2022	**Weighted average exercise price**	2021	Weighted average exercise price
Outstanding at start of year	**25,412,702**	**6.73p**	14,865,185	6.73p
Granted	**9,183,672**	**5.24p**	11,094,501	5.24p
Exercised	**–**	**0.85p**	(20,000)	0.85p
Lapsed	**(20,031,847)**	**5.50p**	(526,984)	5.50p
Outstanding at end of year	**14,564,527**	**6.11p**	25,412,702	6.73p

During the year, an expense of £137,000 (2021: £175,000) was recognised in relation to the scheme, based on the Black Scholes option pricing model.

Warrants

The Company's broker, Cenkos Securities plc, was granted warrants over 11,287,804 ordinary shares in the Company as part-payment for its services during a fundraising and acquisition in April 2017. The warrants are exercisable at a price of 4.5p per share between 15 May 2018 and 15 May 2022 provided that the closing mid-market price for the ordinary shares shall be at least 8p per share at the time of exercise.

Company information

Registered in
England and Wales

Company number
08882249

Registered office
1000 Lakeside North Harbour,
Western Road, Portsmouth,
Hampshire PO6 3EN

Company secretary
ZEDRA Global Services (UK)

Registrar
Link Group
10th Floor, Central Square,
29 Wellington Street,
Leeds LS1 4DL

Auditor
CLA Evelyn Partners
Limited, 4th Floor, Cumberland House,
15-17 Cumberland Pl,
Southampton SO15 2BG

Nominated adviser and broker
Cenkos Securities plc
6.7.8 Tokenhouse Yard,
London EC2R 7AS

Solicitor
Shakespeare Martineau LLP
No 1 Colmore Square,
Birmingham B4 6AA

Financial PR
Gracechurch Group
48 Gracechurch Street,
London EC3V 0EJ

Design and Production
www.carrkamasa.co.uk

ckd

Rosslyn Data Technologies plc
1000 Lakeside North Harbour
Western Road, Portsmouth, Hampshire,
PO6 3EN

T: +44 (0) 203 285 8008

E: investors@rosslyn.ai