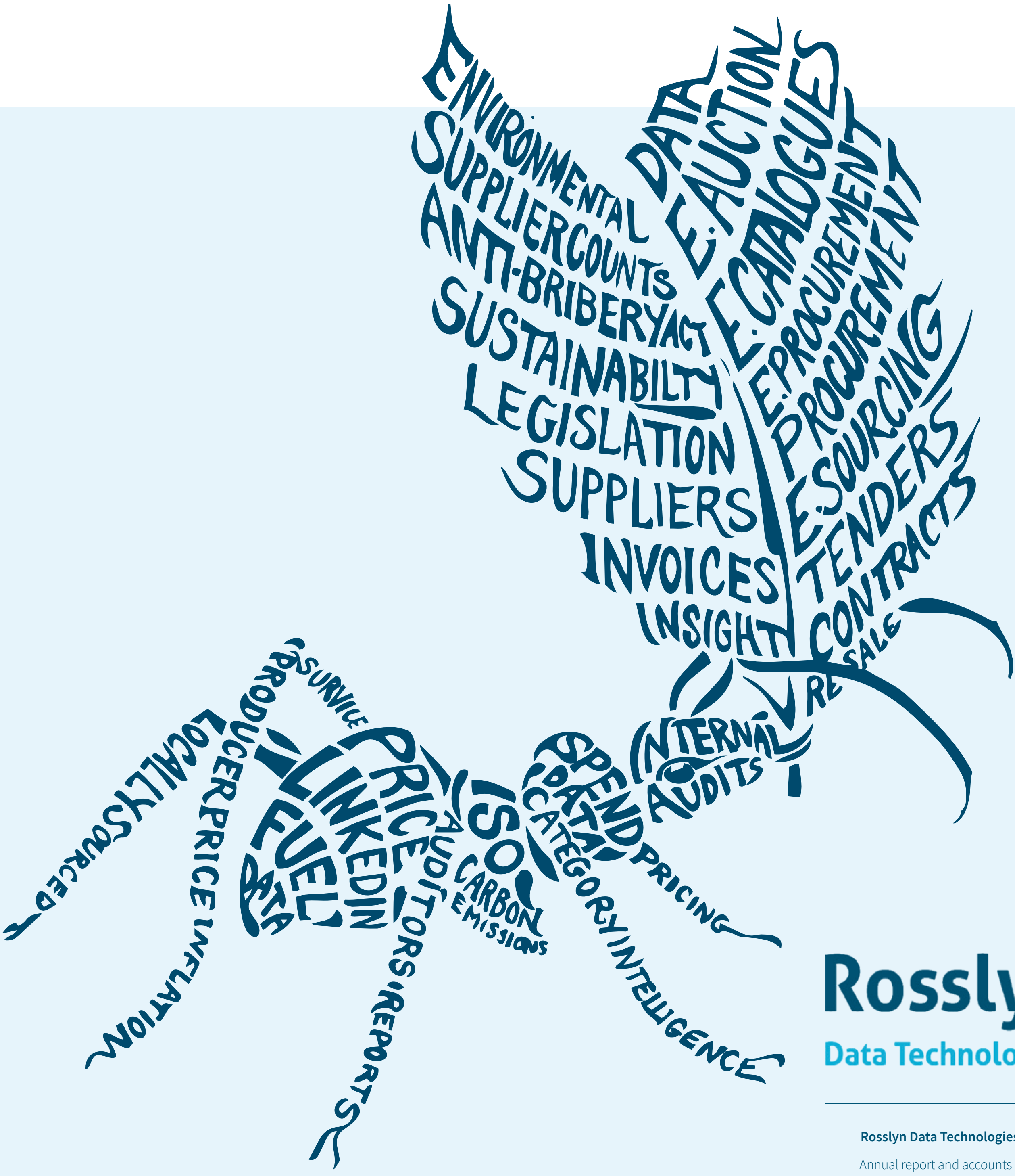
The technology company that speaks business



Rosslyn
Data Technologies

Rosslyn Data Technologies plc

Annual report and accounts 2018

Rosslyn Data Technologies is transforming the way that companies make critical decisions

Since 2005, Rosslyn Data Technologies has been at the forefront of helping organisations deliver accelerated business value through data insight. With thousands of users in over 50 countries, Rosslyn empowers organisations to automate critical business processes and analytics through simple, self-service tools.

A highly differentiated platform with great scalability

Our strategy p. 10

Significant growth and market opportunity

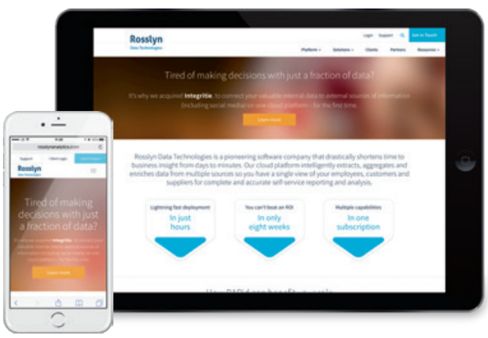
Key performance indicators p. 9

A strong talent base and experienced senior management team

Board of Directors p. 16

Our award-winning platform is used by a host of prestigious multinationals:

NBCUniversal, SONY, pladis, babcock, WEIR, serco, TRANSPORT FOR LONDON, MERCK



Visit our website to find out more about the products and services we offer:

www.rosslyndatatech.com

Operational and strategic highlights

- Acquisition and successful integration of Integritie (UK) Limited giving the expected synergy savings of £850,000, with further savings identified
- Customer wins in the year included a global brewing giant, one of the largest privately owned FMCG groups, a global fintech company and a major multimedia company
- Continued expansion of our partner programme with the signing of a strategic partnership with Dun & Bradstreet to provide self-service data and analytics to procurement professionals
- Implementation of a logistics application and inventory management application on the RAPid platform for existing clients
- Further investment in our HR analytics product suite, utilising our core technologies
- New apps added to the RAPid platform, including supplier onboarding, benchmarking and predictive analytics

Financial highlights

- Group revenues at £6,432,733 (2017 restated: £3,506,470)
- EBITDA loss £2,524,707 (2017 restated: £2,021,564)
- Loss before tax £3,689,503 (2017 restated: £2,045,328)
- Cash of £317,466 (2017: £284,833)
- Subscription revenue remains strong
- Continued tight financial and operational management delivered synergy savings in the expanded Group

Winner of the 2018 **"Outstanding Data Management Solution"** award by Computing Magazine

Awarded a **three-year spend analytics contract** worth more than €1m

Shortlisted for **"Analytics Product of the Year"** at the National Tech Awards

Strategic report

Governance

Financial statements

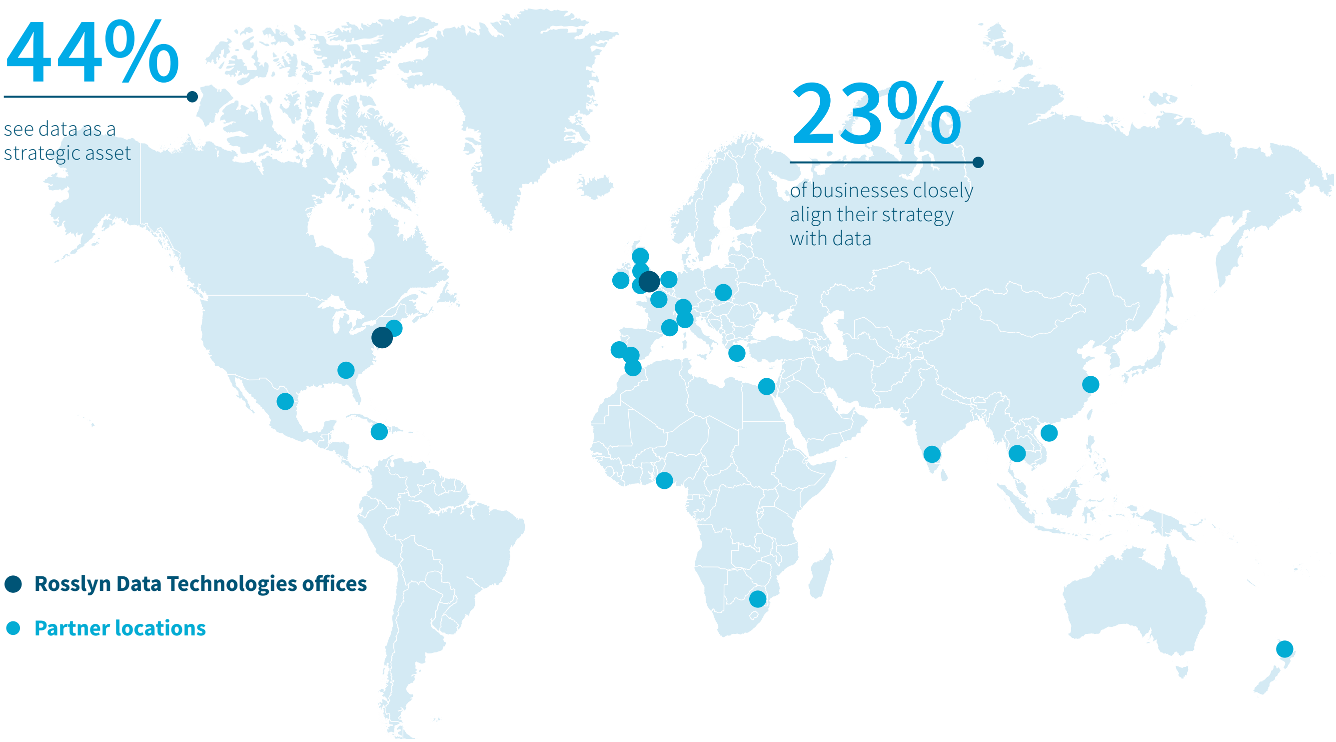
The true value of data is being recognised

Being able to visualise data is not enough today. Senior executives need to be able to look into the future. This is why business and IT leaders are actively searching for new technologies that deliver more insight, and faster.

For organisations to survive, business transformation must be prioritised. With its growing capabilities, following the acquisition of Integritie in May 2017, Rosslyn Data Technologies is well positioned to become the go-to company for organisations seeking to accelerate business outcomes by creating new opportunities from data.

Data challenges facing decision-makers	How Rosslyn helps decision-makers
Fragmented data	Structured and unstructured data in one database
Poor data quality	Cleansed and enriched data for reporting and analysis
Limited data control	Integrated reporting and analytics with self-service tools
Delayed time to action	Event-driven alerts and automated business processes
One-off data usage	Feed and host business applications with data from RAPid

Welcome to the world of intelligent event-driven analytics. Rosslyn Data Technologies has built a powerful platform that provides more than just business insight; the data used by customers for reporting and analysis automatically informs users of what decisions must be taken next.



The true value of data

Embracing the concept of "Fail fast, succeed faster", our award-winning RAPid platform empowers customers to:

Accelerate the time to insight from months to days by automating data processes

Empower business users to improve the quality and relevancy of data in real time

Integrate structured and unstructured data quickly, without the need for coding or data scientists

Reduce IT infrastructure costs and improve agility by taking data into the cloud

Accelerate the development, testing and deployment of data analytics applications

Generate greater returns of investment on your existing data assets

Our solutions are more flexible than traditional IT systems, reducing deployment time, requiring less storage space and having a high processing capacity. Both small and large enterprises are major adopters of cloud analytics and the Directors expect this trend to continue for the next few years.

The overall cloud analytics market stands with a total revenue of $7.5bn in 2015, and is expected to grow to $23.1bn at a compound annual growth rate (CAGR) of 25.1% from 2015 to 2020.

The growth in data is well documented with the majority of industry analysts pointing towards exponential growth in consumer, M2M, mobile and enterprise data while industry players are basing their business models on 5–10x growth in volume of data over the next five years.

The Directors believe that the enterprise user base is increasingly recognising the return on investment from analysing their data.

IDC estimates that around one-third of data by 2020 will be "useful data if tagged and analysed". This equates to approximately 13,000 exabytes compared with total big data today of approximately 5,000 exabytes.

An evolving platform

"Through our work with clients in the last year, we've seen that analysing financial data along with pricing, operational and workforce data allows organisations to come up with new strategies to improve profits and restrict unwanted spending."

Roger Bullen, CEO
Rosslyn Data Technologies

The rapidly changing business environment has regularly impacted organisations over the last year. To succeed in these conditions, it is essential for enterprises to constantly monitor, measure, identify and efficiently take action on various initiatives being implemented. Changes outside of the business' control in regulation, risk and compliance are often the driving force behind an organisation's behavioural change.

To meet these emerging challenges, there is a need for joined-up, predictive data analytics. The increasing expectation for enterprises to improve the management of internal compliance policies and consolidate external contracts and the growing demand for cloud technologies are all factors fuelling the growth of the data analytics market. However, the recurring difficulty in migrating from legacy systems is the biggest restraint for the spend, operational and workforce planning analytics market.

In the last year, the Rosslyn team has responded to these challenges and enhanced the capabilities of the RAPid analytics platform to help teams measure and standardise performance, monitor trends and optimise strategies, which are instrumental in allocating capital, managing assets and mitigating risks.

Enabling organisations to transform raw data and documents into actionable insight

Combining and manipulating six critical sources of information can unlock a whole world of connected insight, enabling organisations to quickly and confidently identify new opportunities that will drive their business forward.

Customer information

Understand your customers and prospects throughout the entire buying lifecycle. Discover insights in your customer communications, billing data, social media posts and more to increase your average value per customer.

Finance information

Discover the relationships between demand, budgets, forecasts and profitability. By aggregating your financial documents and data into one user-friendly platform, you will be able to closely monitor and manage your bottom line.

Supply chain information

Track key milestones in your supply chain including commodities pricing, supplier performance and feedback, logistics and inventory data, and more. See your procurement and sales activity in a wider context to start driving efficiencies and reducing costs.

Employee information

Evaluate and evolve your workforce in a new way. By analysing employee documentation, automating HR admin processes and visualising performance trends for both teams and individuals, HR investments can rapidly transition from cost centre to revenue generator.

