
THE INFORMATION LAB LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022



THE INFORMATION LAB LIMITED

COMPANY INFORMATION

Directors	T Brown L Stansil
Registered number	07389833
Registered office	25 Watling Street London EC4M 9BR
Independent auditors	Ecovis Wingrave Yeats LLP Chartered Accountants & Statutory Auditor 3rd Floor, Waverley House 7-12 Noel Street London W1F 8GQ

THE INFORMATION LAB LIMITED

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THE INFORMATION LAB LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Introduction

The directors present their strategic report on the Company for the year ended 31 March 2022.

Business review

The Company's profit for the year, after taxation was £3,735,869 (2021 - £2,955,323). The Company were in a net asset position of £12,860,059 (2021 - £9,724,190) at the year end. The Company reports a revenue of £34,264,807 which is a +13% against the prior year. Profit after tax has increased by over £780K since the prior year.

The principal objective of The Information Lab Limited is to provide data analytics solutions through provision of Tableau and Alteryx software and provide consulting support as organisations implement this software. We are a long standing Tableau Gold partner and Alteryx Premier partner in the UK with experience in all aspects of both products.

In 2015, we opened The Data School, our training program for new recruits. We have now trained over 250 new consultants through our internal training capability and our team includes Tableau certified trainers, Tableau Zen Masters and Alteryx Aces – people who regularly spend time helping others learn these great technologies. We take applications throughout the year, from prospective consultants looking to embark on a career in data. We have nine new cohorts starting each year. Once trained, graduates of the Data School are available for industry placements at clients using Tableau & Alteryx.

As a partner of both Tableau and Alteryx, our key role is to help ensure momentum in proliferation of the two products continue. The Information Lab is playing a part in this by using our training experience to create the next generation of great data analysts.

Principal risks and uncertainties

The management has examined the major risks that the company faces and we ensure we review this regularly. The company has developed systems to monitor and control these risks to mitigate any impact that they may have on the company in the future.

We continue to experience manageable risk from our vendor partners and/or clients who chose to take the licence business 'direct' rather than via a reseller such as ourselves. These incidents appear to be isolated to specific cases and special situations that warrant this change rather than an indication of a general shift in the reselling market but there is still some uncertainty on the long term strategy for licence resellers from Salesforce. We attempt to mitigate this risk as much as possible by continuous emphasising of the benefits of purchasing licensing through partners, as well as increasing activity in other revenue streams, such as the Data School. We also have a very wide and diverse client base meaning that we are not exposed to significant risk from one particular client, or even client 'type' (by industry, size, location etc.) in this respect.

Other external risks such as a downturn in the business performance of our partners or new significant competitors entering our market still exist, as they have done for many years, but have never developed into significant issues.

THE INFORMATION LAB LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Financial key performance indicators

The company reports a revenue of £34M (£28M excluding the European licence sale recharging) which is +13% against the prior year. The company provides services across various sectors, and below are the Top 5 which primarily represents the revenue for FY 2022.

Finance	24%
Public Sector	12%
Professional Services	10%
Technology & Electronics	8%
Telecoms, Media & Entertainment	8%

In FY 2022, we have worked with 451 customers (2021 - 442) out of which 77% was repeat business.

The cash position of the company remains strong, although this has not increased in line with the increased business in the FY due to the investments we have made into the German and US businesses.

Other key performance indicators

- Opened the New York Data School in early 2022 with the first cohort commencing training in June. This is a company under common control that became a group company as a part of the restructure post year end.
- Named 2021 Alteryx EMEA Partner of the year.
- Named Tableau's "Data for Good Partner of the Year" for our charitable arm, TIL+ for the second year in a row.
- Continued high staff retention among UK team.

This report was approved by the board on 21 / 12 / 2022

and signed on its behalf.



T Brown
Director

THE INFORMATION LAB LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The directors present their report and the financial statements for the year ended 31 March 2022.

Results and dividends

The profit for the year, after taxation, amounted to £3,735,869 (2021 - £2,955,323).

