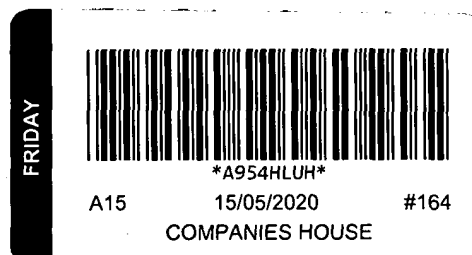


OXFORD ANALYTICA LIMITED

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2019**



Company Registration Number: 01196703

OXFORD ANALYTICA LIMITED

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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OXFORD ANALYTICA LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2019**

DIRECTORS

D R Young
D K Young
J C Young

SECRETARY

R M M McConnachie

REGISTERED OFFICE

5 Alfred Street
Oxford
OX1 4EH

COMPANY REGISTRATION NUMBER

01196703 England and Wales

OXFORD ANALYTICA LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2019**

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	5	354,427	386,425
CURRENT ASSETS			
Debtors	6	843,726	791,992
Cash at bank and in hand		337,720	161,894
		<u>1,181,446</u>	<u>953,886</u>
CREDITORS: Amounts falling due within one year	7	<u>3,949,683</u>	<u>3,808,315</u>
NET CURRENT LIABILITIES		<u>(2,768,237)</u>	<u>(2,854,429)</u>
CURRENT LIABILITIES LESS TOTAL ASSETS		<u>(2,413,810)</u>	<u>(2,468,004)</u>
CREDITORS: Amounts falling due after more than one year	8	<u>180,393</u>	<u>241,591</u>
NET LIABILITIES		<u><u>(2,594,203)</u></u>	<u><u>(2,709,595)</u></u>
CAPITAL AND RESERVES			
Called up share capital		100	100
Distributable profit and loss account		(2,723,215)	(2,838,607)
Capital redemption reserve		128,912	128,912
SHAREHOLDERS' DEFICIT		<u><u>(2,594,203)</u></u>	<u><u>(2,709,595)</u></u>

OXFORD ANALYTICA LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2019**

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A - small entities.

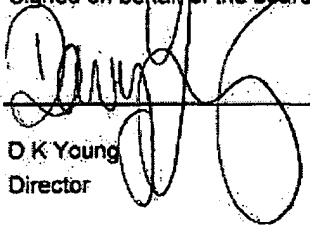
For the financial year ended 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

Members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

As permitted by S444 (5A) of the Companies Act 2006 the directors have not delivered to the Registrar a copy of the company's Profit and Loss Account or Directors Report.

Signed on behalf of the board of directors



D K Young
Director

Date approved by the board:

11/5/2020

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1 GENERAL INFORMATION

Oxford Analytica Limited is a private company limited by shares and incorporated in England and Wales. Its registered office is:

5 Alfred Street
Oxford
OX1 4EH

The financial statements are presented in Sterling, which is the functional currency of the company.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of financial statements

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 Section 1A smaller entities 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

Going concern

The nature of the company's business is that there are significant deferred revenues, having a direct impact on the net current liabilities and net liabilities position of the company. Included in accruals and deferred income due within one year is £1,648,198 (2018 - £1,711,684) of deferred revenue related to Daily Brief subscriptions paid in advance by clients which are non-refundable in any event other than the discontinuance of the company. Included within accruals and deferred income due within more than one year is £26,585 (2018 - £57,446) of deferred revenue related to Daily Brief subscriptions. Excluding the deferred revenue referred to above, the company is in a net current liability position of £1,120,039 (2018 - £1,142,745) and a net liability position of £919,420 (2018 - £940,465).

The accounts have been drawn up on the going concern basis. The company owes its bank £385,214 and fellow group companies £1,450,093 which could be required for repayment without notice. The company is therefore dependent upon the continued support of the bank and its fellow group companies. The directors do not consider the support of the bank or the fellow group companies likely to be withdrawn.

The directors are aware of the financial position of the company and have carefully considered the prospects for the business for the foreseeable future by preparing budgets, forecasts and ensuring that financial support from other parts of the group is available. The directors are satisfied that it is appropriate to prepare the accounts on a going concern basis.

If the going concern basis was not appropriate, adjustments would have to be made to reduce the value of assets to their recoverable amounts, to provide for additional liabilities that might arise and to reclassify fixed assets as current assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)

Revenue recognition

Turnover is measured at the fair value of consideration received or receivable. It is recognised in respect of timely and authoritative analysis of the significance and implications of world events to business and government leaders by drawing on the scholarship of Oxford University and other major universities and institutions throughout the world. Turnover is stated net of trade discounts and value added tax.

The company recognises revenue when the amount of revenue can be measured reliably and when it is probable that future economic benefits will flow to the entity.

Subscription income (Daily Brief and Global Risk Monitor (GRM))

Turnover from subscription income is recognised on a straight line basis over the length of the subscription. Deferred income represents the element of the subscription income relating to future accounting periods.

Advisory income

In the case of advisory engagements, turnover reflects the contract activity during the year and represents the proportion of total contract value which costs incurred to date bear to total expected contract costs.

Conference income

Turnover from conferences primarily represents income generated by the Global Horizons Conference held annually at Oxford University and is recognised once the conference has taken place.

Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation has been provided at the following rate so as to write off the cost or valuation of assets less residual value of the assets over their estimated useful lives.