Spend information

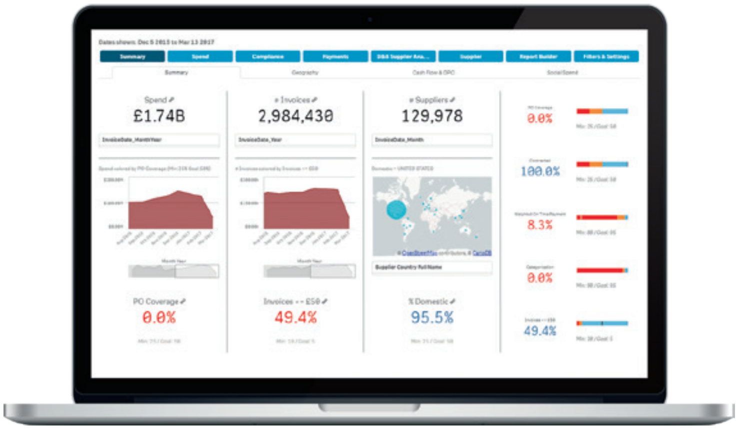
Drill down into the detail of your spend and purchasing activity to identify compliance issues, opportunities to consolidate contracts and supplier, and potential risk. By analysing your supplier documentation and spend data, you can establish a genuine competitive advantage.

Product information

How does your product delivery map to your sales, purchasing and finance activities? Start seeing your product performance in the wider context of your business and identify new ways to succeed in your market.

The RAPid platform

The Group's management team has spent over six years developing and commercialising its customer-centric cloud data platform, RAPid.



1 RAPid extracts, integrates and synchronises data from hundreds of sources.

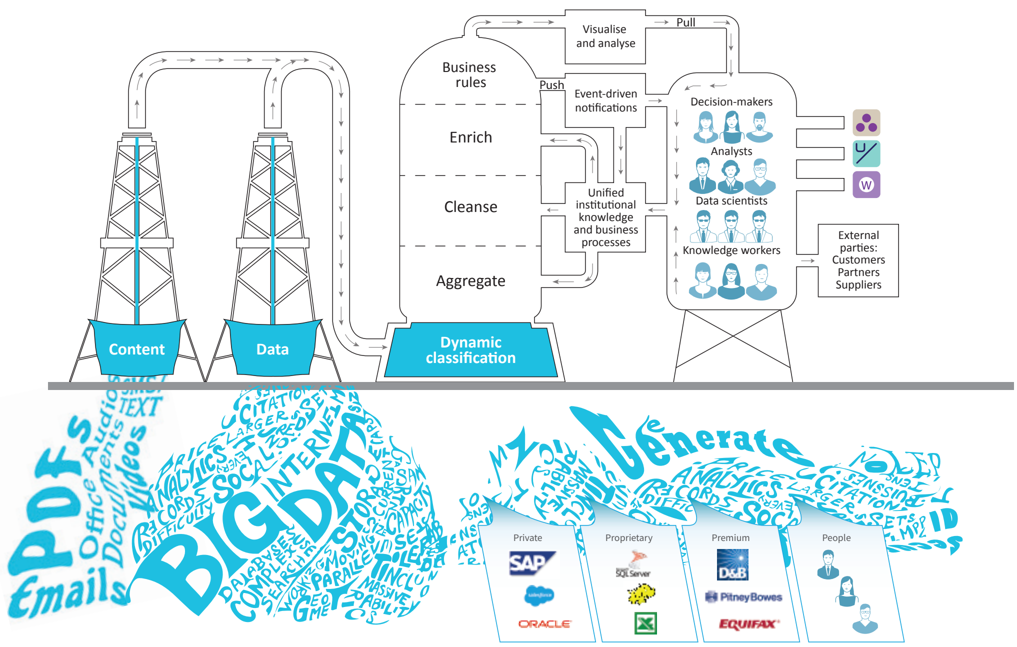
2 RAPid then transforms and enriches this data, providing the user with tools to build charts, tables and apps in order to visualise the information and deliver insights.

3 This is all performed over a secure cloud connection, giving access from mobile, laptop or tablet.

With our acquisition of Integritie, the Directors believe that RAPid now provides unmatched capabilities that empower decision-makers to discover and deliver value from their structured and unstructured data.

The data refinery

Agile data management and analytics



John O'Hara

Chairman

The introduction of Inteqritie has added new technologies and business opportunities, and we have been able to exploit these alongside the RAPid platform to other services outside of our traditional spend environment.

Results

The financial year to 30 April 2018 was our fourth full year as a public company for Rosslyn Data Technologies plc after the listing on AIM in April 2014. The platform we have built over the period has again received significant accolades this year, maintaining our belief that the ongoing development and improvements we have made in developing and maintaining a state-of-the-art cloud-based solution are significant.

This year, we have acquired 100% of the share capital of Integritie (UK) Limited, increasing our revenues significantly whilst also growing both our partnerships and our direct sales client base. Cost savings were realised by combining back-office and some front-office functions.

We have continued to deploy our resources into our partnership, direct sales and marketing strategies, whilst ensuring we did not miss any developments that would enable the business to transform to profitability and organic cash generation. As reported, the progress this year was not as rapid as we would have liked; the uncertainty with Brexit, the economic turmoil within Europe and the strength of the US$ have presented difficult trading times for some of our partners and clients, which has led to a slowdown in the execution of some larger contracts.

This year we have also implemented earlier than required accounting standard IFRS 15. This has led to a change in revenue recognition policy, which has moved licence fee revenues from the current year to next. We will be adopting this accounting treatment going forward. We made this decision as we would need to restate both this year's and next year's accounts if we did not adopt the policy in this financial year. Group revenue was £6.4m (2017: £3.5m). Based on our revenue recognition policy from prior years our revenues were £7.0m (2017: £3.6m) showing >90% growth over last year.

In addition to this growth we have been able to manage our cost base down and we are now able to see a timeline when cash flow break-even and profitability occur; although we are not yet complete, we believe there is a strong chance of this occurring by the second half of this new financial year.

We ended the year with net cash balances of £0.3m (2017: £0.3m). The Board believes that we have adequate cash resources to take the Group through to break-even and cash generation.

Strategy

The Group's strategy has continued from last year with the appointment of Roger Bullen as CEO. The platform is established as a significant player in cloud-based analytics, delivering far more than the "spend" environment we have focused on for the last three years. The introduction of Integritie has added new technologies and business opportunities, and we have been able to exploit these alongside the RAPid platform to offer services outside of our traditional spend environment. We are committed to growing revenues and profitability through a dual track strategy of acquisition and organic growth. The acquisition of Integritie, in May 2017, demonstrates our determination to add new products and revenue streams to our platform and introduce new customers to the cloud.

Whilst we look at acquisition opportunities, to increase our scale and offering, we will also focus on developing the current relationships with our partners. We have been able to add more partners to our portfolio and have significantly expanded our relationship with Dun & Bradstreet, the world's largest data provider. We have confidence that these partnerships and relationships will continue to grow and flourish. We are particularly excited by the new opportunities we are discovering with partners in North America and we are hopeful that we can continue to expand our footprint in this region in the months ahead.

Our staff

Our business would be nothing without our innovative and hard-working staff. From the development team to the client support staff, it is an end-to-end effort. Each role is critical to our continued success, and everyone has positively contributed to our successful integration of the Integritie acquisition. On behalf of the Board I would like to thank all of them for their outstanding efforts in the last year and look forward to working with them in the current year.

Outlook

The 2018-19 financial year is going to be a breakthrough year. We anticipate a cash flow positive year and profitability being achieved. We also see new clients and new products being introduced, whilst also re-establishing some of the key relationships from the past. Our partnership strategy continues to develop and is coming to fruition in the US; these partnerships have the potential to deliver the majority of our revenue over the coming years. This, alongside the strengthening traction within our direct sales, makes this an exciting year for us.

Recent announcements demonstrate the high regard which major players within the data and analytics industry hold Rosslyn, the RAPid platform and the Knowledge Capture environment. Converting these relationships into scalable revenue streams is key for our growth and our future. I am optimistic that recent product launches and the innovation we continue to deliver will drive the results the Company and our shareholders deserve.

John O'Hara
Chairman
28 September 2018

Roger Bullen

Chief Executive Officer

We are seeing the benefits from the investments that we have made and our solutions and products are becoming extremely well known and recognised for innovation.

Strategy

This year, we continued to implement our strategic plan, which is focused on ensuring the success of our customers and partners by providing them with world-class data analytics solutions and business insights that provide and deliver significant and sustainable business value. The demand for our software solutions has been high from enterprise organisations, both end-user customers and partners around the world.

We witnessed significant success with the introduction of our "buy and build" strategy, which enables us to solve business-critical challenges facing organisations by providing alternative technologies available in the market that extend our platform's capabilities and value.

During the year, we made new investments in expanding our solution suite on the RAPid platform, adding new tools and capabilities whilst ensuring the RAPid platform and solutions are scalable and user friendly. We also capitalised on market demand and developed HR and logistics solutions that demonstrate the versatility of our platform, and the speed and ease of entering adjacent markets.

At the beginning of the year, we purchased 100% of the share capital of Integritie (UK) Limited. The acquisition completed on 16 May 2017 and provides the Company with the opportunity to deliver a total data solution on one platform to our clients and partners. This acquisition is now fully integrated into the RAPid platform and is capable of delivering the full suite of products into the cloud environment.

In addition to obtaining excellent technology and people, the acquisition of Integritie brought significant revenue. Whilst the majority of revenues still come from our direct sales team, we are starting to build considerable traction through our partnership strategy, particularly in the US, where we expect future growth will be delivered. We have signed a number of new partnership agreements and continue to roll this programme out around the world. The Board has not wavered on the belief that this strategic diversification of the revenue stream is important to attaining our targets and will enable us to accelerate our route to market.

We have continued to invest in increasing our sales capabilities. Recruitment of talented individuals with the requisite knowledge and experience continues to be a challenge, but we have maintained our sales headcount levels through the year and, where possible, we will continue to add to the sales and partnership business development teams necessary to fulfil the Company's growth ambitions. As an offset, we have been able to reduce the development and administration overhead which has led to an overall decrease in the number of employees compared to previous years – thus ensuring we are a balanced company with the right resources in the right places to achieve our objectives.

Outlook

Now that we have completed the integration of the Integritie suite of solutions and products (Knowledge Capture) into the RAPid platform, we have been able to transform a number of on-premise solutions for those clients that are seeking to move into the cloud. This technological evolution has allowed us to see a number of opportunities come to fruition.

Our new solutions and products, beyond but associated with our established spend and procurement successes, sit alongside the RAPid platform, offering and enabling clients to achieve a more holistic view of their enterprise data by now being able to manage documents in one easy-to-access place.

Whilst spend continues to be the backbone of our revenue streams, we are seeing developments in the market that enable us to expand our offerings to include services covering compliance, logistics, complaints, workflow management, risk, corporate social responsibility and workforce management.

We are excited about these new opportunities and our growing capabilities to help clients improve revenue generation, profitability and business efficiencies with us.

Our strong relationship with Microsoft and the Azure platform ensures that our flagship RAPid product remains at the cutting edge of technological development, enabling scale and efficiencies to be achieved at the best possible cost. Microsoft continues to recognise RAPid as one of the top cloud-based platforms in the market and also recognises Rosslyn as a preferred partner, issuing us with its "Co-Sell Recommended Partner" status, a significant achievement for us.

In addition, we have signed a number of new contracts. Notable amongst this new business are the contracts with major global businesses both in the US and Europe, which have brought a highly diversified client base and provide us with excellent opportunities to demonstrate the value of the RAPid platform to our partners and clients. I look forward with confidence to the 2018–19 financial year.

We are seeing the benefits from the investments that we have made and our solutions and products are becoming extremely well known and recognised for innovation. I would like to join John O'Hara in thanking our employees, without whom none of this would be possible.

See our business strategy in detail p. 10 – 11

Revenue

We elected to adopt IFRS 15, the accounting standard covering the recognition of revenue from contracts with customers a year early. The impact of early adoption, including the restatement to comparatives and reserves, is detailed in note 2 on page 38. Group revenues on a restated basis increased by 83% to £6,432,733 (2017: £3,506,740). The increase in revenue incorporated the acquisition of Integritie (UK) Limited in May 2017. On a regional basis the UK revenues increased by 119% to £5,700,172 (2017 restated: £2,598,906).

Client wins in the year included data analytics for a global brewing giant, an FMCG group and a global fintech company. Our partner relationships continued to deepen, which we anticipate will deliver growth in the coming year. In particular we anticipate the strengthening of our global relationship with Dun & Bradstreet to deliver growth in the coming year.

The churn rate remains at a modest level as the majority of our clients continue to renew their contracts.

Gross margin

The gross margin percentage decreased by 5.3% to 76.1% from 81.4% in 2017 on a restated basis. This reduction reflects the increasing costs of the Azure Cloud. Microsoft increased their global pricing by 23% with the strength of the US$ v GBP. Together with the cost of sales associated with the third party licences within the Integritie business.

EBITDA

The EBITDA loss increased by 25% to £2,524,707 (2017 restated: £2,021,564). Following the acquisition we have been able to make significant synergy savings during the year, the full impact of which will be seen in the coming financial year.

Loss before income tax

The loss before income tax for the year was £3,689,503 (2017 restated: £2,045,328). The increase in the loss reflects the amortisation charge of the intangible asset from the acquisition of Integritie (UK) Limited, together with interest on loans within Integritie. The continued investment into product development will yield market-ready services to drive further revenue growth.

Cash flow and funds

The Group ended the year with cash balances of £317,466 (2017: £284,833). The Group raised £4,599,655, net of issuance costs, through the share issuance in May 2017. The acquisition of Integritie absorbed £1,187,923 directly and £1,547,647 indirectly through the repayments of acquired loans and trade payables. We achieved a significant decrease in our trade receivables past due and we continue to make a considerable effort to reduce the ageing of our trade receivables further. At the year end deferred revenue was £2,300,700 (2017 restated: £1,024,670). The increase in deferred revenue is primarily a result of the acquisition.

Investment into fixed assets in the year to 30 April 2018 was £19,223 (2017: £20,653). No significant investment was required in the year, due to the investment made in the previous years in technology. The majority of the assets required by the Company are paid for on a usage basis and fall within operational cost of sales.

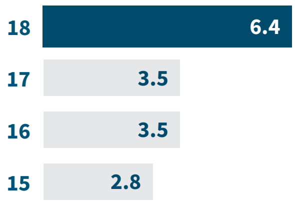
Roger Bullen
Chief Executive Officer
28 September 2018

Our performance indicators reflect the acquisition of Integritie (UK) Limited in May 2017.

Turnover (£m)

£6.4m*

up 83%

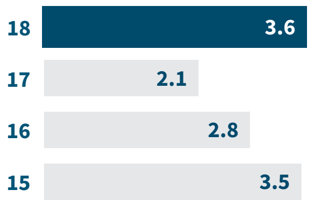


* Adjusted for IFRS 15 early adoption, comparatives for 2016 and 2017 have also been restated.

