Financial Statements
Intent HQ Holdings Limited

For the period ended 30 June 2014

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COMPANIES HOUSE

Registered number: 8745670

Company Information

Directors	P N B Munro J M P Lakin D S Glick G R Power
Company secretary	P N B Munro
Registered number	8745670
Registered office	4th Floor 23 Howland Street London W1A 1AQ
Independent auditors	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 1020 Eskdale Road Winnersh Triangle WOKINGHAM Berkshire RG41 5TS

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Directors' Report
For the period ended 30 June 2014

The directors present their report and the financial statements for the period ended 30 June 2014.

Principal activities and business review

The company was incorporated on 24 October 2013 with the sole purpose of acting as the holding company for the Intent HQ group.

During the period ended 30 June 2014, investment totaling £2.4m was raised from certain shareholders of Intent HQ Limited and a further £1.8m was raised from new shareholders.

On 19th March 2014 the company acquired the entire share and loan capital of Intent HQ Limited, a business focused on the development and sale of a digital marketing platform service. The consideration for the acquisition of shares and loans in Intent HQ Limited comprised of shares and loans in the company with a total fair value of £15.3m.

The group's digital marketing platform uses web-scale social data to create individual consumer profiles for clients that drive segmented and personalised digital sales and marketing, and improve advertising revenues. The business's technology helps brands, broadcasters and publishers to obtain, analyse and exploit a live, highly detailed and actionable profile of its potential end-customers.

After the acquisition, the company provided further funding for Intent HQ Limited to support the group's business. The Intent HQ group has continued to develop its technology and intellectual property, including the successful client launch of a multi-lingual capability and an insights dashboard during the year. Enhancements to the depth and richness of the profiles have further improved the effectiveness of the data produced for clients, and the group is now developing a capability to combine behavioural and transactional data with social data when generating consumer profiles.

During the period the group successfully completed campaign tests with clients, delivering some very encouraging results and case studies. Since the year-end the group has continued to grow its sales pipeline. Certain existing client contracts have been renewed and work with four major new clients has commenced, leading to a significant increase in turnover during the second quarter of the year and resulting in the group trading ahead of budget. Negotiations are also well advanced with another six high profile potential clients.

Since the year-end the company has received £2.3m of additional loan funding from its shareholders. These funds have enabled the group to continue to develop and roll-out its technology and product offering to clients, to increase its pipeline of customers, and to improve revenues and trading results.

The company's shareholders continue to be supportive of the group. Certain of these shareholders have committed to provide further funding totaling £1.4m subject to receipt of appropriate investment tax clearances from HMRC and subject to the implementation of a reorganisation of the company's loan and equity capital in order to create a more consolidated and simplified structure based upon a new class of ordinary shares. Having discussed the tax clearance and capital structure reorganisation proposals with the company's major shareholders and tax advisors, the directors are confident that the tax clearances will be received and that the funding structure reorganisation will be completed. The directors are therefore confident that this £1.4m of further funding will be received.

As set out in note 1.2, this additional funding will ensure that the group has sufficient cash to meet the directors' view of the group's reasonable maximum projected funding requirement over the next 12 months of £1.4m, as assessed on the group's budget, and updated financial projections and sensitivities. In addition the directors continue to seek further funding for the group from other existing shareholders, and are encouraged by the interest shown by potential new investors.

After considering the above matters and current trading results, the directors believe that the company and its group will have adequate resources to meet its liabilities as they fall due and so to operate as a going concern for a period of at least 12 months following the date of approval of these financial statements.

Directors' Report
For the period ended 30 June 2014

Directors

The directors who served during the period were:

P N B Munro (appointed 24 October 2013)
J M P Lakin (appointed 24 October 2013)
D S Glick (appointed 19 March 2014)
G R Power (appointed 19 March 2014)
C Watts (appointed 19 March 2014 & resigned 8 August 2014)

Directors' responsibilities statement

The directors are responsible for preparing 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 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 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 and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and 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 that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that 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.

Directors' Report

For the period ended 30 June 2014

Auditors

Grant Thornton UK LLP were appointed as auditors during the period to fill a casual vacancy in accordance with section 485(3) of the Companies Act 2006.

