

Company registration number 06534480 (England and Wales)

**ALPHASIGHTS LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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# ALPHASIGHTS LTD

## COMPANY INFORMATION

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<b>Directors</b>	Mr A M Heath Mr M Cartellieri
<b>Company number</b>	06534480
<b>Registered office</b>	Thames Court, 3rd Floor 1 Queenhithe London EC4V 3DX
<b>Independent auditors</b>	Gerald Edelman LLP 73 Cornhill London EC3V 3QQ

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# ALPHASIGHTS LTD

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# ALPHASIGHTS LTD

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The directors present the strategic report for AlphaSights Ltd (the 'company'), together with its subsidiaries (the 'group'), for the year ended 31 December 2021. The company is incorporated and domiciled in England and Wales, United Kingdom (UK).

#### **Fair review of the business**

The group sustained its growth for the year to 31 December 2021. The results of the group for the year, as set out on page 10, show a 41% increase in turnover year on year, owing to growth of existing clients as well as acquisition of new clients. The 32% increase year on year in profit before tax reflects the group's continued strong revenue growth, sustained technology investments, as well as an exchange gain of £1.5m (2020: £1.8m loss).

Covid-19 continued to pose a challenge throughout the year as normal in-office operations were not possible for considerable periods. The results are testament to the drive and commitment of the group's employees who maintained the established high standards of client coverage during these periods.

The group's treasury management remained strong, with the group closing the year with £26.8m (2020: £30.9m) in cash balances.

#### **Principal risks and uncertainties**

##### **Commercial risk**

Continued commercial success will depend on the company's ability to add clients and expand its footprint amongst its existing client base, while maintaining the quality and standards in execution.

##### **Foreign exchange risk**

The company executes business denominated in currencies other than its reporting currency, and is thus exposed to risks related to movements in exchange rates. While the group is hedged to a degree owing to costs incurred in the invoicing currencies, a net exposure remains to the movement in currencies against the reporting currency.

##### **Credit risk**

The company extends credit to clients and therefore assumes credit risk with regards to non-payment of invoices issued to clients or general client default. This is mitigated by the composition and quality of the company's client base.

##### **Liquidity risk**

The company considers the risk that it will be unable to meet its financial obligations as they fall due. The company manages this risk by ensuring sufficient liquidity is available to meet foreseeable needs. This is monitored and reviewed on an ongoing basis by the directors.

#### **Key performance indicators**

The group's key financial performance indicators are turnover and profit which are set out on page 10.

#### **Future developments**

The group will continue to invest in its people and its relationships with clients.

# ALPHASIGHTS LTD

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

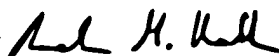
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### **Directors' statement of compliance with duty to promote the success of the group**

The directors consider that they have acted in the way they consider, in good faith, most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken in the year to 31 December 2021.

- a. The directors delegate day-to-day management and decision making to the senior management team, but maintain oversight of the group's performance, with matters of elevated strategic importance and major decisions remaining subject to board approval. Decision-making is guided by the directors' long-term focus.
- b. Consistent with the company's ambition to be a top global employer, the directors are committed to maintaining an environment and culture where the group's employees are put first and benefit from high quality professional development.
- c. As a leader in knowledge-on-demand, the company unlocks human knowledge to power progress for professionals, businesses and society. The directors seek to enhance the company's relationships with clients, knowledge holders and other suppliers to drive success for each of them.
- d. The company amplifies its societal contribution as a significant employer and taxpayer with its Knowledge for Good (KFG) programme. Through KFG, the company facilitates no or low cost access to relevant knowledge in support of social enterprises committed to positively impacting the community and the environment.
- e. The company's competitive position is a reflection of its reputation for high standards of business conduct. Maintaining and adding to this reputation guides the actions and decision-making of the directors.
- f. In its long-term focus, the company depends on those who hold its equity. The directors' responsible treatment of its members is reflected in considered decision-making and the equal treatment applied to shares within each share class.

This report was approved by the board on 27 May 2022 and signed on its behalf.



Mr A M Heath  
Director

27 May 2022



Mr M Cartellieri  
Director

27 May 2022

# ALPHASIGHTS LTD

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The directors present their annual report and financial statements for the year ended 31 December 2021.