Operating loss (£m)

£3.6m*

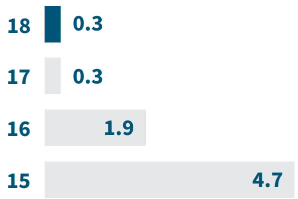
worsened by 57%



* Adjusted for IFRS 15 early adoption, comparatives for 2016 and 2017 have also been restated.

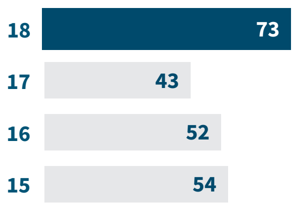
Year-end cash (£m)

£0.3m



Average number of employees

73



Finding new sources of innovation

> **“With significant technological breakthroughs coming from academia in the last few years, it made perfect sense to align our developers and data experts with a university that is leading the way.”**

David Littler, CTO
Rosslyn Data Technologies

The last year has seen a range of new capabilities and improvements to Rosslyn’s product and service offerings, but we are always looking for the next big idea that will help us to drive transformation for our clients.

With this in mind, 2018 saw Rosslyn enter into a partnership with senior professors at the Department of Computer Science at Liverpool University to investigate new ways to leverage cutting-edge natural language processing and machine learning technologies.

Used correctly, these new capabilities could add a significant efficiency boost to the RAPid platform, delivering new levels of automation and innovation for Rosslyn clients that would deliver significant business value.

The first phase of this project is focused on intelligently automating the classification of spend and cleansing of suppliers, but the foundational principles of this new methodology could ultimately be rolled out across the entire Rosslyn product suite.

A single platform that can drive change across an entire organisation

Historically, Rosslyn's key area of focus has been in the supply chain, in particular spend analytics. Today, our clients are looking for more integrated solutions which bring together compliance, operational workflows, contractual information and predictive insights.

Looking at where an organisation is going is far more important than looking at where it has come from. Most spend analytics solutions analyse historical spend without asking the right questions about the data being collected, what tangible benefits the data could bring to an organisation and how the data can be enriched. Looking forward, we should be asking what the spend forecasts, risks and compliance challenges we will be facing are.

The Directors believe the Group is well positioned to pursue the growth through six strategic initiatives:

New customer acquisitions in existing markets

New product acquisitions in existing markets

Growth within the existing client base

Product development

Partnerships

Geographic expansion

Whilst spend analysis provides one set of insights, it is limited. We need to add to these insights, to provide increased information relating to future spending requirements. Data analytics for the modern procurement professional needs to provide support to the strategy and inform the user of upcoming challenges and the steps needed to meet projected profitability.

Looking at the relationships between demand, budgets, forecast sales and profitability is therefore becoming far more important for high-performing procurement teams. The integration of these operational workflows into the spend environment is therefore extremely important. However, there can be several leading indicators of demand: the internal organisation's budget, availability of funds for corporate activity, other working capital requirements and external macroeconomic indicators, most of which are not typically included in an organisation's ERP platform.

Through the use of Rosslyn's RAPid platform, organisations can introduce data into a predictive analytics workflow. Through the introduction of multiple data sets and regression models, a predictive forecasting tool may be developed which allows future strategies and forecasts to be created and managed for different categories of products and use cases.

This type of predictive analytics is flexible and can also be used to adjust growth estimates, compliance and supplier performance. Used effectively, it can ultimately control the organisational spend in line with performance.

Moving beyond spend analytics

Once the spend requirement has been identified, it is important that the workflow management systems are capable of supplier risk monitoring on major projects. This can be introduced by predicting incidents that could potentially arise and gaining an understanding of what issues are on the horizon, going beyond just examining the current known risks.

Simply monitoring current workflow systems is not enough; near-time systems will be needed to collect feedback from those that are closest to the issues. Traditionally we might call it "walking the factory floor" but, essentially, it is crucial to capture the insights from conversations happening internally. This insight is extremely valuable as the supply chain team needs to be able to react instantly to demand-driven requirements. Constant monitoring and management are needed to capture insights from touchpoints such as social media, email, contracts, qualitative surveys and other non-traditional data to enable predictive insight and build a shared source of reality for factory and/or supply chain risk.

New risk mitigation insights are needed that go beyond simply avoiding politically sensitive production locations, exposed individuals, sanctions and financially unstable suppliers. With intelligent risk mitigation, it is possible for businesses to drive better informed business decisions and improve community impacts, all while establishing a sustainable supply chain. Having achieved all of this, we then need to ensure that contract management capabilities are fully integrated, and that discounts, rebates, pricing etc. (all of which are included in a contract) are embedded into the monitoring and measurement systems. Contract compliance may well become the best source of sustainable cost reduction in the years to come.

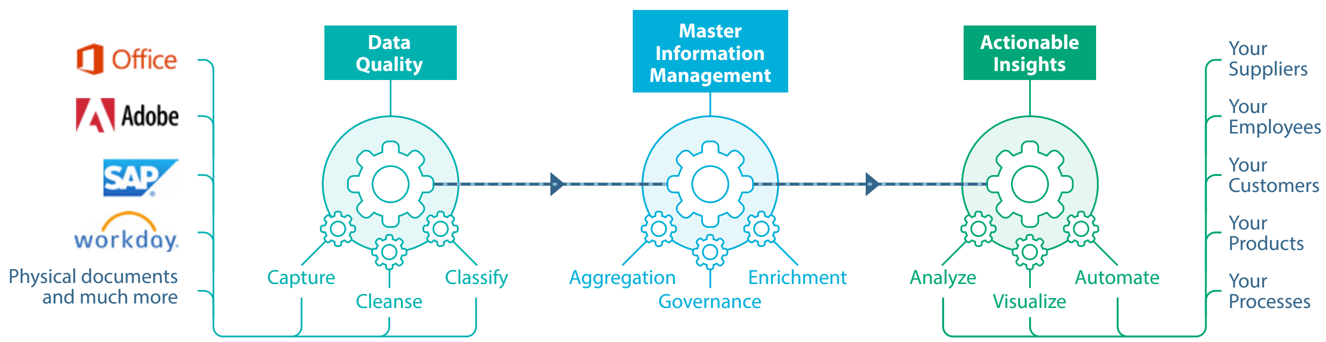
Rosslyn's systems and methods of gathering data and information have always been excellent for businesses which wanted to visualise their category management and report on the past.

Organisations will benefit from the proactive monitoring and reporting of mandatory regulations and other corporate risks that provide a quantitative and visual representation of the supply chain risks that exist in the economy, as well as the financial impacts associated with these issues. Of course, this needs to be predictive, with reporting being simple to understand and carried out regularly.

It is simple for RAPid users to understand how much has been spent in a category, with what cost centres, plants and countries are spending, together with the volume of invoices and purchase orders, etc., slicing and dicing the data as they see fit.

With the new enhancements we are making to the platform, customers can now compare their data to their contracts, understand how suppliers are performing against pre-set targets, compare business goals and budgets, provide detailed price performance variance analysis on what has been bought, and derive the insights necessary to support their strategy with sufficient demand knowledge to negotiate global tenders. This level of information allows Rosslyn customers to ensure that once a supplier is contracted, the value delivered to the business is continuously managed, monitored and improved.

The RAPid process at a glance – from raw data to business value



How we manage risks

Risk	Description	Mitigation	Change
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.	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 Board consider the risk to have reduced due to the increase in headcount from the acquisition, particularly in the technical team.	↘
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 in research and development into the RAPid platform. The Board believes that constantly evolving the product offering best protects the Group against technological change. The Board consider the risk to have reduced due to the technologies introduced from the acquisition and continued expansion of the tools and capabilities on the RAPid platform.	↘
Reliance on key systems	The Group's reliance on certain key systems and technologies for its continuing operations exposes the Group 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. 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. The Board consider this risk to remain unchanged as the expanded Group continues to be reliant on key systems such as the internet.	→
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 anticipated rapid 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 business in the service sector. Clients are supported by the customer success team. The Board regards customer satisfaction and low churn as important signals. Nevertheless some client turnover can be expected for reasons which do not necessarily reflect poor service. Change of control of a customer, as an example, may give rise to different supplier choices. The Board consider this risk to remain unchanged as the expanded group continues to work with large corporates.	→

Risk	Description	Mitigation	Change
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 consider this risk to be increasing as the expansion in our product range introduces more competitors into our marketplace.	↗
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 a progressive 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 Board consider this risk to remain unchanged as the expansion in our product range provides a counter balance to the risk associated with the failure in an individual product new release.	→
Political, economic and legislative risks	The Group may be adversely impacted by developments in the political, economic and regulatory environment, including Brexit, 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 Board have considered the impact of Brexit on the Group and have concluded the impact will be extremely minor. 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, UK, Europe and USA enable the Group to continue to trade unhindered, which is why the risk remains unchanged.	→

An organisation that cares

At Rosslyn, we have made a commitment to be an ethical and socially responsible organisation that our customers can be proud to do business with.

A charitable Christmas

For the last three years at Christmas, Rosslyn has run a Giving Tree event for the Group's chosen charity, KidsOut, collecting toys and gifts for children living in refuge. KidsOut helps to support children who have escaped domestic violence and abuse, and the annual Giving Tree drive helps to ensure that every child in its care received a present at Christmas. Rosslyn employees are extremely generous every year and last Christmas we managed to provide gifts for over 50 children.

Following on from this success, Rosslyn's employees have selected Cancer Research UK as their charity to support for 2018-2019. With a host of events planned over the course of the year, from pub quizzes to cycling endurance challenges, the Rosslyn team is working to help fund ground-breaking research initiatives and improve treatment outcomes for cancer patients all over the UK.

Making the world a better place through technology

With the introduction of the General Data Protection Regulation in May, Rosslyn also worked as an advisory resource of best practices for our customers and European organisations at large, helping to ensure that they were appropriately meeting their responsibilities as data processors and controllers. As a leading data expert, Rosslyn's Chief Data Officer, Hugh Cox, donated his time to speak on several industry panels to advise on the challenges and opportunities that GDPR presented for enterprises.

At a customer level, we helped some of our biggest clients to establish automated workflows and processes within their infrastructure to securely handle customer requests under GDPR and ensure they were handling customers' personal data ethically and responsibly. Indeed, as businesses develop and more regulatory focus is placed on responsibility around diversity, people, environment and legal ownership, it will become an integral part of the supply chain and risk management processes for the majority of our customers in procurement.

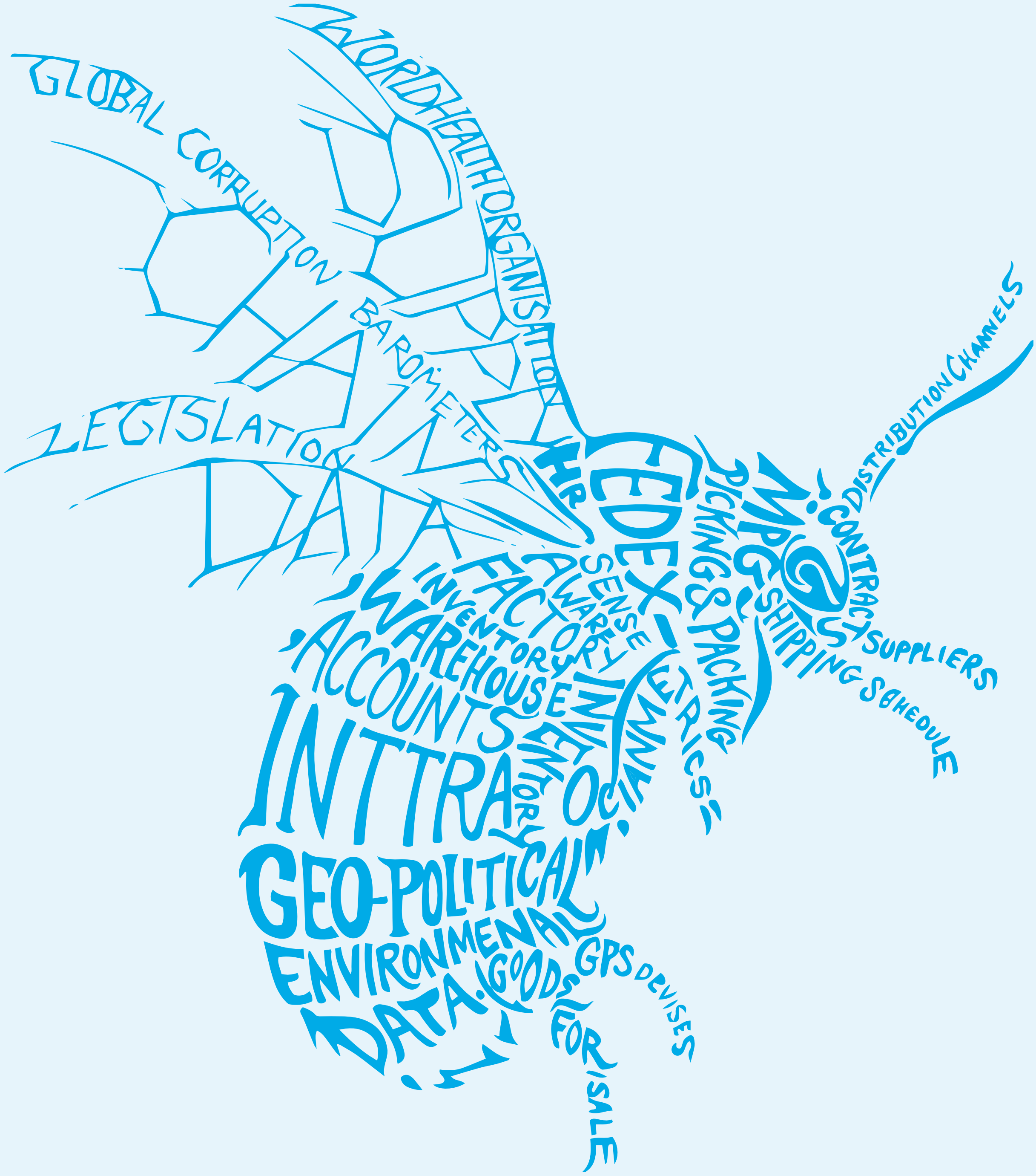
This year has also seen Rosslyn sharing its knowledge and technology with the third sector to help charities strengthen their finances. Our current focus is helping a leading disability charity to identify potential efficiency gains in their processes, allowing them to focus more of their donations towards supporting health and welfare outcomes for disabled individuals in the UK.