Dividends paid in the year were £600,000 (2021 - £550,000).

Principal activity

The Company's principal activities are the re-selling of software packages and support, as well as data consulting services.

Directors

The directors who served during the year were:

T Brown
L Stansil

Future developments

Our plan to grow the Data School after a recruitment easing-off period during COVID is now back in full swing. Our aim is to grow to 180 active consultants (including those in training) in the UK by the end of 2023, with this figure doubling when including the Data Schools in other regions (Hamburg, New York, Sydney & Melbourne). We anticipate that revenue from the Data School UK will account for approximately 40% of all turnover in the UK business by the end of 2023, up from 30% in FY22.

Our Tableau and Alteryx reselling and support business continue to be of strategic importance, not only in itself but to support the growth of the data school at the clients we resell to, and to maintain our profile at the vendors who introduce us to many other companies to help the propagation and adoption of their technologies at those organisations. Growth in the licence reselling business is largely governed by the growth of the vendors themselves and the percentage of business they see go through the reseller channels, which we expect to be around 10% in FY23.

There are no significant planned changes for the business in the near future, but we continue to work with other complementary technologies to be sure we can respond to evolving needs from our clients.

Post balance sheet events

Subsequent to the year-end, the Company distributed dividends of £400,000.

Financial instruments

The Company's principal financial instruments comprise bank balances, trade debtors and trade creditors. The main purposes of these instruments is to raise funds for and to finance the Company's operations.

THE INFORMATION LAB LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This report was approved by the board on 21 / 12 / 2022

and signed on its behalf.



T Brown
Director

THE INFORMATION LAB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INFORMATION LAB LIMITED

Opinion

We have audited the financial statements of The Information Lab Limited (the 'Company') for the year ended 31 March 2022, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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.

THE INFORMATION LAB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INFORMATION LAB LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the 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.

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 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 Company or to cease operations, or have no realistic alternative but to do so.

THE INFORMATION LAB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INFORMATION LAB LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 determined that the laws and regulations which are directly relevant to the financial statements are those that relate to the reporting framework FRS 102 and the relevant tax compliance regulations in the jurisdictions in which the Company operates. We evaluated the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- In addition, there are other significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements being environmental, occupational health and safety, employment law, data protection regulation, fraud, bribery and corruption. For these laws and regulations, the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through fines or litigation being imposed. As required by the auditing standards, auditing procedures in respect of non-compliance with these identified laws and regulations are limited to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by meeting with a number of individuals, including with individuals outside of the finance function, and conducted interviews to understand where they considered there was susceptibility to fraud. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to areas of estimate and judgement in the financial statements.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations and fraud risks identified in the paragraphs above. In addition to the audit procedures, we remained alert to any indications of non-compliance throughout the audit. The specific audit procedures performed included:
 - Reviewed large and unusual bank transactions;
 - Identifying and testing journal entries.

There are inherent limitations of an audit. There is a higher risk that irregularities, including fraud, will not be detected during the audit as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. The primary responsibility for the prevention and detection of non-compliance with all laws and regulations and fraud lies with both those charged with governance of the entity and management.

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 Auditors' Report.

THE INFORMATION LAB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INFORMATION LAB LIMITED
(CONTINUED)

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 Auditors' 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.

Jessica Teague

Jessica Teague (Senior Statutory Auditor)

for and on behalf of

Ecovis Wingrave Yeats LLP

Chartered Accountants & Statutory Auditor

3rd Floor, Waverley House

7-12 Noel Street

London

W1F 8GQ

Date: 21 December 2022

THE INFORMATION LAB LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
Turnover	4	34,264,807	30,197,401
Cost of sales		(21,366,121)	(19,477,213)
Gross profit		12,898,686	10,720,188
Administrative expenses		(8,274,577)	(7,065,883)
Operating profit	5	4,624,109	3,654,305
Interest receivable and similar income	10	480	2,176
Profit before tax		4,624,589	3,656,481
Tax on profit	11	(888,720)	(701,158)
Profit for the financial year		3,735,869	2,955,323

There was no other comprehensive income for 2022 (2021: £NIL).