#### Principal activity

The principal activity of the company and group continued to be the provision of business information services to corporate clients.

#### Results and dividends

The results for the year are set out on page 10.

No dividends were declared or paid during the year.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A M Heath  
Mr M Cartellieri

#### Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. 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 applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Going concern

The directors believe that the group is well placed to manage its business risks successfully and to continue to be profitable for the foreseeable future. With the group having continued to trade profitably during the year and having a strong cash position, the directors believe the company will continue to operate for at least 12 months from the date of the approval of the financial statements. The directors have therefore adopted the going concern basis in preparing these financial statements.

# ALPHASIGHTS LTD

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Engagement with employees

The group places considerable value on the involvement and engagement of its employees. The pace of progress along commercial and operational dimensions reflects this involvement and engagement. Progress is routinely shared in group-wide updates and employees have visibility of, and are encouraged to engage with, qualitative and quantitative information and metrics that, in combination, drive commercial and operational results.

#### Engagement with clients, suppliers and others

The group's continued success is based on strong, mutually beneficial relationships with clients, knowledge holders, suppliers and providers of finance. The directors seek the promotion and application of certain general principles in such relationships. These principles involve reciprocity and fairness, as well as the safeguarding and demarcation of data and intellectual property. Consistency with these principles is an important factor in the directors' decision whether to enter and continue any relationship.

#### Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues. Career advancement is based on merit, against objective criteria, and without regard to disability status.

#### Post reporting date events

##### New lease commitment

During January 2022, one of the subsidiaries within the group entered into a lease agreement commencing 15 February 2022, with the lease term ending 31 May 2035. As per the lease terms, on 15 February 2022, the subsidiary obtained a letter of credit of £1m as a security deposit for the lease. The total minimum lease commitments amount to £84.3m.

#### Conflict in Ukraine

The group is monitoring the ongoing conflicts in Ukraine to ensure compliance with all current and future legal restrictions. The group has reviewed all stakeholder relationships to assess any potential indirect exposure to the business. The group has no offices or employees in either Russia or Ukraine. Compliance with any sanctions will form part of any future relevant stakeholder decisions.

#### Auditor

Gerald Edelman LLP were appointed as auditor to the group for the year ended 31 December 2021. In accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

#### Energy and carbon report

The following summarises the company's energy consumption over the year ended 31 December 2021:

	2021	2020
Emissions resulting from the purchase of the electricity for its own use within UK (in metric tonnes of CO2 equivalent)	284	259

The emissions data is based on the area occupied by the company as a percentage of the entire building's total emission for the year.

Lighting in the company's office is sensor-operated and systems preferences on laptops are locked to ensure automatic sleep mode activation.

For the reporting year, the company's emissions were 8.97 gCO<sub>2</sub>e (2020: 14.24 gCO<sub>2</sub>e) for each £1 incurred in staff costs.

# ALPHASIGHTS LTD

## DIRECTORS' REPORT (CONTINUED)

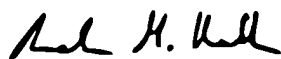
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



Mr A M Heath  
Director



Mr M Cartellieri  
Director

27 May 2022



# ALPHASIGHTS LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALPHASIGHTS LTD

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### Opinion

We have audited the financial statements of AlphaSights Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the group Statement of Comprehensive Income, the group balance sheet, the company balance sheet, the group Statement of Changes in Equity, the company Statement of Changes in Equity, the group Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

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

We have nothing to report in this regard.

# ALPHASIGHTS LTD

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ALPHASIGHTS LTD

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#### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non-compliance with law or regulations.

# ALPHASIGHTS LTD

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ALPHASIGHTS LTD

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#### **The extent to which the audit was considered capable of detecting irregularities including fraud**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- Enquiring of management of whether they are aware of any non-compliance with laws and regulations.
- Enquiring of management whether they have knowledge of any actual, suspected or alleged fraud.
- Enquiring of management their internal controls established to mitigate risk related to fraud or non-compliance with laws and regulations.
- Discussions amongst the engagement team on how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in posting of unusual journals.
- Obtaining understanding of the legal and regulatory framework the group operates in focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations. The key laws and regulations we considered in this context included UK Companies Act, tax legislation, employment law and Health and Safety.