At Rosslyn we strive to:

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

"Since I joined Rosslyn last year, it's been extremely inspirational to work alongside such public-spirited colleagues. With luck, 2018 will see our technology and capabilities help us make a serious difference!"

Ruby Pope, Digital Marketing Manager


WORLD HEALTH ORGANISATION
GLOBAL CORRUPTION BAROMETERS
LEGISLATION
DATA
HR
FEDEX
PICKING & PACKING
MPG
CONTRACTS
DISTRIBUTION CHANNELS
SUPPLIERS
SHIPPING SCHEDULE
SENSE AWARE
FACTORY
INVENTORY
WAREHOUSE
ACCOUNTS
INTTRA
METRICS
GEO-POLITICAL
ENVIRONMENTAL
DATA
GOODS FOR SALE
GPS DEVISES

GOVERNANCE

Experienced leadership




John O'Hara

Chairman

John has more than 35 years of experience in the high-tech industry, having held senior positions with some of the world's biggest companies including Lotus, IBM, Microsoft and Pitney Bowes.

He is currently president of NICE, a global leader in customer engagement management software, where he is responsible for the European operations.

As president of Pitney Bowes Software and a corporate officer of Pitney Bowes, John has led global expansion initiatives and was responsible for a number of strategic acquisitions across the UK, Europe and Australia. He has previously worked for Microsoft UK as general manager, and Enterprise and Partner Group, where he was responsible for more than $1bn in revenue, and has held senior roles at IBM, Pivotal Corporation and Lotus Development Group.

John has a bachelor of science (hons) degree in applied chemistry from the University of Wales Institute of Science and Technology and a master of science degree from the University of Manchester.

Roger Bullen

Chief Executive Officer

Roger has more than 20 years of finance, executive and operational leadership experience in technology-based companies, including start-ups, large caps and consulting firms. Roger's experience covers working with national, US and global companies.

Roger held senior roles with Navigant Consulting Inc. as head of the international division and Sapient Inc. as VP international finance. He has also worked with private equity companies and been successful in taking companies to market and trade sale.

Roger has been a shareholder in Rosslyn Analytics Ltd and, subsequently, in Rosslyn Data Technologies plc since Charlie Clark and Hugh Cox established Rosslyn.

Roger has been a member of the Chartered Institute of Management Accountants since 1990.

Charles Clark

President

Charlie is a highly experienced and well regarded senior executive. He co-founded Rosslyn Analytics Ltd and, prior to this, was an investment banker.

Charlie has extensive experience of working with fast-growing companies and the capital markets.

Consistently recognised as a pioneer and leader in cloud analytics, and for his leadership in establishing Rosslyn Analytics, Charlie is also a prolific writer and speaker on the subjects of data management and cloud analytics.

Charlie served with the British Army during Desert Storm and holds an MBA from City University Business School, London. He is a Fellow of the Securities Institute and is an Accredited Associate of the Institute for Independent Business.

Hugh Cox

Chief Data Officer

Hugh co-founded Rosslyn Analytics Ltd with Charlie Clark. Hugh is a recognised expert in helping public and private sector organisations tackle business issues through technologies including cloud computing, data management and analytics.

Hugh has authored and spoken extensively on the subject of data analysis, with particular focus on fraud prevention and detection, through the deployment of cloud-based analytics platforms.

Prior to establishing Rosslyn Analytics, Hugh held senior positions with COO Investments (EMEA) and Citigroup Private Bank. He also worked for Perot Systems, J.P. Morgan and Logica.

After leaving the British Army, Hugh gained a bachelor of science degree in computer science and an MBA from City University Business School, London.

Barney Quinn
Non-Executive Director

Barney has over 30 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 in the public company world is non-executive chairman of the Atlanta-based Clearstar Inc. which is AIM listed and provides background screening services.

In the private equity world he is non-executive chairman of Arkivum, in the digital preservation sector, and Oxehealth, a health technology provider. He is also a non-executive director of Concirrus in the insurance software space.

Barney is also a founder of Gotus Consultancy which provides scale-up international expansion advice to the technology sector. Other interests include Voyage Brand & Communications, a creative company, and Parago Software, which specialises in asset management software for the education sector.

Ed Stacey
Non-Executive Director

Ed has been active in technology venture capital for over 15 years. He was one of the first investors in Autonomy in 1996 and has been instrumental in a number of UK technology companies achieving success.

His current venture fund, IQ Capital, has made three successful cash exits to date, to Google, Apple and Becton Dickinson. IQ Capital is a shareholder of the company and has been a shareholder in Rosslyn Analytics Ltd and, subsequently, in Rosslyn Data Technologies plc since 2010.

Ed resigned as a Non-Executive Director on 19 July 2018.

James Appleby
Non-Executive Director

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.

James has a master of arts in engineering from Cambridge University.

James was appointed to the Board on 20 July 2018.

The Directors present their report and audited consolidated financial statements for the year ended 30 April 2018.

Principal activity

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

Business review and future developments

A review of the Group's operations and future developments is covered in the Business and Financial Review on pages 7 and 8.

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 30 to 50.

Dividends

The Directors do not recommend the payment of a dividend (2017: £nil).

Going concern

Notwithstanding that the Group has made losses in the current year, these financial statements have been prepared on the going concern basis, which assumes that the Group will continue to be able to meet its liabilities as they fall due for the foreseeable future.

The Directors have prepared cash flow statements for the periods to 30 April 2025 to ensure going concern criteria are met. Provided the Group achieves its forecasts for the forthcoming year, the Group will be able to repay all outstanding loan notes and be in a cash positive position. Should the Group fall short of its revenue forecast it will need to refinance the outstanding loan notes, discussions are already taking place to ensure that financing, should it be required, is available.

The Directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the Group's ability to continue as a going concern. Nevertheless, after making enquires and considering the uncertainties described above, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing these financial statements.

Annual General Meeting

On page 57 is the notice of the Company's Annual General Meeting to be held at 154–160 Fleet Street, Blackfriars, London EC4A 2DQ on 30 October 2018 at 11.00am.

Directors and Directors' shareholdings

The Directors who served on the Board and on the Board Committees during the year are as follows:

John O'Hara
Roger Bullen
Charles Clark
Hugh Cox
Ed Stacey
Barney Quinn

James Appleby was appointed as a Director on 20 July 2018 and Ed Stacey resigned on 19 July 2018.

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

Details of the Directors' remuneration and share option rights are given in the Remuneration Report on pages 23 to 24.

Research and development

During the year the Group spent £683,505 (2017: £670,282) on tax relief qualifying research and development for the purpose of enhancing the Group's product offerings. All amounts were expensed during the year.

Substantial shareholders

The Company is informed that, as at 19 September 2018, individual registered shareholdings of more than 3% of the Company's issued share capital were as follows:

Shareholder	Number of shares	Percentage of issued ordinary share capital of the Company and voting rights
The Bank of New York (Nominees) Limited	51,122,049	26.53%
Chase Nominees Limited	21,275,000	11.04%
BNY (OCS) Nominees Limited	15,774,692	8.19%
W B Nominees Limited	11,569,791	6.00%
IQ Capital fund LP	11,062,712	5.74%
Hugh Cox	11,011,201	5.71%
Charles Clark	10,076,415	5.23%
Hargreaves Lansdown (Nominees)	9,820,924	5.10%

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.

Political and charitable donations

During the year the Group made no political donations (2017: £nil) and made charitable donations of £nil (2017: £250).

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 in note 22 to the financial statements.

Supplier payment policy and practice

The Group does not operate a standard code in respect of payments to suppliers. The Group agrees terms of payment with individual suppliers and makes payments in accordance with contractual and other legal obligations.

The ratio, expressed in days, between the amount invoiced to the Group by its suppliers during the year ended 30 April 2018 and the amount owed to its trade creditors at 30 April 2018 was 81 days (2017: 71 days).

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.

Independent auditor

A resolution for the re-appointment of Grant Thornton UK LLP as auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board

Roger Bullen
Chief Executive Officer
28 September 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES
in preparation of the 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 prepared the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, and the parent 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 the Company and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether IFRSs as adopted by the European Union and applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Group and parent company financial statements respectively; 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 Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

As an AIM listed company, Rosslyn Data Technologies plc is not required to comply and does not comply with the full UK Corporate Governance Code, but the Board believes that compliance with the highest standards of corporate governance is very important. It has adopted many of the best practices set out in the Corporate Governance Guidelines issued by the Quoted Companies Alliance, an alternative governance code particularly aimed at smaller quoted entities.

Board of Directors and Board Committees

At the end of the financial year the Board of Directors consisted of three Executive and three Non-Executive Directors. The Board believes this to be an appropriate mix of skills and roles to act in the best interests of shareholders and stakeholders.

The roles of Chairman and Chief Executive Officer are separate. The Chairman leads Board meetings and Board discussions and has responsibility for the Board's overall effectiveness. The Chief Executive Officer is responsible for the achievement of the Group's strategic and commercial objectives, within the context of the Group's resources and the risk tolerances laid down by the Board.

Barney Quinn is the senior independent Non-Executive Director and chairs each of the Board's Committees. The Chairman, John O'Hara, is a member of each of the Board Committees. Ed Stacey, a Non-Executive Director, is employed by IQ Capital LLP, a connected company of IQ Capital Fund LLP, the Group's largest shareholder.

The Board is responsible to shareholders and provides leadership and direction to the Group. It is the role of the Board to set the strategic direction and goals of the Group within the risk tolerances and control mechanisms the Board believes are appropriate. The Board has a list of matters reserved for its consideration which include, but are not limited to, matters of strategy, risk management, consideration and approval of financial budgets, major capital expenditure decisions, acquisitions and disposals, approval of the interim and final results and the recommendation of any dividends. The Board has three Committees, each with defined terms of reference. They are the Audit Committee, the Remuneration Committee and the Nomination Committee.

The Board meets on a regular basis. During the year from 1 May 2017, the Board met twelve times. In addition the Board Committees met a number of times. Table 1 shows the attendance of the relevant Directors at these meetings.

Formal agendas and briefings are prepared for Board meetings, allowing all Directors to participate fully in the meetings. The Directors all have access to independent advice, if required, in respect of their duties from a variety of professional advisers. The Company maintains an appropriate directors' and officers' insurance policy in respect of legal actions against the Directors or officers.

The performance of the Board is assessed by the Chairman, in conjunction with the Nomination Committee. 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.

Board meetings, showing attendance

Year to 30 April 2018

Board	Total
John O'Hara	12/12
Roger Bullen	12/12
Charles Clark	12/12
Hugh Cox	12/12
Ed Stacey	12/12
Barney Quinn	12/12

Audit Committee	Total
Barney Quinn	1/1
John O'Hara	1/1
Roger Bullen	1/1

Remuneration Committee	Total
Barney Quinn	2/2
John O'Hara	2/2

Nomination Committee	Total
Barney Quinn	0/0
John O'Hara	0/0

Board Committees

The Board has established three 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. John O'Hara 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 Company's financial systems and statements; reviewing significant reporting issues; and reviewing the effectiveness of the Company'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 Chief Financial Officer, at least once a year.

Remuneration Committee

The Remuneration Committee is chaired by Barney Quinn. John O'Hara 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 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.

Nomination Committee

The Nomination Committee is chaired by Barney Quinn. John O'Hara is the other permanent member of this Committee, which co-opts other Directors as necessary for its deliberations. The Committee is responsible for considering the selection, and re-appointment, of the Directors. It is also responsible for identifying and nominating candidates for Board vacancies. The Committee, in conjunction with the Chairman, John O'Hara, reviews the size, structure and composition of the Board and makes recommendations to the Board for any changes. The Committee meets on an as necessary basis.

Investor relations

The Chief Executive Officer and other officers meet with analysts and institutional shareholders of the Company 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 Directors encourage the participation of all shareholders, including private shareholders, at the Annual General Meeting. The annual report and accounts is published on the Company's website, www.rosslyndatatechnologies.com, and can be accessed by shareholders and potential investors.

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 Ltd, 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.

Barney Quinn
Chairman of the Audit Committee
28 September 2018

As an AIM listed company, Rosslyn Data Technologies plc is not required to comply with the Main Market UK Listing Rules or those aspects of the Companies Act applicable to listed companies regarding the disclosure of Directors' remuneration. However, the Board has chosen to adopt many of the best practices as proposed in the Remuneration Guide for Smaller Quoted Companies by the Quoted Companies Alliance. Unless stated, this report is unaudited.

Remuneration Committee

Membership and the responsibilities of this Committee are set out below. The Committee is chaired by Barney Quinn. John O'Hara is the other permanent 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.

Meeting and attendance in 2017–18

The Committee met twice in the year, in June and September 2017. The meeting was attended by the two permanent members of the Committee.

Remuneration policy

The objective of the remuneration policy is to ensure that the overall remuneration of the Executive Directors, and key Senior Executives, is designed to attract, retain and motivate them to generate performance aligned to creating sustainable shareholder value, within acceptable risk tolerances. The remuneration of Senior Executives is managed to ensure an appropriate balance relative to other employees in the Group.

Executive Directors' remuneration

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

- fixed pay, including base salary and pension contributions; and
- variable pay, comprising bonus opportunities and on an individual basis access to the EMI Share Option Scheme.

Activities during the year

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

- review of Executive remuneration strategy and policy;
- approval of bonuses to the Executive Directors; and
- review of proposed grants of share options under the EMI Share Option Scheme and the approval thereof.

2018–19 Directors' remuneration

The table below sets out the aggregate remuneration of the Directors.

	Salary/ commission £'000	Bonus £'000	Benefits £'000	Fees £'000	Pension £'000	Share-based payments £'000	**30 April 2018 Total £'000**	30 April 2017 Total £'000
Executive Directors								
Charles Clark	157	—	—	—	13	20	**190**	162
Hugh Cox	119	—	8	—	12	20	**159**	140
Jeffrey Sweetman(i)	—	—	—	—	—	—	**—**	46
Roger Bullen	161	—	1	—	16	89	**267**	232
Non-Executive Directors								
John O'Hara	50	—	—	—	—	—	**50**	50
Barney Quinn	30	—	—	—	—	24	**54**	30
Ed Stacey(ii)	—	—	—	35	—	—	**35**	35

Notes

(i) Jeffrey Sweetman was paid US$200,000 pro rata, an amount equal to the salary of Hugh Cox, at the budget rate, when the employment contracts were signed.

(ii) Ed Stacey is an employee of IQ Capital Partnership LLP and surrendered his salary to that company.