Under section 487(2) of the Companies Act 2006, they will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 23rd December 2014 and signed on its behalf.

P N B Munro
Director

Grant Thornton

Independent Auditors' Report to the Members of Intent HQ Holdings Limited

We have audited the financial statements of Intent HQ Holdings Limited for the period ended 30 June 2014, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

Respective responsibilities of directors and auditors

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2014 and of its result for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Grant Thornton

Independent Auditors' Report to the Members of Intent HQ Holdings Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the Directors' report.

Grant Thornton UK LLP

Paul Creasey (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Reading
Date: 2 January 2015

Profit and Loss Account

For the period ended 30 June 2014

	Note	2014 £
Profit on ordinary activities before taxation		-
Tax on profit on ordinary activities		-
Retained profit carried forward		-

There are no material differences between the profit on ordinary activities before taxation and the retained profit for the financial period stated above and their historical cost equivalents.

The notes on pages 8 to 13 form part of these financial statements.

Balance Sheet
As at 30 June 2014

	Note	£	2014 £
Fixed assets			
Investments	3		**2,315**
Current assets			
Debtors: amounts falling due after more than one year	4	**17,674,554**	
Debtors: amounts falling due within one year	4	**1,000**	
			17,675,554
Net assets			**17,677,869**
Capital and reserves			
Called up share capital	5		**243,670**
Share premium account	6		**7,670,260**
Other reserves	6		**9,763,939**
Shareholders' funds			**17,677,869**

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23rd December 2014

P N B Munro
Director

The notes on pages 8 to 13 form part of these financial statements.

Notes to the Financial Statements
For the period ended 30 June 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Going concern

Since the year-end the company has received £2.3m of additional loan funding from its shareholders. These funds have enabled the group to continue to develop and roll-out its technology and product offering to clients, to increase its pipeline of customers, and to improve revenues and trading results.

The directors have prepared detailed group financial projections for a period of 18 months following the date of approval of these financial statements based on a range of different sales assumptions, which indicate a further funding requirement of up to £1.4m. In part this funding will be used to support the group's sales and client delivery activities, and in part for continued product development. These projections and sensitivities are based on assumptions that the directors consider to be reasonable in light of actual recent sales experience.

The company's shareholders continue to be supportive of the group's business. Certain of these shareholders have committed to provide further funding totaling £1.4m, and to convert their recent loans totaling £1.8m into equity, which will ensure that the company has sufficient cash to meet the directors' view of the company's reasonable maximum projected funding requirement over the next 12 months. These additional funding commitments are subject to receipt of appropriate investment tax clearances from HMRC and subject to the implementation of a reorganisation of the company's loan and equity capital in order to create a more consolidated and simplified structure based upon a new class of ordinary shares. Having discussed the tax clearance and capital structure reorganisation proposals with the company's major shareholders and tax advisors, the directors are confident that the tax clearances will be received and that the funding structure reorganisation will be completed.
The directors are therefore confident that this £1.4m of further funding will be received. In addition the directors continue to seek further funding for the company and its group from other existing shareholders, and are encouraged by the interest shown by potential new investors.

After considering the above matters and current trading, the directors believe that the company will have adequate resources to meet the Intent HQ group's liabilities as they fall due and so to operate as a going concern for a period of at least 12 months following the date of approval of these financial statements.

The directors therefore consider it appropriate to adopt the going concern basis for preparing the financial statements.

1.3 Cash flow

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

Notes to the Financial Statements
For the period ended 30 June 2014

1. Accounting Policies (continued)

1.4 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.6 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangement entered into. Where the contractual obligation of the financial instruments (including share capital) are equivalent to a similar debt instrument they are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet.

Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability.

Where none of the contractual terms of share capital meet the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited directly to equity.

2. Result

During the period, no director received any emoluments.

Audit fees were borne by the Subsidiary.

Notes to the Financial Statements
For the period ended 30 June 2014

3. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 24 October 2013	-
Additions	2,315
At 30 June 2014	2,315
Net book value	
At 30 June 2014	2,315

Subsidiary undertakings

The following were direct subsidiary undertakings of the company:

Name	Class of shares	Holding
Intent HQ Limited	Ordinary A	100%

The aggregate of the share capital and reserves as at 30 June 2014 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Intent HQ Limited	(26,349,816)	(7,568,550)

On 19 March 2014 the company purchased the full share capital of Intent HQ Limited at par for £2,315.