#### **Audit response to risks identified**

##### ***Fraud due to management override***

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Auditing the risk of management override of controls, including through testing journal entries for appropriateness.
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias.
- Investigated the rationale behind significant or unusual transactions.

##### ***Irregularities and non-compliance with laws and regulations***

In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures which included, but are not limited to:

- Agreeing financial statements disclosures to underlying supporting documentation.
- Enquiring of management as to actual and potential litigation claims.
- Reviewing relevant profit and loss account items for evidence of litigation.
- Reviewing minutes of meetings of those charged with governance.

The test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, mean that there is an unavoidable risk that some material misstatements in respect of irregularities may remain undiscovered even though the audit is properly planned and performed in accordance with ISAs (UK). Furthermore, the further removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Our examination should therefore not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist. The responsibility for safeguarding the assets of the company and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the directors.

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

# **ALPHASIGHTS LTD**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ALPHASIGHTS LTD**

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### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.

  
**Asghar Sultan FCCA (Senior Statutory Auditor)**  
**For and on behalf of Gerald Edelman LLP**

27 May 2022

**Chartered Accountants**  
**Statutory Auditor**

73 Cornhill  
London  
EC3V 3QQ

# ALPHASIGHTS LTD

## GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Turnover	3	277,151,858	196,298,910
Cost of sales		(146,310,692)	(101,297,245)
<b>Gross profit</b>		<b>130,841,166</b>	<b>95,001,665</b>
Administrative expenses		(40,351,631)	(30,573,513)
<b>Operating profit</b>	4	<b>90,489,535</b>	<b>64,428,152</b>
Interest receivable and similar income	8	21,510	25,648
Interest payable and similar expenses	9	(12,518)	(18,619)
<b>Profit before taxation</b>		<b>90,498,527</b>	<b>64,435,181</b>
Tax on profit	10	(16,292,237)	(10,460,259)
<b>Profit for the financial year</b>		<b>74,206,290</b>	<b>53,974,922</b>
<b>Other comprehensive income</b>			
Currency translation differences		29,375	159,804
Tax relating to other comprehensive income		269,070	269,071
<b>Total comprehensive income for the year</b>		<b>74,504,735</b>	<b>54,403,797</b>

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

# ALPHASIGHTS LTD

## GROUP BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Intangible assets	11	12,452,243		12,691,767	
Tangible assets	12	7,706,714		6,985,452	
		<u>20,158,957</u>		<u>19,677,219</u>	
<b>Current assets</b>					
Debtors	15	169,039,616	70,542,666		
Cash at bank and in hand		26,802,399	30,854,119		
		<u>195,842,015</u>	<u>101,396,785</u>		
<b>Creditors: amounts falling due within one year</b>	16	(63,873,054)	(41,751,940)		
<b>Net current assets</b>		<u>131,968,961</u>		<u>59,644,845</u>	
<b>Total assets less current liabilities</b>		<u>152,127,918</u>		<u>79,322,064</u>	
<b>Creditors: amounts falling due after more than one year</b>	17	(774,132)	(2,181,444)		
<b>Provisions for liabilities</b>					
Deferred tax liability	18	-	419,484		
		<u>-</u>	<u>(419,484)</u>		
<b>Net assets</b>		<u>151,353,786</u>		<u>76,721,136</u>	
<b>Capital and reserves</b>					
Called up share capital	19	331,199	331,199		
Capital redemption reserve	20	209,660	209,660		
Foreign exchange reserve	20	79,030	49,655		
Share options reserve	20	760,221	928,006		
Profit and loss reserves	20	149,973,676	75,202,616		
<b>Total equity</b>		<u>151,353,786</u>	<u>76,721,136</u>		

The financial statements were approved by the board of directors and authorised for issue on 27 May 2022 and are signed on its behalf by:

  
Mr A M Heath  
Director

  
Mr M Cartellieri  
Director

# ALPHASIGHTS LTD

## COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Intangible assets	11	12,452,243		12,691,767	
Tangible assets	12	1,935,895		748,852	
Investments	13	26,388,228		26,388,228	
		<u>40,776,366</u>		<u>39,828,847</u>	
<b>Current assets</b>					
Debtors	15	170,191,229	72,802,561		
Cash at bank and in hand		19,854,006	28,002,566		
		<u>190,045,235</u>	<u>100,805,127</u>		
<b>Creditors: amounts falling due within one year</b>	16	<u>(62,999,227)</u>	<u>(37,329,257)</u>		
<b>Net current assets</b>		127,046,008		63,475,870	
<b>Total assets less current liabilities</b>		<u>167,822,374</u>		<u>103,304,717</u>	
<b>Creditors: amounts falling due after more than one year</b>	17	-	-	(141,184)	
<b>Provisions for liabilities</b>					
Deferred tax liability	18	-	419,484		(419,484)
		<u>-</u>	<u>-</u>		
<b>Net assets</b>		<u>167,822,374</u>		<u>102,744,049</u>	
<b>Capital and reserves</b>					
Called up share capital	19	331,199		331,199	
Capital redemption reserve	20	209,660		209,660	
Share options reserve	20	760,221		928,006	
Profit and loss reserves	20	166,521,294		101,275,184	
<b>Total equity</b>		<u>167,822,374</u>		<u>102,744,049</u>	

# ALPHASIGHTS LTD

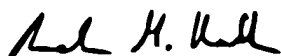
## COMPANY BALANCE SHEET (CONTINUED)

**AS AT 31 DECEMBER 2021**

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As permitted by s408 Companies Act 2006, the company has not presented its own Statement of Comprehensive Income and related notes. The company's profit for the year was £64,681,340 (2020 - £48,737,382 profit).

The financial statements were approved by the board of directors and authorised for issue on 27 May 2022 and are signed on its behalf by:



Mr A M Heath  
Director



Mr M Cartellieri  
Director

Company Registration No. 06534480



# ALPHASIGHTS LTD

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital £	Capital redemption reserve £	Foreign exchange reserve £	Share options reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2020</b>	331,199	209,660	(110,149)	993,106	20,473,925	21,897,741
<b>Year ended 31 December 2020:</b>						
Profit for the year	-	-	-	-	53,974,922	53,974,922
Currency translation differences	-	-	159,804	-	-	159,804
Movement in share options reserve	-	-	-	419,598	-	419,598
Transfer of deferred tax on excess depreciation	-	-	-	-	269,071	269,071
Transfer of reserves upon exercise	-	-	-	(484,698)	484,698	-
<b>Balance at 31 December 2020</b>	331,199	209,660	49,655	928,006	75,202,616	76,721,136
<b>Year ended 31 December 2021:</b>						
Profit for the year	-	-	-	-	74,206,290	74,206,290
Currency translation differences	-	-	29,375	-	-	29,375
Movement in share options reserve	-	-	-	127,915	-	127,915
Transfer of deferred tax on excess depreciation	-	-	-	-	269,070	269,070
Transfer of reserves upon exercise	-	-	-	(295,700)	295,700	-
<b>Balance at 31 December 2021</b>	331,199	209,660	79,030	760,221	149,973,676	151,353,786

# ALPHASIGHTS LTD

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital £	Capital redemption reserve £	Share options reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2020</b>	331,199	209,660	993,106	51,784,033	53,317,998
<b>Year ended 31 December 2020:</b>					
Profit for the year	-	-	-	48,737,382	48,737,382
Movement in share options reserve	-	-	419,598	-	419,598
Transfer of deferred tax on excess depreciation	-	-	-	269,071	269,071
Transfer of reserves upon exercise	-	-	(484,698)	484,698	-
<b>Balance at 31 December 2020</b>	331,199	209,660	928,006	101,275,184	102,744,049
<b>Year ended 31 December 2021:</b>					
Profit for the year	-	-	-	64,681,340	64,681,340
Movement in share options reserve	-	-	127,915	-	127,915
Transfer of deferred tax on excess depreciation	-	-	-	269,070	269,070
Transfer of reserves upon exercise	-	-	(295,700)	295,700	-
<b>Balance at 31 December 2021</b>	331,199	209,660	760,221	166,521,294	167,822,374