Directors' interests

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

Director	**Number of shares held at 30 April 2018**	Percentage of issued ordinary share capital
Charles Clark	**10,076,415**	5.36%
Hugh Cox	**11,011,201**	5.85%
Roger Bullen	**2,559,883**	1.36%
John O'Hara(i)	**1,358,281**	0.72%
Barney Quinn	**614,595**	0.33%
Ed Stacey(ii)	**11,062,712**	5.88%

Notes

(i) Includes 151,680 ordinary shares held by Fundsdirect Nominees Limited as trustee of John O'Hara's self-invested personal pension.

(ii) All the 11,062,712 ordinary shares are held by IQ Capital Fund LP, a connected person of Ed Stacey.

Share options

The following Directors held share options at 30 April 2018:

Director	**Share options**	**Weighted exercise price**
John O'Hara	**240,000**	**0.50p**
Roger Bullen	**6,546,559**	**7.64p**
Charles Clark	**1,777,778**	**5.62p**
Hugh Cox	**1,777,778**	**5.62p**
Barney Quinn	**1,777,778**	**5.62p**

The following Directors held share options at 30 April 2017:

Director	Share options	Exercise price
John O'Hara	240,000	0.50p
Roger Bullen	2,991,003	10.03p

Approved by the Board and signed on its behalf by:

Barney Quinn
Chairman of the Remuneration Committee
28 September 2018

FINANCIAL STATEMENTS

Opinion

Our opinion on the financial statements is unmodified

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 2018 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 Cash Flows, the Company Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 2018 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied 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 the 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.

Material uncertainty related to going concern

We draw attention to note 2 – going concern in the financial statements. The Group incurred a net loss of £3,233,543 during the year ended 30 April 2018 and, as of that date, the company's current liabilities exceeded its current assets by £1,077,340. As stated in note 2 – going concern, these events or conditions, along with the other matters as set forth in note note 2 – going concern, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Who we are reporting to

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Overview of our audit approach

- Overall group materiality: £131,000, which represents 2.0% of the group's preliminary revenues.
- Key audit matters were identified as revenue recognition and its occurrence and the valuation of debtors, and management override of controls.
- We performed full scope audit procedures at the group's operating location in the United Kingdom and targeted procedures over the Group's subsidiary in the United States of America.

Key audit matters

Key audit matters are those matters that, in our professional judgement, 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) that we identified. These matters included those that 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.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter(s) described below to be the key audit matter(s) to be communicated in our report.

Key Audit Matter – Group	How the matter was addressed in the audit – Group
Revenue recognition, its occurrence and the valuation of debtors The Group's revenues are a significant measure of its financial performance during the financial year. 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. Due to the volume of transactions that occur during the year and the significance of revenue as a measure of the Group's performance during the year, we identified revenue recognition and its occurrence as a significant risk, which was one of the most significant assessed risks of material misstatement.	Our audit work included, but was not restricted to: • confirming the appropriateness of the Group's revenue recognition policy in light of the requirements of IFRS 15 'Revenue' and confirming through sample testing its consistent application; • rationalisation of deferred and accrued revenue by confirming deferred amount to contracts and accrued amounts to evidence of performance obligation performed; • selecting a sample of revenue transactions from across the Group and ascertaining the occurrence of each item through verification to source documentation pertaining to the validity of the sale and the date at which the risks and rewards of ownership transferred to the customer; and • selecting a sample of year end receivables and confirming their existence by tracing their payment after the balance sheet date. • considering overdue debt and the related provision and confirming their recoverability by tracing to subsequent payment of other evidence of intention to pay. The group's accounting policy on revenue recognition is set out in Note 2 "Accounting Policies" to the financial statements. **Key observations** Our procedures, as set out above, did not identify any material misstatement in respect of revenue recognised by the Group during the year.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

Materiality was determined as follows:

Materiality measure	Group	Parent
Financial statements as a whole	£131,000 which is 2% of the Group's preliminary revenue. This benchmark is considered the most appropriate because it is a significant determinant of the Group's financial performance. Materiality for the current year is higher than the level that we determined for the year ended 30 April 2017 as a result of the increase in Group revenues.	£118,000 which is 2% of the total assets. Materiality was then adjusted to ensure it was not greater than group materiality. This benchmark is considered the most appropriate because it is a significant determinant of the company's financial performance. Materiality for the current year is higher than the level that we determined for the year ended 30 April 2017 as a result of the increase in the parent company assets.
Performance materiality used to drive the extent of our testing	75% of financial statement materiality.	75% of financial statement materiality.
Specific materiality	We determined a lower level of specific materiality for certain areas such as directors' remuneration and related party transactions.	We determined a lower level of specific materiality for certain areas such as directors' remuneration and related party transactions.
Communication of misstatements to the audit committee	£6,500 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£5,900 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

An overview of the scope of our audit

Our audit approach was a risk-based approach founded on a thorough understanding of the group's business, its environment and risk profile and in particular included:

- evaluation by the group audit team of identified components to assess the significance of that component and to determine the planned audit response based on a measure of materiality;
- we determined that full scope audit procedures were to be carried out in the UK and targeted procedures in the US based on their relative materiality to the group and an assessment of their audit risk. Comprehensive and targeted testing performed at the component and Group levels addressed 99.88% of Group revenue;
- we conducted the targeted audit work over the US operations as the books and records reside in the UK;
- the Group locations subject to comprehensive and targeted testing were consistent with the prior year; and
- undertaking a planning visit in evaluate the Group's internal control environment, perform an evaluation of the design effectiveness of controls over key financial statement risk areas identified as part of our audit risk assessment and to select certain transaction items to test during our procedures at the final audit stage.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report set out on pages 1 to 24, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

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 under the Companies Act 2006

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

Matters on which we are required to report by exception

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 for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 20, 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.

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

Nicholas Page
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
28 September 2018

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 April 2018

	Note	Year ended 30 April 2018 £	Year ended 30 April 2017 restated £
Revenue	4	**6,432,733**	3,506,470
Cost of sales		**(1,537,402)**	(651,605)
Gross profit		**4,895,331**	2,854,865
Other operating income		**—**	—
Administrative expenses		**(8,483,685)**	(4,915,222)
Operating loss		**(3,588,354)**	(2,060,357)
Finance income	6	**223**	15,029
Finance costs	6	**(101,372)**	—
Loss before income tax	7	**(3,689,503)**	(2,045,328)
Income tax	8	**478,480**	222,308
Loss for the year		**(3,211,023)**	(1,823,020)
Other comprehensive income		**(22,520)**	(33,764)
Total comprehensive income		**(3,233,543)**	(1,856,784)

Loss per share		**Pence**	Pence
Basic and diluted loss per share: ordinary shareholders	9	**1.76**	2.45

The notes on pages 34 to 50 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 April 2018

	Note	30 April 2018 £	30 April 2017 restated £	1 May 2016 restated £
Assets				
Non-current assets				
Other intangible assets	10	**3,969,189**	—	—
Property, plant and equipment	11	**22,844**	29,003	57,353
		3,992,033	29,003	57,353
Current assets				
Trade and other receivables	12	**2,149,993**	1,879,635	1,724,666
Corporation tax receivable		**556,673**	220,000	253,000
Cash and cash equivalents	13	**317,466**	284,833	1,858,841
		3,024,132	2,384,468	3,836,507
Total assets		**7,016,165**	2,413,471	3,893,860
Liabilities				
Non-current liabilities				
Trade and other payables	14	**(91,420)**	—	—
Deferred tax	16	**(290,904)**	—	—
Financial liabilities – borrowings	15	**(743,809)**	—	—
		(1,126,133)	—	—
Current liabilities				
Trade and other payables	14	**(3,771,229)**	(2,185,524)	(1,868,129)
Financial liabilities – borrowings		**(330,243)**	—	—
		(4,101,472)	(2,185,524)	(1,868,129)
Total liabilities		**(5,227,605)**	(2,185,524)	(1,868,129)
Net assets		**1,788,560**	227,947	2,025,731
Equity				
Called up share capital	18	**940,650**	378,829	378,829
Share premium		**12,554,894**	8,517,060	8,517,060
Share-based payment reserve		**390,009**	218,276	166,107
Accumulated loss		**(17,140,360)**	(13,952,105)	(12,135,916)
Translation reserve		**(89,695)**	(67,175)	(33,411)
Merger reserve		**5,133,062**	5,133,062	5,133,062
Total equity		**1,788,560**	227,947	2,025,731

The notes on pages 34 to 50 form part of these financial statements.

The financial statements were approved by the Board of Directors on 28 September 2018 and were signed on its behalf by:

Roger Bullen
Chief Executive Officer
28 September 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 30 April 2018

	Note	Called up share capital £	Accumulated loss £	Translation reserve £	Share-based payment reserve £	Share premium £	Merger reserve £	Total equity £
Balance at 1 May 2016		378,829	(11,719,947)	(33,411)	166,107	8,517,060	5,133,062	2,441,700
Prior year adjustment for IFRS 15		—	(415,969)	—	—	—	—	(415,969)
Restated balance at 1 May 2016		378,829	(12,135,916)	(33,411)	166,107	8,517,060	5,133,062	2,025,731
Issue of share capital	18	—	—	—	—	—	—	—
Share-based payment transaction		—	—	—	59,000	—	—	59,000
Release		—	6,831	—	(6,831)	—	—	—
Loss for the year		—	(1,823,020)	—	—	—	—	(1,823,020)
Other comprehensive income		—	—	(33,764)	—	—	—	(33,764)
Restated balance at 30 April 2017		378,829	(13,952,105)	(67,175)	218,276	8,517,060	5,133,062	227,947
Balance at 1 May 2017		378,829	(13,952,105)	(67,175)	218,276	8,517,060	5,133,062	227,947
Issue of share capital	18	561,821	—	—	—	4,037,834	—	4,599,655
Share-based payment transaction		—	—	—	194,501	—	—	194,501
Release		—	22,768	—	(22,768)	—	—	—
Loss for the year		—	(3,211,023)	—	—	—	—	(3,211,023)
Other comprehensive income		—	—	(22,520)	—	—	—	(22,520)
Balance at 30 April 2018		**940,650**	**(17,140,360)**	**(89,695)**	**390,009**	**12,554,894**	**5,133,062**	**1,788,560**

The merger reserve arises from the Group reorganisation that occurred on 23 April 2014. Rosslyn Data Technologies plc acquired Rosslyn Analytics Ltd 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 Ltd 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 34 to 50 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 April 2018

	Note	Year ended 30 April 2018 £	Year ended 30 April 2017 restated £
Cash flows used in operating activities			
Cash used in operations	See below	**(3,450,562)**	(1,775,216)
Finance costs paid	6	**(94,875)**	—
Corporation tax received		**473,956**	255,308
Other comprehensive income		**(22,520)**	(33,764)
Net cash used in operating activities		**(3,094,001)**	(1,553,672)
Cash flows used in investing activities			
Proceeds from sale of property, plant and equipment		**475**	317
Purchase of property, plant and equipment	11	**(19,223)**	(20,653)
Acquisition of subsidiaries		**(1,187,923)**	—
Net cash used in investing activities		**(1,206,671)**	(20,336)
Cash flows generated from financing activities			
New loans in year	15	**278,266**	—
Repayment of borrowings		**(544,616)**	—
Proceeds from share issuance	18	**5,056,391**	—
Costs of share issuance		**(456,736)**	—
Net cash generated from financing activities		**4,333,305**	—
Net increase/(decrease) in cash and cash equivalents		**32,633**	(1,574,008)
Cash and cash equivalents at beginning of year	13	**284,833**	1,858,841
Cash and cash equivalents at end of year	13	**317,466**	284,833

Reconciliation of loss before income tax to cash used in operations

	Year ended 30 April 2018 £	Year ended 30 April 2017 restated £
Loss before income tax	**(3,689,503)**	(2,045,328)
Depreciation, amortisation and impairment charges	**1,427,277**	38,793
(Profit)/loss on disposal of fixed assets	**(232)**	9,893
Share-based payment transactions	**194,501**	59,000
Costs to acquire subsidiary	**150,849**	—
Finance costs	**101,372**	—
	(1,815,736)	(1,937,642)
Decrease in trade and other receivables	**970,177**	27,886
(Decrease)/increase in trade and other payables	**(2,605,003)**	134,540
Cash used in operations	**(3,450,562)**	(1,775,216)

The notes on pages 34 to 50 form part of these financial statements.

1. General information

Rosslyn Data Technologies plc (the "Company") is a company domiciled in the UK. The address of the registered office is 60 St. Martin's Lane, Covent Garden, London WC2N 4JS. The Company is the ultimate parent company of Rosslyn Analytics Ltd and Integritie (UK) Ltd, companies incorporated in the UK, and the ultimate parent company of Rosslyn Analytics, Inc., a company incorporated in the United States of America (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.

The principal accounting policies adopted in the preparation of the consolidated financial information are set out below. The policies have been consistently applied to all the years presented.

2. Accounting policies

Basis of preparation

The Group's consolidated financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards (as adopted by the EU) and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

Going concern

Notwithstanding that the Group has made losses in the current year, these financial statements have been prepared on the going concern basis, which assumes that the Group will continue to be able to meet its liabilities as they fall due for the foreseeable future. The Directors have prepared cash flow statements for the periods to 30 April 2025 to ensure going concern criteria are met. Provided the Group achieves its forecasts for the forthcoming year, the Group will be able to repay all outstanding loan notes and be in a cash positive position. Should the Group fall short of its revenue forecast it will need to refinance the outstanding loan notes, discussions are already taking place to ensure that financing, should it be required, is available. The Directors have concluded the combination of these circumstances represents a material uncertainty that casts significant doubt upon the Group's ability to continue as a going concern. Nevertheless after making enquires and considering the uncertainties described above, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing these financial statements.

Basis of consolidation

On 23 April 2014 the Company acquired the Group's previous parent company, Rosslyn Analytics Ltd, via a share for share exchange whereby every ordinary share and A preference share in Rosslyn Analytics Ltd was exchanged for eight ordinary shares and eight A preference shares respectively in Rosslyn Data Technologies Ltd (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 Ltd.

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.

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

- revenue recognition estimates/judgements; as revenue from professional service agreements is recognised over time, the amount of revenue recognised in a reporting period depends on the extent to which the performance obligation has been satisfied. This requires significant judgement in determining the estimated number of hours required to complete the promised work when applying the timeline for delivery of the services (note 4);
- valuation of the intangible asset acquired as part of the acquisition of Integritie (UK) Limited; is based on an assessment of the future revenue streams of the customer contracts and the ongoing value of the internally developed software (note 3);
- valuation of share-based payments; the Directors base their judgement on the Black Scholes model (note 23); and
- recognition of deferred tax assets. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit (note 16).