The notes on pages 14 to 25 form part of these financial statements.

THE INFORMATION LAB LIMITED
REGISTERED NUMBER: 07389833

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	12	42,264	75,674
Investments	13	164	164
		<u>42,428</u>	<u>75,838</u>
Current assets			
Debtors: amounts falling due within one year	15	22,935,108	17,807,100
Cash at bank and in hand		7,447,746	7,305,891
		<u>30,382,854</u>	<u>25,112,991</u>
Creditors: amounts falling due within one year	16	(17,565,223)	(15,464,639)
Net current assets		<u>12,817,631</u>	<u>9,648,352</u>
Total assets less current liabilities		<u>12,860,059</u>	<u>9,724,190</u>
Net assets		<u>12,860,059</u>	<u>9,724,190</u>
Capital and reserves			
Called up share capital	17	100	100
Profit and loss account	18	12,859,959	9,724,090
		<u>12,860,059</u>	<u>9,724,190</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
21/12/2022



T Brown
Director

The notes on pages 14 to 25 form part of these financial statements.

THE INFORMATION LAB LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2020	100	7,318,767	7,318,867
Profit for the year	-	2,955,323	2,955,323
Dividends: Equity capital	-	(550,000)	(550,000)
At 1 April 2021	100	9,724,090	9,724,190
Profit for the year	-	3,735,869	3,735,869
Dividends: Equity capital	-	(600,000)	(600,000)
At 31 March 2022	100	12,859,959	12,860,059

The notes on pages 14 to 25 form part of these financial statements.

THE INFORMATION LAB LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Cash flows from operating activities		
Profit for the financial year	3,735,869	2,955,323
Adjustments for:		
Depreciation of tangible assets	33,633	39,847
Interest received	(480)	(2,176)
Taxation charge	888,720	701,158
(Increase) in debtors	(5,123,974)	(3,290,927)
Increase in creditors	2,094,893	2,860,428
Corporation tax (paid)	(887,063)	(619,251)
Net cash generated from operating activities	741,598	2,644,402
Cash flows from investing activities		
Purchase of fixed assets	(223)	(274)
Interest received	480	2,176
Net cash from investing activities	257	1,902
Cash flows from financing activities		
Dividends paid	(600,000)	(550,000)
Net cash used in financing activities	(600,000)	(550,000)
Net increase in cash and cash equivalents	141,855	2,096,304
Cash and cash equivalents at beginning of year	7,305,891	5,209,587
Cash and cash equivalents at the end of year	7,447,746	7,305,891
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	7,447,746	7,305,891
	7,447,746	7,305,891

The notes on pages 14 to 25 form part of these financial statements.

THE INFORMATION LAB LIMITED

ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2022

	At 1 April 2021 £	Cash flows £	Other non- cash changes £	At 31 March 2022 £
Cash at bank and in hand	7,305,891	141,855	-	7,447,746
Debt due within 1 year	-	-	(10,044)	(10,044)
	<u>7,305,891</u>	<u>141,855</u>	<u>(10,044)</u>	<u>7,437,702</u>

The notes on pages 14 to 25 form part of these financial statements.

THE INFORMATION LAB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The Information Lab Limited is a private company, limited by shares, incorporated in England and Wales, registration number 07389833. The registered office is 25 Watling Street, London, EC4M 9BR.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of Licences

Revenue from the sale of licences is recognised when the licence has been granted to the buyer, the amount of revenue can be measured reliably and it is probable that the economic benefits in respect of the transaction can be measured reliably. The licences are usually subscribed for a period of one year. Revenue is deferred and released on a monthly basis across the year.

Consultancy income

Consultancy income is recognised immediately after the entity have provided the consultancy services. Amounts are accrued at year end for individual's time spent that has not yet been invoiced.