# ALPHASIGHTS LTD

## GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	27	21,866,303		25,494,378	
Income taxes paid		(17,459,686)		(3,886,202)	
<b>Net cash inflow from operating activities</b>		<b>4,406,617</b>		<b>21,608,176</b>	
<b>Investing activities</b>					
Purchase of intangible assets		(5,079,576)		(4,244,227)	
Purchase of tangible fixed assets		(3,402,626)		(1,202,335)	
Proceeds on disposal of tangible fixed assets		14,873		72,506	
Interest received		21,510		25,648	
Interest paid		(12,518)		(18,619)	
<b>Net cash used in investing activities</b>		<b>(8,458,337)</b>		<b>(5,367,027)</b>	
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(4,051,720)</b>		<b>16,241,149</b>	
Cash and cash equivalents at beginning of year		30,854,119		14,612,970	
<b>Cash and cash equivalents at end of year</b>		<b>26,802,399</b>		<b>30,854,119</b>	

# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Company information

AlphaSights Ltd is a company incorporated in England and Wales as a private company limited by shares. The address of its registered office is:

Thames Court, 3rd Floor  
1 Queenhithe  
London  
EC4V 3DX

The group and company's principal activities and the nature of its operations have been disclosed in the directors' report.

#### 1.1 Basis of financial statements preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of subsidiaries and the revaluation of intangible assets which were adopted as deemed cost on transition. The principal accounting policies adopted are set out below.

#### 1.2 Business combinations

Acquisition of subsidiaries are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the fair value of assets given, equity instruments issued and liabilities incurred, plus and direct cost incurred by the Company in exchange for control of the acquiree subsidiary. At acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value.

#### 1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company AlphaSights Ltd together with all entities controlled by the parent company (its subsidiaries).

All financial statements are made up to 31 December 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the group balance sheet, the formed entity's / acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the formation / acquisition date. The results of the formed entity's / acquiree's operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### 1.4 Going concern

The directors believe that the group is well placed to manage its business risks successfully and to continue to be profitable for the foreseeable future. With the group having continued to trade profitably during the year and having a strong cash position, the directors believe the company will continue to operate for at least 12 months from the date of the approval of the financial statements. The directors have therefore adopted the going concern basis in preparing these financial statements.

#### 1.5 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates and value added tax. Turnover is recognised at the point when a unit of service is satisfactorily completed. Any contracted but unused units of service that expire is recognised as turnover when the group has no further performance obligations.

#### 1.6 Intangible fixed assets other than goodwill

Previously revalued intangibles are brought in at deemed cost representing the net book value of those revalued intangible assets as at the date of transition. Subsequently, intangible assets are recognised at cost. After recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Software development costs	10% straight line
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#### 1.7 Tangible fixed assets

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

At each reporting date, the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	straight line over the life of lease
Plant and equipment	33% straight line
Fixtures and fittings	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

#### 1.8 Fixed asset investments

In the parent company financial statements, investments in subsidiaries are carried at fair value. Any fair value surplus is recorded through the company's other comprehensive income.

# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies

(Continued)

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### 1.9 Impairment of fixed assets

At each reporting date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

##### 1.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the group Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the group's cash management.

##### 1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously

# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies

(Continued)

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

##### 1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

##### 1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

###### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

###### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

##### 1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of fixed assets.

##### 1.15 Retirement benefits

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid, the company has no further payments obligations.

The contributions are recognised as an expense in the group Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.



# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

##### 1.16 Share-based payments

Where share options subsist over shares in the company, the fair value of options at the date of grant is charged to the group Statement of Comprehensive Income over the vesting period. Such instruments are measured at fair value at the time of grant taking into account the terms and conditions upon which the instruments are granted.

##### 1.17 Leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised in the group Statement of Comprehensive Income on a straight line basis over the lease term.

##### 1.18 Foreign exchange

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

All foreign exchange gains and losses are presented in the group Statement of Comprehensive Income within operating profit.

On consolidation, the results of overseas operations are translated into sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 2 Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the accounting policies, the directors are required to make significant judgements, estimates and assumptions about the carrying amounts of assets that are not readily available from other sources. The estimates and assumptions are based on historic experience and other factors that are considered to be relevant. The items in the financial statements where these judgments and estimates have been made include:

##### **Intangible assets**

Critical estimates are made by the directors as regards capitalisation and amortisation rates for intangible assets and their residual values.

##### **Capitalisation and amortisation of intangible assets**

Capitalised software costs are recorded as intangible assets. Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific intangible asset to which it relates. All other expenditure, such as related maintenance costs, is expensed as it is incurred.