2. Accounting policies continued

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) Implementation and set-up fees in connection with the deployment and customisation of the Group's proprietary solutions are recognised over the implementation period of the related customer contract.

ii) Annual licence fees are recognised under IFRS 15 on signature of contract; therefore, revenues 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 in the statement of comprehensive income 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 in the statement of comprehensive income 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 in the statement of comprehensive income 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. Cost of sales does not include salaries and wages.

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 deferred tax liability on the fair value adjustment on acquisition. Goodwill is carried at cost less accumulated impairment losses.

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:

- Computer equipment – 18 to 36 months straight line.

Impairment testing of goodwill

Goodwill is tested annually for impairment. An impairment loss is recognised when the carrying value exceeds the anticipated recoverable amount.

2. Accounting policies continued

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.

Research and development

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Any internally generated development costs are recognised as an asset only if all of the following are met:

- an asset is created that can be identified;
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

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 has 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:

	2018	2017
US dollars	**1.40**	1.29
Euros	**1.14**	1.19

2. Accounting policies continued

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.

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.

Cash and cash equivalents

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.

Trade and other receivables

Trade receivables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash receipts over the expected credit period is not considered to be material. Trade receivables are reduced by appropriate allowances for estimated irrecoverable amounts.

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

The Group classifies its financial assets as loans and receivables. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that arise principally through the provision of services to customers. They are initially recognised at fair value and are subsequently stated at amortised cost using the effective interest method. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period. Loans and receivables comprise mainly cash and cash equivalents and trade and other receivables.

Impairment of financial assets

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within other operating costs in the income statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Share capital and share premium

Ordinary shares and A preference shares are classified as equity. A preference shares have been deemed equity as they are non-redeemable and do not pay a fixed dividend.

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.

2. Accounting policies continued

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.

Convertible loan stock

The convertible loan stock, a compound financial instrument, can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequent to initial recognition except on conversion or expiry. The Directors have not split out the equity component as it is not material.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

Standards, amendments and interpretations

During the year the following standards and amendments were applied in the preparation of the financial statements of the Group:

- IFRS 15 Revenue from contracts with customers: This standard introduces a five-step framework that is applied to all contracts with customers.

Although only mandatory for annual reporting periods beginning on or after 1 January 2018, the Group elected to apply IFRS 15 early on 1 May 2017. The new standard has been applied retrospectively, which has resulted in restatement of the revenue in the year ended 30 April 2017 comparatives. The effect of applying the standard in periods prior to 30 April 2017 has been made as an adjustment to retained earnings.

The adoption of IFRS I5 has affected the recognition of annual licence fees. These fees are now recognised on a straight line basis over the period of the contract. Previously they were recognised 80% on completion of set-up, provided there was no early termination clause within the contract, only the first year of revenue was recognised and not the full term value, and on each subsequent anniversary or renewal of the contract the following period's revenue was recognised on a similar basis, or a straight line basis dependent on contractual changes. The remainder of the contract value (20%) was recognised over the course of each appropriate period. The adoption of IFRS 15 has not affected the recognition of implementation, set up and other professional service fees as they involve separate performance obligations and these continue to be recognised as the services are delivered.

The adjustment to revenue in the year ended 30 April 2017 amounts to a reduction of £82,271; the adjustment to revenue in prior periods is a reduction of £415,969 in the retained earnings.

At the date of authorisation of the financial statements the following standards and interpretations, which have not been applied in these financial statements, were in issue but not yet effective:

- IFRS 9 Financial instruments, which replaces IAS 39: This standard expands on the presentation of relevant and useful information for the assessment of the amounts, timing and uncertainty of any entity's future cash flows.
- IFRS 16 Leases: This standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract.

The Directors expect these standards, amendments and interpretations to have an impact on the Group's financial statements, which will be assessed during the next financial period.

Segment reporting

Operating segments are reported in a manner consistent with the internal management reporting of the business to the Executive Directors, who have been identified as the Chief Operating Decision-Maker.

3. Acquisitions

On 16 May 2017 Rosslyn Data Technologies acquired 100% of the share capital of Integritie (UK) Limited, an on-premise data mining company registered in England. The Directors believe the acquisition will enhance Rosslyn Data Technologies' product and customer base, increase its recurring revenue streams and provide cross-selling opportunities.

The details of the business combination are as follows:

	£
Amount settled in cash to the sellers	—
Amount settled in cash to repay loans from the sellers	229,000
Amount settled in cash to repay third party loans	753,074
Fair value of equity issued	55,000
Fair value of consideration transferred	1,037,074

Provisional recognised amounts of identifiable assets:

	Book value £	Fair value adjustments £	Fair value £
Property, plant and equipment	14,372	—	14,372
Software licences	918,731	(359,559)	559,172
Software development	1,494,155	(1,494,155)	—
Intangible assets	496,440	3,937,713	4,434,153
Trade and other receivables	1,240,535	—	1,240,535
Corporation tax receivable	404,875	—	404,875
Cash and cash equivalents	43,711	—	43,711
Borrowings	(1,377,616)	—	(1,377,616)
Deferred tax liabilities/assets	—	(363,630)	(363,630)
Deferred income	(2,275,839)	—	(2,275,839)
Other liabilities	—	—	—
Trade and other payables	(2,061,289)	55,000	(2,006,289)
Net identifiable assets and liabilities	(1,101,925)	1,775,369	673,444
Goodwill	—	—	363,630

We have used the reported numbers for the calculation as at 30 April 2017, as the movement between these and this 15 May is immaterial to the net assets and liabilities.

The software development was written off to be consistent with Rosslyn Data Technologies' accounting policies; the value of the software products forms part of the intangible asset fair value adjustment. The remaining fair value adjustment relates to the forward order book identified as an intangible asset on acquisition.

The acquisition was funded through the placement of ordinary shares on 15 May 2017.

The acquisition was settled by issuing 1,222,222 shares of Rosslyn Data Technologies. The fair value of the equity shares was based on the placing price of Rosslyn Data Technologies' shares.

The purchase agreement included an additional earn-out consideration, contingent on recognised revenue for the Integritie (UK) Limited subsidiary in the first twelve months following acquisition. The terms of the earn-out consideration were not met and therefore no earn-out consideration has been paid.

The acquisition-related costs are £163,512, of which £12,663 was recognised in the statement of comprehensive income in the year ended 30 April 2017 and the balance of £150,849 has been recognised in the statement of comprehensive income in the year ended 30 April 2018.

Barney Quinn was a non-executive director of Integritie (UK) Limited and had a 1% beneficial shareholding in the company.

4. 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. All segment revenue, loss before taxation, assets and liabilities are attributable to the principal activity of the Group, being the provision of data analytics using a proprietary form.

	Year ended 30 April 2018		
	UK £	US £	Total £
Income			
Annual licence fees	**4,482,522**	**496,568**	**4,979,090**
Professional services	**1,217,650**	**235,993**	**1,453,643**
Total revenue from external customers	**5,700,172**	**732,561**	**6,432,733**
EBITDA	**(2,262,375)**	**(262,332)**	**(2,524,707)**
Depreciation	**(39,375)**	**(136)**	**(39,511)**
Amortisation	**(1,024,136)**	**—**	**(1,024,136)**
Exceptional items	**—**	**—**	**—**
Operating loss	**(3,325,886)**	**(262,468)**	**(3,588,354)**
Finance income	**223**	**—**	**223**
Finance cost	**(101,372)**	**—**	**(101,372)**
Loss before income tax	**(3,427,035)**	**(262,468)**	**(3,689,503)**
Total assets	**6,543,398**	**472,767**	**7,016,165**
Total liabilities	**5,051,343**	**176,262**	**5,227,605**
Capital expenditure during the year			
Intangible assets on acquisition of subsidiary	**4,993,325**	**—**	**4,993,325**
Property, plant and equipment	**19,233**	**—**	**19,233**

	Year ended 30 April 2017 restated		
	UK £	US £	Total £
Income			
Annual licence fees	1,809,743	689,120	2,498,863
Professional services	789,163	218,444	1,007,607
Total revenue from external customers	2,598,906	907,564	3,506,470
EBITDA	(1,867,412)	(154,152)	(2,021,564)
Depreciation	(38,033)	(760)	(38,793)
Amortisation	—	—	—
Exceptional items	—	—	—
Operating loss	(1,905,445)	(154,912)	(2,060,357)
Finance income	15,029	—	15,029
Finance cost	—	—	—
Loss before income tax	(1,890,416)	(154,912)	(2,045,328)
Total assets	1,867,174	546,297	2,413,471
Total liabilities	1,892,767	292,757	2,185,524
Capital expenditure during the year			
Intangible assets	—	—	—
Property, plant and equipment	20,653	—	20,653

The pattern of revenue recognition is as follows, licence fees are spread over time, professional services are recognised at a point in time when the services are delivered.

5. Employees and Directors

	Year ended 30 April 2018 £	Year ended 30 April 2017 £
Wages and salaries	**4,277,368**	2,641,803
Social security costs	**485,254**	286,164
Other pension costs	**97,939**	65,466
Share-based payment expense – Directors	**152,930**	59,000
Share-based payment expense – staff	**41,571**	—
	5,055,062	3,052,433

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

	Year ended 30 April 2018	Year ended 30 April 2017
Management	**6**	5
Research and development	**24**	15
Sales, marketing and administration	**43**	23
	73	43

	Year ended 30 April 2018 £	Year ended 30 April 2017 £
Directors' emoluments	**525,733**	558,524
Directors' pension contributions to money purchase schemes	**41,000**	41,430
The number of Directors to whom retirement benefits were accruing was as follows:		
Money purchase schemes	**3**	3

During the year no (2017: no) Director exercised share options.

Information regarding the highest paid Director is as follows:

	Year ended 30 April 2018 £	Year ended 30 April 2017 £
Aggregate emoluments	**161,817**	156,966

There were pension contributions in respect of the highest paid Director of £16,000 (2017: £15,354).

The highest paid Director exercised nil (2017: nil) share options during the year (see note 23).

The highest paid Director received share-based remuneration of £88,768 (2017: £59,000).

6. Net finance costs

	Year ended 30 April 2018 £	Year ended 30 April 2017 £
Finance income		
Interest receivable	**223**	15,029
Finance costs		
Loan interest paid	**(101,372)**	—
Net finance costs	**(101,372)**	—

7. Loss before income tax

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

	Year ended 30 April 2018 £	Year ended 30 April 2017 £
Share-based payments	**194,501**	59,000
Depreciation – owned assets	**39,511**	38,793
Amortisation	**1,024,136**	—
Impairment of goodwill	**363,630**	—
(Profit)/loss on disposal of fixed assets	**(232)**	9,983
Auditor's remuneration – audit of the Group and Company financial statements	**18,500**	16,500
Auditor's remuneration, other services – audit of the subsidiary financial statements	**49,500**	25,000
Auditor's remuneration for non-audit services – tax compliance services	**5,850**	7,450
Auditor's remuneration for non-audit services – other tax advisory services	**19,000**	10,000
Foreign exchange losses/(gains)	**48,514**	(82,861)
Operating lease rentals	**375,440**	96,663

8. Income tax

Analysis of income tax

	Year ended 30 April 2018 £	Year ended 30 April 2017 £
Current tax		
Corporation tax on losses of the year	**(200,000)**	(220,000)
Prior year adjustment	**(205,754)**	(2,308)
Total current tax	**(405,754)**	(222,308)
Deferred tax		
Origination and reversal of timing differences (see note 16)	**(72,726)**	—
Total tax	**(478,480)**	(222,308)

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 2018 £	Year ended 30 April 2017 restated £
Loss on ordinary activities before tax	**(3,689,503)**	(2,045,328)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2017: 19.92%)	**(701,006)**	(407,429)
Effects of:		
Prior year adjustment	**(205,754)**	(2,308)
Disallowable expenses	**60,361**	18,578
Unrecognised deferred tax asset on losses	**567,919**	388,851
Research and development tax credit	**(200,000)**	(220,000)
Total tax	**(478,480)**	(222,308)

The standard rate of corporation tax remained unchanged at 19% for the accounting period to 30 April 2018; accordingly, the Group's profits were taxed at 19% for that year.

Following the summer 2015 Finance Bill, there will be a reduction to the main rate of corporation tax by a further 1% to 18% from 1 April 2020. This rate reduction has been substantively executed at the balance sheet date and therefore the relevant deferred tax balances have been remeasured.

9. 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 2018	Year ended 30 April 2017 restated
Loss for the year attributable to the owners of the parent	**£3,233,543**	£1,856,784
Weighted average number of ordinary shares	**183,820,205**	75,765,814

	Pence	Pence
Basic and diluted loss per share: ordinary shareholders	**1.76**	2.45

10. Intangible assets

	Goodwill* £	Acquired software licences £	Internally developed software £	Customer relationships £	Total £
Cost					
At 1 May 2017	—	—	—	—	—
Acquisition through business combination	363,630	559,172	497,649	3,936,504	5,356,955
At 30 April 2018	**363,630**	**559,172**	**497,649**	**3,936,504**	**5,356,955**
Accumulated amortisation					
At 1 May 2017	—	—	—	—	—
Charge for the year	—	137,305	99,530	787,301	1,024,136
Impairment	363,630	—	—	—	363,630
At 30 April 2018	**363,630**	**137,305**	**99,530**	**787,301**	**1,387,766**
Net book value					
At 30 April 2017	—	—	—	—	—
At 30 April 2018	**—**	**421,867**	**398,119**	**3,149,203**	**3,969,189**

* Goodwill has arisen due to the recognition of a deferred tax liability on fair value adjustment on acquisition.

All amortisation and impairment charges are included within depreciation, amortisation and impairment of non-financial assets.