4. Debtors

	2014 £
Due after more than one year	
Amounts owed by group undertakings	17,674,554

	2014 £
Due within one year	
Other debtors	1,000

The directors have assessed the recoverability of amounts due from the company's subsidiary undertaking following

Notes to the Financial Statements
For the period ended 30 June 2014

4. Debtors (continued)

losses incurred in the year. In addition to the current activities of the group undertakings and the market value of the underlying businesses, the directors also considered future developments including a number of potential contracts with new customers which, whilst at the proposal stage, the directors are confident of a successful outcome and are expected to generate significant income for subsidiary in the future.

Management have prepared a cash flow forecast for a five year period and discounted these cash flows back to present value to determine the value in use of the subsidiary and its ability to repay the amounts owing. As with any forecast of future profitability management acknowledge that there is a degree of uncertainty regarding the group's ability to perform against these forecasts. The final year of the forecast model has been used to determine the terminal value assuming the Group trades into perpetuity. No growth has been assumed when determining this value. Management have discounted these cash flows at 25% representing the IRR on recent funding rounds and therefore representing the minimum return investors expect on capital employed in the Group.

As a result of these considerations the directors have concluded that amounts owed by group undertakings are not impaired as at 30 June 2014.

5. Share capital

	2014
	£
Allotted, called up and fully paid	
88,317,352 Investor Ordinary A shares of £0.001 each	**88,317**
67,800,000 Investor Ordinary B shares of £0.001 each	**67,800**
82,305,420 Investor Ordinary C shares of £0.001 each	**82,305**
1,522,557 Preferred Ordinary A shares of £0.001 each	**1,523**
2,725,327 Preferred Ordinary B shares of £0.001 each	**2,725**
600,000 Management Ordinary A shares of £0.001 each	**600**
400,000 Management Ordinary B shares of £0.001 each	**400**
	243,670

The following shares were issued during the year at their nominal value of £0.001: 88,317,352 Investor Ordinary A shares, 67,800,000 Ordinary B shares, 82,305,420 Investor Ordinary C shares, 600,000 Management Ordinary A shares, and 400,000 Management Ordinary B shares.

Further, 1,522,557 Preferred Ordinary A shares with a nominal value of £0.001 were issued at £1.997 per share, 410,000 Preferred Ordinary B shares with a nominal value of £0.001 were issued at £0.025 and 2,315,327 of the Preferred Ordinary B shares with a nominal value of £0.001 were issued at £1.997 per share.

508,569 of the Preferred Ordinary A shares, 2,315,327 of the Preferred Ordinary B shares and 63,630,000 of the Investor Ordinary B shares, 25,976,579 of the Investor Ordinary A shares and 69,555,420 of the Investors Ordinary C shares were issued in consideration for the acquisition of shares and certain debt instruments in Intent HQ Limited.

Notes to the Financial Statements

For the period ended 30 June 2014

6. Reserves

	Share premium account	Loans designated as equity
	£	£
Premium on shares issued during the period	7,670,260	-
Loan notes issued	-	9,763,939
At 30 June 2014	7,670,260	9,763,939

The loan notes held by the Company have been designated as equity.The obligation to repay the loan notes and redemption premium is not enforceable and so, in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the substance of the transaction is considered to be that of an equity instrument. As such amounts owed under the loan notes have been classified as a component of equity, any subsequent redemption premium payable will be accounted for as a distribution to shareholders.

Notes to the Financial Statements

For the period ended 30 June 2014

7. Contingent liabilities

No redemption premium has been accrued on the loan notes as they are designated as equity in accordance with FRS 25. As at the reporting date redemption premium of £1,466,624 million had accrued and will become payable in the event that the company chooses to redeem the loan notes.

8. Related party transactions

Amounts owed by group understandings represents loans to Intent HQ Limited transferred to the Company as part of the group reorganisation in the year.

During the year £1,042,000 of interest accrued on this balance, however, this amount has not been recognised on the basis that the timing of it's recoverability is uncertain.