Freehold property	Straight line basis at 2% per annum
Fixtures and fittings	Straight line basis at 20% per annum
Computer equipment	Straight line basis at 20% per annum
Website development	Straight line basis at 33% per annum

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in the profit and loss account, and included within administrative expenses.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)

Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets are measured at cost and are assessed at the end of each reporting period for objective evidence of impairment. Where objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

The impairment loss for financial assets measured at cost is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like goodwill and plant, property and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets (which is the higher of value in use and the fair value less cost to sell) is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in the profit and loss account.

If an impairment loss is subsequently reversed, the carrying amount of the asset, or group of related assets, is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset, or group of related assets, in prior periods. A reversal of an impairment loss is recognised immediately in the profit and loss account.

Debtors

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

Creditors

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)

Leases

Leases are classified as finance leases when they transfer substantially all the risks and rewards of ownership of the leased assets to the company. Other leases that do not transfer substantially all the risks and rewards of ownership of the leased assets to the company are classified as operating leases.

The company has entered into some hire purchase agreements for certain assets that include the option to purchase the items at the end of the lease term for a nominal amount, which is expected to be much lower than their fair value at that date. The hire purchase agreements have been classified as finance leases as it is reasonably certain that the option will be exercised.

Assets held under finance leases are recognised in accordance with the company's policy for tangible fixed assets. The corresponding obligations to lessors under finance leases are treated in the balance sheet as a liability. The assets and liabilities under finance leases are recognised at amounts equal to the fair value of the assets, or if lower, the present value of minimum lease payments, determined at the inception of the lease.

Minimum lease payments are apportioned between finance charges and the reduction in the outstanding liabilities using the effective interest method. The finance charge is allocated to each period during the lease so as to produce a constant rate of interest on the remaining balance of the liabilities. Finance charges are recognised in the profit and loss account.

Taxation

Taxation expense represents the aggregate amount of current tax and deferred tax recognised in the reporting period.

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods based on current tax rates and laws. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Current and deferred tax assets and liabilities are not discounted.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)

Foreign currencies

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rate of exchange prevailing at that date. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit or loss.

Borrowing costs

All borrowing costs are recognised in the profit and loss account in the period in which they are incurred.

Provisions

A provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use is recognised. The provision is measured at the salary cost payable for the period of absence.

Pensions

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the amount payable in the year. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments in the balance sheet.

Employee benefits

Short term employee benefits are recognised as an expense in the period in which they are incurred.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

No significant accounting estimates and judgements have had to be made by the directors in preparing these financial statements.

4 EMPLOYEES

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

	2019	2018
Average number of employees	37	47

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

5 TANGIBLE ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Website development £	Total £
Cost					
At 1 January 2019	532,203	45,285	136,773	160,427	874,688
Additions	-	-	3,614	-	3,614
At 31 December 2019	<u>532,203</u>	<u>45,285</u>	<u>140,387</u>	<u>160,427</u>	<u>878,302</u>
Accumulated depreciation and impairments					
At 1 January 2019	202,236	29,656	95,944	160,427	488,263
Charge for year	10,644	6,962	18,006	-	35,612
At 31 December 2019	<u>212,880</u>	<u>36,618</u>	<u>113,950</u>	<u>160,427</u>	<u>523,875</u>
Net book value					
At 1 January 2019	<u>329,967</u>	<u>15,629</u>	<u>40,829</u>	<u>-</u>	<u>386,425</u>
At 31 December 2019	<u>319,323</u>	<u>8,667</u>	<u>26,437</u>	<u>-</u>	<u>354,427</u>

6 DEBTORS

	2019 £	2018 £
Trade debtors	679,669	614,378
Prepayments and accrued income	61,583	82,895
Other debtors	102,474	94,719
	<u>843,726</u>	<u>791,992</u>

Included within other debtors are amounts considered to be due after more than one year:

	2019 £	2018 £
Other debtors	<u>1,745</u>	<u>2,075</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

7 CREDITORS: Amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	231,406	28,920
Trade creditors	73,824	106,058
Taxation and social security	61,339	83,385
Hire purchase contracts and finance leases	-	4,610
Accruals and deferred income	2,127,935	2,088,592
Other creditors	1,455,179	1,496,750
	<u>3,949,683</u>	<u>3,808,315</u>

8 CREDITORS: Amounts falling due after more than one year

	2019	2018
	£	£
Bank loans and overdrafts	153,808	184,145
Other creditors	26,585	57,446
	<u>180,393</u>	<u>241,591</u>

Included in the amounts falling due after more than one year are the following amounts which are due in more than five years:

	2019	2018
	£	£
Bank loans and overdrafts	<u>19,366</u>	<u>55,314</u>

9 SECURED DEBTS

The company has a bank loan and overdraft facility with Barclays Bank PLC which are secured on the freehold property of the company up to a maximum of £300,000. The rate of interest applicable to the loan is 2.5% above the Bank of England base rate and the loan is to be repaid over a total period of 10 years.

10 CONTINGENCIES AND COMMITMENTS

	Not provided	
Deferred Tax Assets	2019	2018
	£	£
Decelerated capital allowances	18,106	19,419
Losses	402,630	426,153
Balance carried forward	<u>420,736</u>	<u>445,572</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

11 POST BALANCE SHEET EVENTS

Since the year end, there has been a global pandemic of the COVID-19 virus. This creates a high level of uncertainty for the business environment. Oxford Analytica Limited is successfully now operating as a virtual business, has not currently laid off or furloughed staff, and has not seen significant negative business impact. However given long sales cycles and current uncertainties the impact on revenues cannot for the moment be estimated. On a precautionary basis therefore the management team are limiting discretionary spend and will look to preserve cash until such time as that impact can be quantified.