11. Property, plant and equipment

	Fixtures, fittings and equipment £
Cost	
At 1 May 2016	191,053
Additions	20,653
Disposals	(63,763)
At 30 April 2017	147,943
At 1 May 2017	147,943
Additions	19,223
Acquisition through business combination	14,372
Disposals	(67,152)
At 30 April 2018	**114,386**
Accumulated amortisation and impairment	
At 1 May 2016	133,700
Charge for the year	38,793
Impairment	(53,553)
At 30 April 2017	118,940
At 1 May 2017	118,940
Charge for the year	39,511
Disposals	(66,909)
At 30 April 2018	**91,542**
Net book value	
At 30 April 2017	29,003
At 30 April 2018	**22,844**

12. Trade and other receivables

	2018 £	2017 £
Amounts falling due within one year		
Trade receivables due but not past due	**1,100,870**	433,799
Trade receivables past due	**283,190**	828,303
Impairment provision	**(12,821)**	(274,032)
Trade receivables – net	**1,371,239**	988,070
Other receivables	**81,455**	67,287
Prepayments and accrued revenue	**697,299**	824,278
	2,149,993	1,879,635

12. Trade and other receivables continued

Included within the trade receivables past due above are amounts which are not impaired and aged as follows:

	2018 £	2017 £
Overdue by:		
Up to 30 days	**40,700**	238,444
30–60 days	**22,123**	46,852
60–90 days	**7,838**	13,481
Over 90 days	**199,708**	529,526
	270,369	828,303

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 contracted due date. Trade receivables are reviewed for impairment if they are past due beyond 90 days.

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

	2018 £	2017 £
At start of year	**274,032**	54,402
Provision for receivables impairment	**12,821**	224,113
Provision release	**(274,032)**	(4,483)
At end of year	**12,821**	274,032

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:

	2018 £	2017 £
US dollars	**352,601**	390,718
Euros	**51,395**	3,409
	403,996	394,127

13. Cash and cash equivalents

	2018 £	2017 £
Cash at bank	**317,466**	284,833

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

	2018 £	2017 £
US dollars	**86,414**	141,597
Euros	**2,398**	25,468
	88,812	167,065

14. Trade and other payables

	2018 £	2017 restated £
Non-current		
Accruals and deferred revenue	**91,420**	—
	91,420	—
Current		
Trade payables	**527,420**	511,127
Social security and other taxes	**253,849**	133,717
Other payables	**14,294**	17,911
Accruals and deferred revenue	**2,975,666**	1,522,769
	3,771,229	2,185,524

Included with accruals and deferred revenue is an amount of £2,209,280 (2017: £1,024,670) in relation to deferred revenue.

15. Borrowings

	2018 £	2017 £
Non-current		
Unsecured loans	**743,809**	—
	743,809	—
Current		
Unsecured loans	**330,243**	—
	330,243	—

Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

				2018		2017	
	Currency	Nominal interest rate	Year of maturity	Face value	Carrying value	Face value	Carrying value
Unsecured loan	GBP	7.7%	2019	**208,700**	**208,670**	—	—
Unsecured loan	GBP	12.2%	2021	**170,169**	**170,169**	—	—
Unsecured loan	GBP	28.8%	2018	**62,686**	**62,686**	—	—
Loan notes	GBP	5.0%	2019	**632,497**	**632,497**	—	—
Total interest-bearing liabilities				**1,074,052**	**1,074,052**	—	—

Details of the payment profile are included in note 22(c).

16. Deferred tax

Deferred tax relates to the following:

	2018 £	2017 £
Accelerated capital allowances	**—**	—
Deferred tax asset relating to losses	**—**	—
Deferred tax liability arising on fair value adjustments on acquisition	**290,904**	—

The movement in deferred tax is shown below:

	2018 £	2017 £
Deferred tax liability at start of year	**—**	—
Deferred tax liability arising on fair value adjustments on acquisition	**363,630**	—
Deferred tax asset on losses	**(18,931)**	9,067
Accelerated capital allowances	**18,931**	(9,067)
Release deferred tax liability	**(72,726)**	—
Deferred tax liability at end of year	**290,904**	—

At the balance sheet date the Group had available tax losses of £12,095,000 (2017: £8,570,000) available for offset against future profits. A deferred tax asset has been recognised in respect of £18,931 (2017: £9,067) of such losses as these losses would offset any taxable profits arising as a result of the unwinding of the deferred tax liability. No deferred tax asset has been recognised in respect of the remaining losses of £12,114,362 (2017: £8,560,933) 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 and finance lease liabilities. 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.

	2018 £	2017 £
Cash and cash equivalents	**317,466**	284,833
Interest-bearing loans	**(1,074,052)**	—
Net funds	**(756,586)**	284,833

18. Called up share capital

Allotted, issued and fully paid

Number	Class	Nominal value	2018 £	2017 £
188,130,067 (2017: 75,765,814)	Ordinary shares	£0.005 (2017: £0.005)	**940,650**	378,829
			940,650	378,829

There were 112,364,253 fully paid ordinary shares allotted of £0.005 each at £0.045 per share on 15 May 2017. There were no fully paid ordinary shares allotted during the year ended 30 April 2017.

19. Leasing agreements

The minimum lease payments for the rental of office premises and equipment under non-cancellable operating leases fall as follows:

	2018 £	2017 £
Within one year	**24,481**	150
Between one and five years	**600**	300
	25,081	450

20. Related party disclosures

During the year, the Group invoiced Delphinus Advisory Ltd the sum of £12,000 (2017: £3,317) for provision of technology-related services; Roger Bullen is a director of Delphinus Advisory Ltd. The transaction was undertaken at arm's length.

During the year the Group paid IQ Capital Partnership LLP £35,000 (2017: £35,000) in respect of Non-Executive Director Ed Stacey's fees; Ed Stacey is a director of IQ Capital Partnership LLP.

21. Ultimate controlling party

There was no ultimate controlling party as at 30 April 2018 or 30 April 2017.

22. Financial instruments

Categories of financial instrument	2018 £'000	2017 restated £'000
Current		
Trade and other receivables – loans and receivables	**2,807**	2,100
Cash and cash equivalents – loans and receivables	**317**	285
Total loans and receivables	**3,124**	2,385
Trade and other payables – other financial liabilities at amortised cost	**4,101**	1,687
Non-current		
Trade and other payables – other financial liabilities at amortised cost	**835**	1,687

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:

	2018		2017 restated	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
US dollars	**565**	**598**	741	345
Euros	**400**	**82**	8	12
	965	**680**	749	357

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 ±£100,000 (2017: ±£100,000).

Interest rate risk

As the Group carries no borrowings the Directors consider that there is no significant interest rate risk.

22. Financial instruments continued

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 £2,149,993 (2017: £1,879,635).

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. No trade or other receivables have been impaired.

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:

2018	Within one year £'000	One to two years £'000	Two to five years £'000	Over five years £'000
Borrowings	**330**	**678**	**66**	**—**
Trade payables	**527**	**—**	**—**	**—**
Accruals and deferred income	**2,976**	**57**	**34**	**—**
Other	**268**	**—**	**—**	**—**

2017 restated	Within one year £'000	One to two years £'000	Two to five years £'000	Over five years £'000
Trade payables	511	—	—	—
Accruals and deferred income	1,523	—	—	—
Other	152	—	—	—

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 levels to insignificant amounts of lease funding. Share capital and premium together amount to £13,496k (see page 32).

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.

23. Share-based payment transactions

The Directors approved the allocation of share-based payments to various staff members ahead of listing 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
Number granted in current year	13,866,670
Total number in scheme	17,357,189
Contractual life	10 years
Number of employees in scheme	14
Vesting conditions	Vest on grant/vest over 2–3 years

23. Share-based payment transactions continued

Enterprise Management Incentive Scheme – number of stock options

	2018	2017	Weighted average exercise price
Outstanding at start of year	**3,720,519**	1,639,256	11.64p
Granted	**13,866,670**	2,105,263	5.62p
Forfeited/cancelled	**(230,000)**	(24,000)	21.82p
Exercised	**—**	—	—
Outstanding at end of year	**17,357,189**	3,720,519	6.70p

During the year, the Group recognised an expense of £194,501 (2017: £59,000) in relation to the scheme, based on the Black Scholes option pricing model.

24. Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

	Long-term borrowings	Short-term borrowings	Total
1 May 2017			
Cashflows:			
– Repayment	(115,045)	(466,785)	(581,830
– Proceeds	—	278,266	278,266
Non-cash:			
– Acquisition	858,854	518,762	1,377,616
– Reclassification	—	—	—
	743,809	330,243	1,074,052

COMPANY STATEMENT OF FINANCIAL POSITION
as at 30 April 2018
Registered number: 08882249

	Note	30 April 2018 £	30 April 2017 restated £
Fixed assets			
Investments	E	**9,762,588**	8,725,514
		9,762,588	8,725,514
Current assets			
Debtors	F	**4,155,657**	496,138
Cash at bank and in hand	G	**7,874**	7,226
		4,163,531	503,364
Total assets		**13,926,119**	9,228,878
Liabilities			
Current liabilities			
Creditors: amounts falling due within one year	H	**(78,348)**	(54,989)
Total liabilities		**(78,348)**	(54,989)
Net assets		**13,847,771**	9,173,889
Capital and reserves			
Called up share capital	I	**940,650**	378,829
Share premium account	J	**12,554,894**	8,517,060
Share-based payment reserve	J	**390,009**	218,276
Profit and loss account	J	**(37,782)**	59,724
Total shareholders' funds		**13,847,771**	9,173,889

The loss of the Company for the year ended 30 April 2018 was £120,274 (2017 profit: £10,137).

The notes on pages 53 to 56 form part of these financial statements.

The financial statements were approved by the Board of Directors on 28 September 2018 and were signed on its behalf by:

Roger Bullen
Chief Executive Officer
28 September 2018

COMPANY STATEMENT OF CASH FLOWS
for the year ended 30 April 2018

	2018 £	2017 £
Cash flows used in operating activities		
(Loss)/profit for the financial year	**(120,274)**	10,137
Adjustments for:		
Share option expense	**152,930**	59,000
Increase in trade and other debtors	**(3,617,948)**	(149,341)
Increase/(decrease) in trade creditors	**23,359**	(14,919)
Net cash used in operating activities	**(3,561,933)**	(95,123)
Cash flows used in investing activities		
Acquisition of investment	**(1,037,074)**	—
Net cash used in investing activities	**(1,037,074)**	—
Cash flows generated from financing activities		
Issue of ordinary share capital	**4,599,655**	—
Net cash generated from financing activities	**4,599,655**	—
Net increase/(decrease) in cash and cash equivalents	**648**	(95,123)
Cash and cash equivalents at beginning of year	**7,226**	102,349
Cash and cash equivalents at end of year	**7,874**	7,226

COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 30 April 2018

	Note	Called up share capital £	Share-based payment reserve £	Share premium account £	Profit and loss account £	Total equity £
Restated balance at 1 May 2016		378,829	166,107	8,517,060	42,756	9,104,752
Issue of share capital	I	—	—	—	—	—
Share-based payment transaction		—	59,000	—	—	59,000
Release		—	(6,831)	—	6,831	—
Profit and total comprehensive income for the year		—	—	—	10,137	10,137
Restated balance at 30 April 2017		378,829	218,276	8,517,060	59,724	9,173,889
Restated balance at 1 May 2017		378,829	218,276	8,517,060	59,724	9,173,889
Issue of share capital	I	561,821	—	4,037,834	—	4,599,655
Share-based payment transaction		—	194,501	—	—	194,501
Release		—	(22,768)	—	22,768	—
Profit and total comprehensive income for the year		—	—	—	(120,274)	(120,274)
Balance at 30 April 2018		**940,650**	**390,009**	**12,554,894**	**(37,782)**	**13,847,771**

The notes on pages 53 to 56 form part of these financial statements.

A. General information

Rosslyn Data Technologies plc is a company incorporated in England and Wales. The address of the registered office is 60 St. Martin's Lane, Covent Garden, London WC2N 4JS. The Group'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.

The individual accounts of Rosslyn Data Technologies plc have also adopted the following disclosure exemptions:

- financial instrument 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.

The financial statements are presented in sterling (£).

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.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- valuation of share-based payments; and
- valuation of the fixed asset investment.

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.

Financial assets

Impairment of financial assets

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

For debtors, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within other operating costs in the profit and loss account. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

B. Accounting policies continued

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. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, 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.

Provisions

A provision is recognised in the statement of financial position when the Company 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.

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 £120,274 (2017 profit: £10,137).

D. Employees and Directors

Remuneration costs have been recharged to Rosslyn Analytics Ltd.

E. Investments

	Shares in subsidiary £
Cost	
At 1 May 2017	8,725,514
Additions	1,037,074
At 30 April 2018	**9,762,588**
Net book value	
At 30 April 2018	**9,762,588**
At 30 April 2017	8,725,514

On 16 May 2017 Rosslyn Data Technologies acquired 100% of the share capital of Integritie (UK) Limited, an on-premise data mining company registered in England. The Directors believe the acquisition will enhance Rosslyn Data Technologies' product and customer base, increase its recurring revenue streams and provide cross-selling opportunities.

E. Investments continued

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 2018 are presented below:

Subsidiary	Nature of business	Country of incorporation	Cost	Proportion of ordinary shares held by Company
Rosslyn Analytics Ltd	Provision of data analytics using a proprietary technology	UK	£8,725,514	100%
Integritie (UK) Ltd	Provision of data analytics using a proprietary technology	UK	£1,037,074	100%
Rosslyn Analytics, Inc.	Provision of data analytics using a proprietary technology	US	—	—

Rosslyn Analytics, Inc. is a wholly owned subsidiary of Rosslyn Analytics Ltd.

F. Trade and other receivables

	2018 £	2017 restated £
Amounts owed by Group undertakings	**4,148,336**	474,204
Other debtors	**83**	—
Prepayments	**7,238**	21,934
	4,155,657	496,138

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

All financial assets are measured at amortised cost.

G. Cash at bank and in hand

	2018 £	2017 £
Cash at bank	**7,874**	7,226

H. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	**11,223**	7,424
Accruals	**41,616**	28,171
Other creditors	**—**	12,000
Social security and other taxes	**25,509**	7,394
	78,348	54,989

All financial liabilities are measured at amortised cost.

I. Called up share capital

Allotted, issued and fully paid

Number	Class	Nominal value	**2018 £**	2017 £
2018: 188,130,037 (2017: 75,765,814)	Ordinary shares	£0.005 (2017: £0.005)	**940,650**	378,829

On 15 May 2017 112,364,253 ordinary £0.005 shares were issued at a price of £0.045 per share.

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 2018.

M. Share-based payment transactions

The Directors approved the allocation of share-based payments to various staff members ahead of listing 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
Number granted in current year	13,866,670
Total number in scheme	17,357,189
Contractual life	10 years
Number of employees in scheme	14
Vesting conditions	Vest on grant/vest over 2–3 years

Enterprise Management Incentive Scheme – number of stock options

	2018	2017	Weighted average exercise price
Outstanding at start of year	**3,720,519**	1,639,256	11.64p
Granted	**13,866,670**	2,105,263	5.62p
Forfeited/cancelled	**(230,000)**	(24,000)	21.82p
Exercised	**—**	—	—
Outstanding at end of year	**17,357,189**	3,720,519	6.7p

During the year, an expense of £194,501 (2017: £59,000) was recognised in relation to the scheme, based on the Black Scholes option pricing model.