##### **Tangible assets**

Critical estimates are made by the directors as regards depreciation rates for tangible assets and their residual values.

##### **Debtors**

Critical estimates are made by the directors as regards the recoverable amount of impaired receivables.

##### **Impairment reviews**

At each financial year end, the company assesses whether there is an indication that the non-financial assets may be impaired. If such an indication is identified, the company estimates the recoverable amount of these assets, comparing it to the carrying amount of the assets as at year end. If the carrying amount of the asset is higher than the recoverable amount, the company should recognise an impairment on the asset.

##### **Applying the company's accounting policies**

In the process of applying the company's accounting policies, management has made judgements as regards the impairment of assets.

#### 3 Turnover

The total turnover of the group for the year has been derived from its principal activity invoiced from the United Kingdom.

#### 4 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(1,517,115)	1,765,102
Depreciation and amortisation	8,024,029	6,685,468
Share-based payments	127,915	419,597
Operating lease charges	5,826,050	5,138,412

# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 5 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	36,000	30,000
<b>For other services</b>		
All other non-audit services	9,559	5,097

### 6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Commercial and administration	1,164	842	316	233

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	79,521,947	54,121,075	28,274,416	15,646,153
Social security costs	7,170,879	4,675,502	2,691,495	1,803,751
Share-based payments	127,915	419,597	127,915	419,597
Cost of defined contribution scheme	1,738,751	1,284,365	485,133	331,603
	88,559,492	60,500,539	31,578,959	18,201,104

# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 7 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	2,440,250	1,775,178
Company pension contributions to defined contribution schemes	17,400	17,400
	<u>2,457,650</u>	<u>1,792,578</u>

During the year retirement benefits were accruing to 1 director (2020 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £1,243,439 (2020 - £936,503).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £17,400 (2020 - £17,400).

### 8 Interest receivable

	2021 £	2020 £
Interest receivable		
Interest receivable from bank	21,510	25,648
	<u>21,510</u>	<u>25,648</u>

### 9 Interest payable and similar expenses

	2021 £	2020 £
Other finance costs:		
Other interest	12,518	18,619
	<u>12,518</u>	<u>18,619</u>

### 10 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits	11,012,660	10,015,862
Foreign current tax on profits	5,847,142	407,463
Total current tax	<u>16,859,802</u>	<u>10,423,324</u>
Deferred tax		
Origination and reversal of timing differences	(567,565)	36,934
	<u>(567,565)</u>	<u>36,934</u>
Total tax charge	<u>16,292,237</u>	<u>10,460,259</u>

# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 10 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	90,498,527	64,435,181
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	17,194,720	12,242,684
Tax effect of expenses that are not deductible in determining taxable profit	634,071	559,876
Group relief	(3,012,357)	(972,120)
Depreciation for year in excess of capital allowances	744,551	1,018,169
Research and development tax credit	(1,625,464)	(1,218,942)
Chargeable disposals	(658)	(1,853)
Foreign tax charge	-	407,463
Effect of foreign tax rates	4,255,237	-
Origination and reversal of timing differences	(567,565)	36,935
Changes in provisions leading to an increase/(decrease) in the tax charge	-	9,974
(Utilised)/unrelieved loss on foreign subsidiaries	(1,330,298)	(1,644,561)
Other differences leading to an increase/(decrease) in the tax charge	-	22,634
Taxation charge	16,292,237	10,460,259

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2021 £	2020 £
Deferred tax arising on:		
Origination and reversal of timing differences	(269,070)	(269,071)

# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 11 Intangible fixed assets

<b>Group</b>	<b>Software development costs £</b>
<b>Cost</b>	
At 1 January 2021	27,140,554
Additions	5,079,576
At 31 December 2021	32,220,130
<b>Amortisation and impairment</b>	
At 1 January 2021	14,448,787
Amortisation charged for the year	5,319,100
At 31 December 2021	19,767,887
<b>Carrying amount</b>	
At 31 December 2021	12,452,243
At 31 December 2020	12,691,767
<b>Company</b>	<b>Software development costs £</b>
<b>Cost</b>	
At 1 January 2021	27,140,554
Additions	5,079,576
At 31 December 2021	32,220,130
<b>Amortisation and impairment</b>	
At 1 January 2021	14,448,787
Amortisation charged for the year	5,319,100
At 31 December 2021	19,767,887
<b>Carrying amount</b>	
At 31 December 2021	12,452,243
At 31 December 2020	12,691,767

# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 12 Tangible fixed assets

Group	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 January 2021	9,924,107	3,048,542	3,129,411	16,102,060
Additions	1,461,623	1,435,534	505,469	3,402,626
Disposals	(219,903)	(175,799)	(97,581)	(493,283)
Exchange adjustments	95,443	16,980	13,358	125,781
At 31 December 2021	11,261,270	4,325,257	3,550,657	19,137,184
<b>Depreciation and impairment</b>				
At 1 January 2021	4,731,822	2,055,002	2,329,784	9,116,608
Depreciation charged in the year	1,502,303	818,312	384,314	2,704,929
Eliminated in respect of disposals	(219,903)	(175,799)	(92,917)	(488,619)
Exchange adjustments	66,518	18,244	12,790	97,552
At 31 December 2021	6,080,740	2,715,759	2,633,971	11,430,470
<b>Carrying amount</b>				
At 31 December 2021	5,180,530	1,609,498	916,686	7,706,714
At 31 December 2020	5,192,285	993,540	799,627	6,985,452
<b>Company</b>				
	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 January 2021	494,927	817,842	1,730,445	3,043,214
Additions	855,841	602,180	238,523	1,696,544
At 31 December 2021	1,350,768	1,420,022	1,968,968	4,739,758
<b>Depreciation and impairment</b>				
At 1 January 2021	323,962	459,401	1,510,999	2,294,362
Depreciation charged in the year	120,505	279,261	109,735	509,501
At 31 December 2021	444,467	738,662	1,620,734	2,803,863
<b>Carrying amount</b>				
At 31 December 2021	906,301	681,360	348,234	1,935,895
At 31 December 2020	170,965	358,441	219,446	748,852

# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 13 Fixed asset investments

	Notes	Company 2021 £	2020 £
Investments in subsidiaries	14	26,388,228	26,388,228
		<u>26,388,228</u>	<u>26,388,228</u>

#### Movements in fixed asset investments Company

	Shares in subsidiaries £
<b>Valuation</b>	
At 1 January 2021 and 31 December 2021	26,388,228
<b>Carrying amount</b>	
At 31 December 2021	26,388,228
At 31 December 2020	26,388,228

### 14 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect	
AlphaSights, Inc.	United States of America	Business information services	Ordinary	100.00	-
AlphaSights Limited	Hong Kong	Business information services	Ordinary	100.00	-
AlphaSights FZ-LLC	United Arab Emirates	Business information services	Ordinary	100.00	-
AlphaSights GmbH	Germany	Business information services	Ordinary	100.00	-
AlphaSights K.K.	Japan	Business information services	Ordinary	-	100.00



# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 15 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
<b>Amounts falling due within one year:</b>				
Trade debtors	57,261,690	29,138,607	57,261,689	29,138,607
Amounts owed by group undertakings	104,255,022	34,713,589	106,943,813	38,078,537
Other debtors	1,118,123	1,039,614	383,258	251,261
Prepayments and accrued income	5,987,628	5,650,856	5,185,316	5,334,156
	<u>168,622,463</u>	<u>70,542,666</u>	<u>169,774,076</u>	<u>72,802,561</u>
<b>Amounts falling due after more than one year:</b>				
Deferred tax asset (note 18)	417,153	-	417,153	-
	<u>417,153</u>	<u>-</u>	<u>417,153</u>	<u>-</u>
<b>Total debtors</b>	<u>169,039,616</u>	<u>70,542,666</u>	<u>170,191,229</u>	<u>72,802,561</u>

### 16 Creditors: amounts falling due within one year

	Group 2021 £	2020 £	Company 2021 £	2020 £
Trade creditors	3,185,448	2,906,186	2,511,981	2,529,571
Amounts owed to group undertakings	-	-	15,707,903	2,110,173
Corporation tax payable	9,427,038	10,228,711	4,567,956	9,974,737
Other taxation and social security	2,920,378	3,461,747	2,973,385	3,458,149
Other creditors	258,272	181,997	41,192	25
Accruals and deferred income	48,081,918	24,973,299	37,196,810	19,256,602
	<u>63,873,054</u>	<u>41,751,940</u>	<u>62,999,227</u>	<u>37,329,257</u>