Partner fees

Partner fees are calculated on a percentage of revenue generated by sales of licences and from consultancy services in the European entities. These are reported half-yearly and are estimated and accrued for the period across the year-end.

2.3 Going concern

After making the relevant enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

THE INFORMATION LAB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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.

2.5 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.6 Operating leases: the Company as lessee

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 on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Pensions

Defined contribution pension plan

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 payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

THE INFORMATION LAB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.9 Current and deferred taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- Straight line over lease term
Office equipment	- Straight line over 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Valuation of investments

Investments in associates are measured at cost.

THE INFORMATION LAB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Tangible assets

Tangible assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the assets' lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment, management considers factors including the current credit rating of the debtor, the ageing profile and historical experience.

Accruals

The Company makes an estimate of accruals at the year end based on invoices received after the year end, work undertaken which has not yet been invoiced based on quotations or estimates of amounts that may be due for payment.

Partner fee income

The Company makes an estimate of accrued partner fee income at year end based on the previous half yearly performance of the European partners.

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Sale of Licences	22,405,249	20,310,949
Consultancy income	11,128,843	9,148,468
Partner fees	730,715	737,984
	<u>34,264,807</u>	<u>30,197,401</u>

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	27,915,497	22,831,814
Europe	6,349,310	7,365,587
	<u>34,264,807</u>	<u>30,197,401</u>

THE INFORMATION LAB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. Operating profit

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

	2022 £	2021 £
Exchange differences	(83,060)	199,135
Other operating lease rentals	398,537	195,928
Depreciation	33,633	39,847
Defined contribution pension cost	287,442	245,733
	<u>287,442</u>	<u>245,733</u>

6. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	21,000	19,150
	<u>21,000</u>	<u>19,150</u>

Fees payable to the Company's auditor and its associates in respect of:

Taxation compliance services	2,575	2,850
All other services	8,850	54,500
	<u>11,425</u>	<u>57,350</u>

THE INFORMATION LAB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2022 £	2021 £
Wages and salaries	8,192,872	7,538,647
Social security costs	976,217	896,678
Cost of defined contribution scheme	287,442	265,733
	<u>9,456,531</u>	<u>8,701,058</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 No.
Directors	2	2
Consultants	115	114
Sales and support	22	20
	<u>139</u>	<u>136</u>

8. Key management compensation

Key management comprises of one of the directors and senior management. The compensation paid or payable to key management for employee services is shown below.

	2022 £	2021 £
Salaries and other short term benefits	1,188,614	1,117,067
	<u>1,188,614</u>	<u>1,117,067</u>

THE INFORMATION LAB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	10,000	10,000
Company contributions to defined contribution pension schemes	40,000	40,000
	<u>50,000</u>	<u>50,000</u>

During the year retirement benefits were accruing to 1 directors (2021 - 1) in respect of defined contribution pension schemes.

10. Interest receivable

	2022 £	2021 £
Bank interest receivable	480	2,176
	<u>480</u>	<u>2,176</u>

11. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	887,869	703,363
Adjustments in respect of previous periods	851	(2,205)
	<u>888,720</u>	<u>701,158</u>
Total current tax	<u>888,720</u>	<u>701,158</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>888,720</u>	<u>701,158</u>

THE INFORMATION LAB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - *higher than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	4,624,589	3,656,481
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	878,672	694,699
Effects of:		
Fixed asset differences	2,368	2,341
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,065	1,699
Adjustments to tax charge in respect of prior periods	851	(2,205)
Other timing differences leading to an increase (decrease) in taxation	(885)	(885)
Deferred tax not recognised	8,163	5,509
Remeasurement of deferred tax for changes in tax rates	(2,514)	-
Total tax charge for the year	888,720	701,158

Factors that may affect future tax charges

In the Finance Act 2021, enacted on 24 May 2021 the Government confirmed that the corporation tax main rate the years starting 1 April 2021 and 2022 would remain at 19% and from 1 April 2023 corporation tax will increase to 25%, but companies with profits of up to £50,000 will pay tax at 19%, and a tapered rate will apply to profits up to £250,000. The deferred tax asset and liabilities in these financial statements reflect these rates.