£152,930 (2017: £59,000) was charged to the Company, the balance of £41,571 (2017: nil) was charged to the subsidiaries where the employees are employed.

N. Prior period adjustment

The accounts of the Company have been restated to correctly show the position of the share-based payment reserve. It has been noted that all the share-based payments only relate to the shares of the Company so the full value of the reserve should be shown in the Company with cost charged to the subsidiaries as note M.

	30 April 2017 £	30 April 2017 restated £	1 May 2016 £	1 May 2016 restated £
Share-based payment reserve	96,467	218,276	37,467	166,107
Profit and loss account	52,893	59,724	—	—
Amounts owed to group undertakings	345,564	474,204	209,242	337,882

Notice is hereby given to the shareholders of Rosslyn Data Technologies plc (the "Company") that the Annual General Meeting of the Company will be held at 154–160 Fleet Street, Blackfriars, London EC4A 2DQ, on 30 October 2018 at 11.00am. Shareholders will be asked to consider and, if thought fit, to pass the following resolutions (the "Resolutions"), of which Resolutions 1 to 9 will be proposed as ordinary resolutions and Resolution 10 will be proposed as a special resolution.

Please note that additional information concerning the proposed Resolutions is included in the explanatory notes which accompany and form part of this Notice of Annual General Meeting.

Ordinary resolutions

1. To receive and consider the Company's annual financial statements, together with the Reports of the Directors and of the auditor of the Company, for the year to 30 April 2018.
2. To re-appoint Grant Thornton UK LLP as auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company.
3. To authorise the Directors of the Company to determine the auditor's remuneration.
4. To elect James Appleby, who retires as a Director, having been appointed since the last AGM, as a Director of the Company.
5. To re-elect Hugh Cox, who retires as a Director by rotation, as a Director of the Company.
6. To re-elect Barney Quinn, who retires as a Director by rotation, as a Director of the Company.
7. To accept John O'Hara's resignation as Chairman of the Board of Directors and to re-elect him as a Non-Executive Director.
8. To accept the appointment of James Appleby as the Non-Executive Chairman.
9. That in accordance with Section 551 of the Companies Act 2006 (the "2006 Act") the Directors of the Company be and are generally and unconditionally authorised to exercise all the powers of the Company to allot ordinary shares of £0.005 each in the Company, or to grant rights to subscribe for or to convert any security into shares in the Company provided that the power hereby granted shall be limited to ordinary shares:

   9.1 up to a maximum nominal amount of £86,786 (in pursuance of the exercise of outstanding options and warrants granted by the Company prior to the date hereof but for no other purpose);

   9.2 up to an aggregate nominal amount of £48,169 (in addition to the authority conferred in subparagraph 9.1 above) for the grant or award of further share options or warrants but for no other purpose; and

   9.3 up to an aggregate nominal value of £96,338 (in addition to the authorities conferred in subparagraphs 9.1 and 9.2 above) representing approximately 10% of the Company's issued share capital, provided that these authorities, unless duly renewed, varied or revoked by the Company, will expire on the date which is 15 months from the date of the passing of this resolution or, if earlier, the conclusion of the next Annual General Meeting of the Company to be held after the passing of this resolution, save that the Company may, before such expiry, make offers or agreements which would or might require shares in the Company to be allotted after such expiry and the Directors may allot shares in the Company in pursuance of such an offer or agreement notwithstanding that the authority conferred by this resolution has expired.

   The authority granted pursuant to this resolution is subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any applicable regulatory body or stock exchange.

   This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot relevant securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made, pursuant to such authorities.

Special resolution

10. That subject to and conditional on the passing of Resolution 9, the Directors of the Company be and are hereby authorised pursuant to Section 570 of the 2006 Act to allot equity securities (within the meaning of Section 560 of the 2006 Act) for cash as if Section 561(1) of the 2006 Act did not apply to any such allotment provided that this authority shall be limited to the allotment of shares pursuant to the authorities contained in Resolution 9. This authority, unless duly renewed, varied or revoked by the Company, will expire on the date which is 15 months from the date of the passing of this resolution or, if earlier, the conclusion of the next Annual General Meeting of the Company to be held after the passing of this resolution, save that the Company may before such expiry make any offer or enter into any agreement which would or might require equity securities to be allotted, or treasury shares sold, after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the authority conferred by this resolution had not expired.

By order of the Board

F&L CoSec Limited
Company Secretary
Rosslyn Data Technologies plc
60 St. Martin's Lane
Covent Garden
London WC2N 4JS
28 September 2018

The following notes have been prepared to provide members with information to assess the merits of the resolutions contained within the Notice of Annual General Meeting (the "Notice of Annual General Meeting") convening the Annual General Meeting of the Company to be held at 154–160 Fleet Street, Blackfriars, London EC4A 2DQ on 30 October 2018 at 11.00am. Capitalised terms used in these notes shall bear the meanings given to them in the Notice of Annual General Meeting.

Resolution 1 – To receive the annual financial statements (ordinary resolution)

The Directors will present their report, the Auditor's Report and the audited financial statements for the financial year ended 30 April 2018 to the meeting. This gives shareholders an opportunity to ask questions on the contents and on the performance of the Company generally.

Resolutions 2 and 3 – Re-appointment of the auditor and setting the auditor's remuneration (ordinary resolutions)

The Company is required to appoint an auditor at each general meeting at which accounts of the Company are laid before the members of the Company. Grant Thornton UK LLP has indicated its willingness to be re-appointed as auditor of the Company and accordingly Resolution 2 proposes that Grant Thornton UK LLP be re-appointed as auditor of the Company. Resolution 3 gives the Directors the authority, in accordance with standard practice, to negotiate and agree the remuneration of the auditor. In practice the Audit Committee will consider and approve the audit fees on behalf of the Board.

Resolutions 4 to 8 – Election of Directors (ordinary resolutions)

The Company's Articles of Association require that any Director appointed by the other Directors of the Company shall retire at the next Annual General Meeting of the Company and also provide that each Director so retiring shall be eligible for re-appointment. Accordingly, James Appleby is retiring and, being eligible, offers himself for election. The Company's Articles of Association also require one-third of Directors to retire by rotation. Accordingly, Hugh Cox and Barney Quinn are retiring and, being eligible, offer themselves for re-election. Biographical details of each Director can be found within the annual report for the year ended 30 April 2018. The Directors believe that the Board continues to maintain an appropriate balance of knowledge and skills and that the Non-Executive Directors are independent in character and judgement. Accordingly all the Directors recommend that all other Directors be re-elected; however, no Director makes any recommendation in respect of himself.

To accept John O'Hara's resignation as Chairman of the Board of Directors and to re-elect him as a Non-Executive Director. To accept the appointment of James Appleby as the Non-Executive Chairman.

Resolution 9 – Authorisation to allot relevant securities (ordinary resolution)

Under Section 551 of the 2006 Act, the Directors of the Company require the authority of the shareholders of the Company to be able to issue shares in the capital of the Company. This resolution gives authority to the Directors of the Company to allot ordinary shares of £0.005 each in the capital of the Company. Resolution 9.1 allows the Directors to allot ordinary shares in respect of share options and warrants already in existence. Resolution 9.2 permits the Directors to further allot shares up to an aggregate nominal value of £48,169, approximately 5% of the Company's issued share capital. Resolution 9.3 permits Directors to allot shares up to an aggregate nominal value of £96,338, representing approximately 10% of the Company's issued share capital. Any further issues of share capital over and above these amounts would require the Directors to seek a fresh approval from shareholders.

Unless revoked, varied or extended, the Directors' authorities granted pursuant to this resolution will expire on the earlier of the date which is 15 months after the resolution is passed and the conclusion of the next Annual General Meeting of the Company.

Resolution 10 – Disapplication of statutory pre-emption rights (special resolution)

This resolution gives the Directors of the Company the authority to allot equity securities on a non-pre-emptive basis solely for the purposes of an allotment of shares in the Company pursuant to an authority given by Resolution 9. It will disapply the statutory pre-emption rights for such allotments until the earlier of the date which is 15 months after the resolution is passed and the conclusion of the next Annual General Meeting of the Company.

Further notes

Annual financial statements

The Company's annual financial statements, together with the Reports of the Directors and of the auditor, are available to download from the Investors page of the Company's website (www.rosslynanalytics.com). Shareholders for whom a current address is held will also receive a copy by post.

Right to ask questions at the Annual General Meeting (AGM)

Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question being related to the business being dealt with at the meeting but no such answer need be given if:

1) to do so would interfere unduly with the meeting or cause confidential information to be disclosed;
2) the answer has already been given on a website in the form of an answer to a question; or
3) it is not in the interests of the Company or the good order of the meeting to be answered.

Further notes continued

Shareholders entitled to vote

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only holders of ordinary shares of £0.005 registered in the Company's register of members at close of business on 26 October 2018 (or, if the Annual General Meeting is adjourned, close of business two days prior to the time fixed for the adjourned Annual General Meeting) shall be entitled to attend and vote at the Annual General Meeting in respect of the number of shares registered in their names at that time. Any changes to the Company's register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the Annual General Meeting.

Appointment of proxies

1. You are entitled to appoint one or more proxies of your own choice to exercise all or any of your rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company but must attend the meeting in order to represent you. If you appoint more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by you. You can only appoint proxies using the procedures set out in these notes.
2. If you wish to appoint a proxy other than the Chairman of the meeting, please insert their full name in the space provided and delete the words "the Chairman of the meeting or". Please initial any such alteration. If you hold more than one share you may appoint more than one proxy provided each proxy holder is appointed to exercise rights attached to different shares. A separate form of proxy must be deposited for each proxy appointed. If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box next to the name of the proxy the number of shares in relation to which they are authorised to act as your proxy; if you sign and return the form and leave this box blank your proxy will be deemed to be authorised in respect of your full voting entitlement.
3. To appoint more than one proxy, you may photocopy the form. Please state clearly on each form of proxy the number of shares in relation to which the proxy is appointed. Please therefore indicate in the box next to the name of the proxy the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope. A failure to specify the number of shares each proxy appointment relates to or specifying a number in excess of those held by the member may result in the proxy appointment being invalid.
4. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting in person if you wish. If you do attend the meeting in person, your proxy appointments will automatically be terminated.
5. If you want your proxy to vote in a certain way on the resolutions specified please indicate with an "X" in the appropriate boxes. If you fail to select any of the given options your proxy can vote as he or she chooses or can decide not to vote at all. Your proxy can also do this on any other business which may come before the meeting, including amendments to resolutions and any procedural business.
6. The "withheld" option on this form of proxy is provided to enable you to instruct your proxy not to vote on any particular resolution. However, a vote withheld is not a vote in law and will not be counted in the calculation of the votes "for" or "against" a resolution.
7. In the case of a corporation, this form of proxy must be executed under its common seal or signed on its behalf by its duly authorised officer, attorney or other person authorised to sign.
8. In the case of joint holders, the signature of any one holder will be sufficient but the names of all the joint holders should be stated. The vote of the senior joint holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders, and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
9. To be valid the form of proxy must be completed and signed and received, together with any power of attorney or other authority under which it is signed, by post or (during normal business hours only) by hand to Link Asset Services, PXS, 34 Beckenham Road, Beckenham BR3 4TU, no later than 11.00am on 26 October 2018 (or, in the event that the meeting is adjourned, no later than 48 hours prior to the time of any adjourned meeting).
10. If you wish to change your proxy instruction you should submit a new form of proxy. If you submit more than one valid form of proxy in respect of the same shares held by you, the form of proxy received last will take precedence, provided that any changes to proxy instructions received after the time and date specified in note 9 shall be disregarded.
11. If you wish to revoke your proxy appointment you must send a notice to that effect to the Company's registrars at the address set out in note 9 by the time and date set out in note 9. Any revocation notice received after that time and date will be disregarded.
12. You may not use any electronic address provided in your form of proxy to communicate with the Company for any purposes other than those expressly stated.
13. Total voting rights as at 28 September 2018 in the issued share capital of the Company consist of 192,675,522 ordinary shares of £0.005 each, carrying one vote each. Therefore, the total number of voting rights of the Company as at 28 September 2018 is 192,675,522.

Further notes continued

Appointment of proxies continued

14. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting of the Company to be held on 30 October 2018 and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf.

    In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's agent, Link Asset Services (CREST participant ID: RA10), no later than 48 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

    CREST members and, where applicable, their CREST sponsor or voting service provider should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

    The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Corporate bodies

A corporate body may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of the Company's shareholders. The representative should bring to the meeting evidence of his or her appointment, unless it has previously been given to the Company.

Action to be taken

Shareholders will find enclosed with these notes and the Notice of Annual General Meeting a form of proxy for the Annual General Meeting. Whether or not you intend to attend the Annual General Meeting, you are requested to complete, sign and return the form of proxy in accordance with the instructions printed on it. The completed form of proxy should be returned by post or by hand to Link Asset Services, PXS, 34 Beckenham Road, Beckenham BR3 4TU, so as to arrive no later than 11.00am on 26 October 2018. The completion and return of a form of proxy will not preclude you from attending the meeting and voting in person should you wish to do so.

Recommendation

The Directors consider that each of the proposed Resolutions set out in the Notice of Annual General Meeting is in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions, as they and those connected with them intend to do in respect of their own beneficial shareholdings.

Share listing

The Company's shares are listed on AIM.

Registrars

Link Asset Services

The Registry
34 Beckenham Road
Beckenham BR3 4TU

Dividends

No dividends have been or will be recommended or declared for the year ended 30 April 2018.

AGM

The AGM of the Company will be held on 30 October 2018 at 11.00am at 154–160 Fleet Street, Blackfriars, London EC4A 2DQ.

Registered in

England and Wales

Company number

08882249

EPIC/TIDM

RDT

ISIN

GB00BKKX5CP01

Registered office

60 St. Martin's Lane
Covent Garden
London WC2N 4JS

Company Secretary

F&L CoSec Limited

External auditor

Grant Thornton UK LLP

30 Finsbury Square
London EC2P 2YU

Corporate brokers

Cenkos Securities plc

6.7.8 Tokenhouse Yard
London EC2R 7AS

Solicitors

Rosenblatt Solicitors

9–13 St Andrew Street
London EC4A 3AF

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