### 17 Creditors: amounts falling due after more than one year

	Group 2021 £	2020 £	Company 2021 £	2020 £
Other creditors	774,132	2,181,444	-	141,184
	<u>774,132</u>	<u>2,181,444</u>	<u>-</u>	<u>141,184</u>

**NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**  
***FOR THE YEAR ENDED 31 DECEMBER 2021***

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

Group and company	2021	2020
Ordinary share capital	£	£
Issued and fully paid		
6,623,980 (2020: 6,623,980) Ordinary shares of £0.05 each	331,199	331,199

The reserves for the group and company have been fully analysed in the group's and the company's Statements of Changes in Equity.

# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 21 Share-based payments

Certain employees of the group have been granted options over shares in AlphaSights Holdings Ltd, the ultimate parent company and controlling party of the group. The charge for these share options continues to be recognised in the company's accounts in line with service provision by the holders of share options.

At the balance sheet date, the aggregate of the estimated fair value of vesting share options resulted in a charge of £127,915 (2020: £419,597) in the group Statement of Comprehensive Income. Fair value is determined by adjusting the arithmetic average of an earnings-based and yield-based valuation, based on management's best estimates.

### 22 Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £485,133 (2020: £331,603).

Contributions totalling £98,850 (2020: £81,450) were payable to the fund at the reporting date.

### 23 Operating lease commitments

#### Lessee

At the reporting end date, the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Within one year	8,629,337	5,527,859	2,151,655	1,373,965
Between two and five years	20,832,469	18,910,927	5,536,541	6,039,237
	<u>29,461,806</u>	<u>24,438,786</u>	<u>7,688,196</u>	<u>7,413,202</u>

### 24 Events after the reporting date

#### New lease commitment

During January 2022, one of the subsidiaries within the group entered into a lease agreement commencing 15 February 2022, with the lease term ending 31 May 2035. As per the lease terms, on 15 February 2022, the subsidiary obtained a letter of credit of £1m as a security deposit for the lease. The total minimum lease commitments amount to £84.3m.

#### Conflict in Ukraine

The group is monitoring the ongoing conflicts in Ukraine to ensure compliance with all current and future legal restrictions. The group has reviewed all stakeholder relationships to assess any potential indirect exposure to the business. The group has no offices or employees in either Russia or Ukraine. Compliance with any sanctions will form part of any future relevant stakeholder decisions.

# ALPHASIGHTS LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 25 Related party transactions

The company has taken advantage of the exemption available in section 33 of FRS 102 "Related Party Disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking of the group.

The bank loan in AlphaSights Holdings Ltd, the ultimate parent company, is secured by a fixed and floating charge over the assets of the company.

### 26 Controlling party

The ultimate parent company and controlling party is AlphaSights Holdings Ltd, a company registered in England and Wales. AlphaSights Holdings Ltd is the parent company of the largest and smallest group of which AlphaSights Ltd is a member, and for which group financial statements are drawn up. Copies of the consolidated financial statements are available from the Registrar of Companies.

### 27 Cash generated from group operations

	2021 £	2020 £
Profit for the year after tax	74,206,290	53,974,922
<b>Adjustments for:</b>		
Taxation charged	16,292,237	10,460,259
Finance costs	12,518	18,619
Interest income	(21,510)	(25,648)
Gain on disposal of tangible fixed assets	(10,209)	(23,985)
Amortisation and impairment of intangible assets	5,319,100	3,741,005
Depreciation and impairment of tangible fixed assets	2,704,929	2,944,463
Net effect of foreign exchange differences	1,146	286,426
Share options charge	127,915	419,598
<b>Movements in working capital:</b>		
Increase in debtors	(98,079,797)	(50,475,692)
Increase in creditors	21,313,684	4,174,411
<b>Cash generated from operations</b>	<b>21,866,303</b>	<b>25,494,378</b>

### 28 Analysis of changes in net funds - group

	1 January 2021 £	Cash flows £	Exchange rate movements £	31 December 2021 £
Cash at bank and in hand	30,854,119	(4,050,574)	(1,146)	26,802,399