THE INFORMATION LAB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Tangible fixed assets

	Leasehold improvements £	Office equipment £	Total £
Cost or valuation			
At 1 April 2021	156,591	25,579	182,170
Additions	-	223	223
At 31 March 2022	<u>156,591</u>	<u>25,802</u>	<u>182,393</u>
Depreciation			
At 1 April 2021	83,166	23,330	106,496
Charge for the year on owned assets	31,320	2,313	33,633
At 31 March 2022	<u>114,486</u>	<u>25,643</u>	<u>140,129</u>
Net book value			
At 31 March 2022	<u>42,105</u>	<u>159</u>	<u>42,264</u>
At 31 March 2021	<u>73,425</u>	<u>2,249</u>	<u>75,674</u>

13. Fixed asset investments

	Investments in associates £
Cost or valuation	
At 1 April 2021	164
At 31 March 2022	<u>164</u>

THE INFORMATION LAB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Fixed asset investments (continued)

Associate

The following was an associate of the Company:

Name	Registered office	Class of shares	Holding
The Data School Pty Limited	Suite 6, 13-15 Francis Street, Dee Why NSW 2099	Ordinary	30%

The Data School Pty Limited is incorporated in Australia. It shows a profit for the year of £301,582 and their net asset position at the year end was £397,951.

If the investment in The Data School Pty Limited was accounted for using the equity method, the profit for the year recorded would have been £90,474 (2021 - £89,147) and the investment would be held at £119,385 (2021 - £76,710).

14. Dividends

	2022 £	2021 £
Dividends	600,000	550,000
	<u>600,000</u>	<u>550,000</u>

15. Debtors

	2022 £	2021 £
Trade debtors	9,201,848	8,075,241
Amounts owed by group undertakings	3,735,934	-
Other debtors	35,919	29,443
Prepayments and accrued income	9,961,407	9,702,416
	<u>22,935,108</u>	<u>17,807,100</u>

THE INFORMATION LAB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	2,949,336	1,620,777
Corporation tax	561,570	378,158
Other taxation and social security	762,200	517,615
Other creditors	342,354	394,885
Accruals and deferred income	12,949,763	12,553,204
	<u>17,565,223</u>	<u>15,464,639</u>

17. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
100 (2021 - 100) Ordinary shares of £1 each	<u>100</u>	<u>100</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

18. Reserves

Profit and loss account

The profit and loss account comprises of accumulated profits.

19. Pension commitments

The Company operates a defined contribution 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 £287,442 (2021 - £265,733). Contributions totaling £53,625 (2021 - £44,774) were payable to the fund at the balance sheet date and are included in creditors.

THE INFORMATION LAB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

20. Commitments under operating leases

At 31 March 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	402,248	253,208
Later than 1 year and not later than 5 years	1,240,265	274,309

21. Related party transactions

During the year, the Company loaned an amount of £3,735,934 to companies under common control. As at the year end, the balances totalling £3,735,934 were still outstanding. The balances are unsecured, interest free and repayable on demand.

During the year, the Company made sales totalling £17,166 to a company under common control.

During the year, dividends of £600,000 (2021 - £550,000) were paid to the two shareholders who are also directors of the Company.

Included in other debtors is an amount due to one of the directors, and the majority shareholder, of £10,044 (2021 - £8,928). During the year, expenses of £10,044 were incurred by the Director on behalf of the Company. The balance is unsecured, interest free and repayable on demand.

22. Controlling party

T Brown controls the Company by virtue of his shareholding. See note 23 for details of the group restructure on 5 September 2022.

23. Post balance sheet events

Subsequent to the year-end, the Company distributed dividends of £400,000.

On 5 September 2022, the group was restructured. From this date, the Company's immediate and ultimate parent Company became The Information Lab Holding Ltd. There is no change to the controlling party as a result of this.